



Keswick Hall Trust

Promoting and supporting
Religious Education

ANNUAL REPORT

&

FINANCIAL STATEMENTS

For the year ended 31 March 2021

Registered Charity No: 311246

• Registered Charity No. 311246 • PO Box 307, Woodbridge, IP13 6WL •
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Keswick Hall Charity

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Keswick Hall Charity

Report of the Trustees of Keswick Hall Charity For the year ended 31 March 2021

The Trustees present their report and audited financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's Governing Document, 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 published in October 2019.

Reference and administrative information

Charity name	Keswick Hall Charity
Charity number	311246
Address of charity	PO Box 307 [Until 15/4/2021] Woodbridge Suffolk IP13 6WL
	PO Box 169 [From 16/4/2021] High Peak SK17 1DF

Nominative Trustees

The Rev Dr H Cleugh

Mr PN Dunning

Mrs JM Eccleston

Mrs S Paice

Mr A Read

Mrs J Sheat

Nominator

The Bishop of Ely

Norwich Diocesan Board of Education

The Bishop of St Edmundsbury and Ipswich

The Bishop of Norwich

Ely Diocesan Board of Education

St Edmundsbury & Ipswich Diocesan Board of Education

Co-optative Trustees

Mr DC Broom
Mrs AJ Kenna
Mr PB Maxwell
Mrs L Moore
Professor LB Marsden

Keswick Hall Charity

Report of the Trustees of Keswick Hall Charity For the year ended 31 March 2021

Reference and administrative information

[continued]

Executive Officer

Mr MJ Green
T/A MJG Business
Karinya Woodbridge Road [Until 24/3/2021]
Grundisburgh
Woodbridge
IP12 6UF

1 Hockerley New Road [From 24/3/2021]
Whaley Bridge
High Peak
Derbyshire
SK23 7GA

Treasurer

Mr DC Broom

Bankers

Barclays Bank plc
4 Church Street
Woodbridge
IP12 1DJ

Auditor

Lovewell Blake LLP
Chartered Accountants
Bankside 300, Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Investment Managers

JM Finn & Co
4 Coleman Street
London
EC2R 5TA

Solicitors

Lee Bolton Monier-Williams
1 The Sanctuary
Westminster
London
SW1P 3JT

Keswick Hall Charity

Report of the Trustees of Keswick Hall Charity For the year ended 31 March 2021

Objectives and activities

- (1) The object of the charity is to advance for the public benefit education in any part of the world where the Church of England may be at work in such ways as the Managing Trustees may, from time to time, determine, including by:
 - (a) The promotion, encouragement and support, including research in and development of religious education in Educational Institutions, including the training of ministers of religion, by the provision or assistance in the provision of instruction, classes, lectures books, libraries and reading rooms and any associated equipment or resources;
 - (b) Promoting the efficiency and effectiveness of Educational Institutions and the efficient and effective application of resources for such purposes;
 - (c) Advancing the education and training of people who work, volunteer or govern in Educational Institutions, in particular those persons who are, or who intend to become, engaged as teachers or otherwise in work connected with religious education, in order to assist those persons to deliver a high quality education to pupils, students and the communities served by those institutions;
 - (d) The provision and conduct of a chapel and chaplaincy providing for religious worship, care and instruction; and
 - (e) The granting of financial assistance to Educational Institutions established for charitable purposes only.
- (2) The object shall be conducted in accordance with the principles and doctrines of the Church of England; and
- (3) "Educational Institution" means any academy, school, college or place of higher or further education or any other institution having as its purpose education, or promotion of the education of children or adults or children and adults.

The present activity is to apply the Charity's income to: grants for in-service and initial training of teachers of religious education; providing resources for use by teachers of religious education; and research and development in religious education. Grants are made to individuals and corporate bodies.

Public benefit

The Managing Trustees have had due regard to the Charity Commission's guidance on public benefit in *The Advancement of Religion for the Public Benefit* and have had due regard to it in their administration of the Charity.

The Charity provides funding to individuals and corporate bodies for the advancement of higher and further education including the promotion of research and development of religious education. The geographical area of benefit is generally within the east of England, however, with the diminishing resource centre availability throughout the UK, this geographical area is continuing to expand nationally and also internationally.

Keswick Hall Charity

Report of the Trustees of Keswick Hall Charity For the year ended 31 March 2021

Objectives and activities (continued)

The advancement of education supported by the Charity is generally in accordance with the doctrines of the Church of England. However, in our ever changing multi-faith world the need for teachers to be equipped to educate young people in all faiths has led to an expansion of the work supported by the Charity.

Grants are available to those who seek to advance their knowledge and understanding in the teaching environment. It is to enable teaching in schools to be enhanced through greater knowledge of the teacher rather than in the provision of physical resources. Help is available to teachers from whatever religious background, and to schools, not just Church of England schools, and regardless of their financial means.

Achievements and performance

This financial year has been an exceedingly difficult time for all due to the Covid-19 Pandemic. This has resulted in no face-to-face trustee meetings and a limited number of opportunities for the trust to support grant applicants and the annual Keswick Hall Lecture series at the university of East Anglia.

Trustees have met twice during the year using a 'Paper Trail' methodology. This has enabled the trust to continue to operate whilst ensuring that all the relevant governance procedures are maintained.

The operation of the trust carries on with the accounts and investments being monitored on a regular basis by the Executive Officer and Honorary Treasurer.

Due to the continued income from the trust investments with JM Finn, Trustees have been able to maintain their annual grant payments of £180,000 previously committed to the three dioceses of Ely, Norwich and St Edmundsbury and Ipswich.

£34,660 was offered in grants of which £16,500 was to organisations and £18,160 to individuals who were undertaking RE studies.

The Coronavirus Pandemic has impacted on the Keswick Hall Trust that will prevent the trustees meeting on a physical basis until the lockdown is over and the government changes its advice on physical meetings.

No staff are employed by the trust, so it is not necessary to take advantage of the various support options being offered by the government. Similarly, there are no regular payments for pensions or PAYE/NI.

Financial review

Net income for the year ended 31 March 2021 prior to gains/losses on investment assets amounted to £14,048 (2020: net expenditure £4,279).

The net gain on investment assets for the year amounted to £781,265 (2020: loss £328,147), giving a net increase in funds for the year of £795,313 (2020: net decrease in funds £332,426).

Principal funding sources

Most the Charity's income comes from investments.

Keswick Hall Charity

Report of the Trustees of Keswick Hall Charity For the year ended 31 March 2021

Financial review (continued)

Grants policy

Grants are given to the dioceses of Ely, Norwich and St Edmundsbury and Ipswich for the development of religious education.

Grants are also made to individuals and corporate bodies for in-service and initial training of teachers of religious education; providing resources for use by teachers of religious education; and research and development in religious education

Investment policy

The Managing Trustees have invested the capital funds with JM Finn & Co Fund Managers. The accumulated income is also invested by JM Finn & Co Fund Managers.

Reserves policy

On 31 March 2021, unrestricted free reserves totalled £2,642,426 (2020: £1,840,798) represented by investments valued at £3,467,203 (2020: £1,840,798) less net current and longer-term liabilities of £824,777 (2020: £907,237) as contained in note 11. The liabilities include in full the commitment to the three Dioceses for the support of religious education until 2026. The Restricted Investment Fund balance is £1,500,000 (2020: £1,506,810).

Trust (Capital and Income) Act 2013

During the period ending 31 March 2019 the Managing Trustees used the above Act to release capital from the Restricted Investment Fund. In identifying the value of the portion of the permanent endowment fund that represented unapplied total return, the Trustees first identified the value of the initial founding gift, and a figure of £1,500,000 was agreed by Trustees as being the level of the Restricted Investment Fund as at 31 December 2018. From this date anything above this amount is transferred to the Unrestricted Investment Fund. This has allowed the Trustees to set a 10-year budget that will allow the Charity to continue to provide support to religious education during that period.

When reaching the decision as to the unapplied total return to transfer to income, the Trustees have taken the relevant professional advice.

Plans for future periods

With the proposed lifting of the Coronavirus Restrictions on 19 July the Managing Trustees are proposing to start holding their Managing Trustee Meetings face to face three times a year.

Applications from organisations and individuals for grants have started to be received in the numbers that compare with pre-Covid. This will form the major work of the Managing Trustees to consider the applications and make appropriate decisions on if and how much should be granted to the applicants. The trust will continue to support the educations departments of Ely, Norwich and St Edmundsbury & Ipswich dioceses for the next 5 years by providing a grant of £60,000 per diocese per year.

Keswick Hall Charity

Report of the Trustees of Keswick Hall Charity For the year ended 31 March 2021

Plans for future periods (continued)

The trust is a member of the Association of Church College Trusts and although meetings are currently on Zoom there are plans to revert to face to face meetings in the near future. This enables information to be shared between the trusts about the future of RE in our schools and colleges.

There are no staff currently employed by the trust and there are no plans for any staff to be employed in the future so there will be no need for a pension scheme or payment of PAYE/NI.

The properties at Keswick Park – currently rented out to Keswick Riding Stables – and 59 Low Road – currently rented out to a former caretaker of Keswick Hall Teacher Training College – will continue to be owned by the trust and rented out for the foreseeable future.

Structure, governance, and management

Governing document

The Keswick Hall Charity (Registered Number 311246) was set up by a Scheme made by the Secretary of State for Education and Science on 9 September 1968, as varied by subsequent Schemes dated 19 October 1971, 18 November 1971, and a Charity Commission Scheme dated 25 February 1981, and subsequently amended on 16 June 2014.

Custodian Trustee

The Official Custodian for Charities is the Custodian Trustee for the Charity. All the capital assets including investment assets are retained in the name of the Custodian Trustee. The Custodian Trustee plays no part in the daily management of the Charity and is not a signatory to the revenue bank accounts and accumulated income investments.

Recruitment and appointment of trustees

Nominative managing trustees are appointed as follows:

- One each by the respective Bishops of Ely, Norwich and St Edmundsbury and Ipswich
- One each by the respective Diocesan Boards of Education of Ely, Norwich and St Edmundsbury and Ipswich

The appointment of five co-optative trustees is by a resolution of the Trustees. New Trustees are identified by the existing Trustees and invited to join the trustee body. They are chosen as being people of good character and standing within the local community usually with previous experience of being a charity trustee.

Trustee induction and training

As new Trustees often have previous experience formal training is not usually required but where necessary appropriate briefing is arranged. Background information is provided in the form of previous year's annual report and financial statements, minutes of the meetings of the trustees in the previous year and a copy of the grant application pack.

Keswick Hall Charity

Report of the Trustees of Keswick Hall Charity For the year ended 31 March 2021

Structure, governance and management (continued)

Risk management

The major risks, to which the Charity is exposed, as identified by the Trustees, have been considered, a risk management policy (which includes procedures to minimise financial risk, reputational risk, operational risk and legal and statutory risk) adopted and systems established to mitigate them. The Managing Trustees reviewed risks in all categories annually and made appropriate policy amendments in order further to reduce future potential risk exposure, particularly in the areas of the review of Trustee experience, conflicts of interest, monitoring arrangements for significant projects, cash flow and income, and authorised signatories.

Organisational structure

Trustees normally meet three times each financial year and at each of their meetings consider grant applications and also receive any feedback from recipients of grants previously given. They also review their investment policy and received reports from the Fund Managers. Trustees are responsible for the administration of the Charity and therefore reviewed their various strategic policies regularly in the light of changing circumstances and legislative changes.

The Board of Managing Trustees no longer have committees with all issues considered and decisions taken at meetings of the Managing Trustees.

The Trustees have engaged Mr MJ Green T/A MJG Business as the Executive Officer of the Trust.

Related parties

While considering grant applications one of the Dioceses may be considered for a grant. Mr PN Dunning is a Nominative Trustee appointed by the Norwich Diocesan Board of Education, The Revd Dr H Cleugh is a nominative Trustee appointed by the Bishop of Ely, Mr A Read is a Nominative Trustee appointed by the Ely Diocesan Board of Education, Mrs J Sheat is a Nominative Trustee appointed by the St Edmundsbury and Ipswich Board of Education, Mrs JM Eccleston is a Nominative Trustee appointed by the Bishop of St Edmundsbury and Ipswich and Mrs S Paice is a Nominative Trustee appointed by The Bishop of Norwich.

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 requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Keswick Hall Charity

Report of the Trustees of Keswick Hall Charity For the year ended 31 March 2021

Structure, governance and management (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (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.

True and fair override

The financial statement 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice from 1 April 2005 which has since been withdrawn.

Auditor

Lovewell Blake LLP have indicated they are willing to continue in office and a resolution to reappoint them will be proposed at the next Annual General Meeting.

By order of the Board

P B Maxwell

Managing Trustee

12 July 2021

Independent Auditor's Report to The Trustees of Keswick Hall Charity

Opinion

We have audited the financial statements of Keswick Hall Charity (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. 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.

Independent Auditor's Report (continued) to The Trustees of Keswick Hall Charity

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustees; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 7), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

Independent Auditor's Report (continued) to The Trustees of Keswick Hall Charity

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

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 auditor's report.

Use of our report

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

LOVEWELL BLAKE LLP
Chartered Accountants
Statutory Auditor
Bankside 300, Peachman Way
Broadland Business Park
Norwich NR7 0LB

4 August 2021

Lovewell Blake LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Keswick Hall Charity

Statement of Financial Activities

For the year ended 31 March 2021

	Notes	Unrestricted Fund 2021 £	Endowment Fund 2021 £	Total 2021 £	Unrestricted Fund 2020 £	Endowment Fund 2020 £	Total 2020 £
Income and endowments from:							
Investments	2	97,694	48,345	146,039	119,169	54,947	174,116
Total		97,694	48,345	146,039	119,169	54,947	174,116
Expenditure on:							
Raising funds	3	12,914	22,080	34,994	23,778	12,087	35,865
Charitable activities	3	96,997	-	96,997	142,530	-	142,530
Total		109,911	22,080	131,991	166,308	12,087	178,395
Net (expenditure) and net movements in funds before gains and losses on investments		(12,217)	26,265	14,048	(47,139)	42,860	(4,279)
Net gains (losses) on Investments		536,119	245,146	781,265	(248,033)	(80,114)	(328,147)
Transfers between funds		278,221	(278,221)	-	(44,064)	44,064	-
Net movement in funds		802,123	(6,810)	795,313	(339,236)	6,810	(332,426)
Reconciliation of funds:							
Total funds brought forward 1st April 2020		1,840,798	1,506,810	3,347,608	2,180,034	1,500,000	3,680,034
Total funds carried forward 31st March 2021		2,642,921	1,500,000	4,142,921	1,840,798	1,506,810	3,347,608

The notes on pages 15 to 21 form part of these financial statements
The Statement of Financial Activities includes all gains and losses recognised in the year.
All activities are from continuing operations.

Keswick Hall Charity

Balance Sheet

31 March 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	4	495	660
Investments	5	<u>4,967,203</u>	<u>4,254,185</u>
		4,967,698	4,254,845
Current assets			
Cash at bank and in hand		<u>41,779</u>	<u>96,994</u>
		41,779	96,994
Creditors: amounts falling due within one year			
	6	(195,875)	(187,781)
Net current liabilities			
		<u>(154,096)</u>	<u>(90,787)</u>
Total assets less current liabilities			
		<u>4,813,602</u>	<u>4,164,058</u>
Creditors: amounts falling due after more than one year			
	7	(670,681)	(816,450)
Net assets			
		<u><u>4,142,921</u></u>	<u><u>3,347,608</u></u>
Funds			
Endowment Fund	10	1,500,000	1,506,810
Income Fund	10	<u>2,642,921</u>	<u>1,840,798</u>
		<u><u>4,142,921</u></u>	<u><u>3,347,608</u></u>

Approved on 12 July 2021

..... - Managing Trustee
Canon PB Maxwell

..... - Managing Trustee
Mrs JM Eccleston

..... - Managing Trustee
Mr DC Broom

The notes on pages 15 to 21 form part of these financial statements

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

General Information

Keswick Hall Trust is a registered charity in England and Wales, and is unincorporated. The address of the principal office is given in the reference and administrative information on page 1 of these financial statements. The nature of the charity's operations and principal activities is outlined on page 3 of these financial statements.

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

Statement of Compliance

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

The accounts (financial statements) have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the entity and rounded to the nearest £.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Managing Trustees in furtherance of the general objectives of the charity.

Endowment funds represent assets which must be held permanently by the charity.

Income

All income included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Investment income is included when receivable.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds includes investment management costs.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them. Grants are included in the Statement of Financial Activities once authorised and there is a resulting obligation for payment.

Keswick Hall Charity

Notes to the accounts

Year ended 31 March 2021

Expenditure (continued)

The provision of a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the Charity to avoid making the future payments, settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. The discount rate is regarded by the Trustee as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Charity

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, other are apportioned on an appropriate basis.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions costing below £100 are not capitalised. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Computer equipment - 25% per annum on a straight line basis.

Taxation

The charity is exempt from taxation in respect of income or capital gains received to the extent that such income or gains are applied to exclusively charitable purposes.

Investments

Investments held for the long-term to generate income and preserve capital in real terms are carried at market value as fixed assets. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year. The freehold investment properties are included at a valuation by the Trustees as at 31 March 2020. It is the Managing Trustees' intention to revalue the investment properties periodically.

Debtors and creditors receivable/payable within one year

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

Cash at bank

Cash at bank and in hand included 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.

Going concern

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

Judgement and key sources or estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Keswick Hall Charity

Notes to the accounts

Year ended 31 March 2021

2 Investment Income

	2021	2020
	£	£
Dividend Income	135,407	163,420
Bank Interest	90	154
Rental Income	10,542	10,542
	<u>146,039</u>	<u>174,116</u>

Income from investments was £146,039 (2020: £174,116) of which £48,345 (2020: £54,947) was attributable to endowment funds and £97,694 (2020: £119,169) was attributable to Unrestricted funds

3 Total expenditure

	* Charitable activities *					
	Raising funds	Grant funding	Support costs	Governance costs	2021	2020
	£	£	£	£	£	£
Investment management costs	34,994	-	-	-	34,994	35,865
Individual grants	-	18,160	-	-	18,160	9,564
Institutional grants	-	16,500	-	-	16,500	55,985
Keswick Park	-	-	-	-	-	11,804
Low Road Expenses	-	-	1,485	-	1,485	1,683
Insurance	-	-	745	-	745	717
Sundry expenses	-	-	35	-	35	325
Depreciation	-	-	165	-	165	220
Bank Charges	-	-	54	-	54	80
Finance costs	-	-	34,231	-	34,231	31,239
Legal and professional fees	-	-	-	-	-	1,061
Copy/Post/Computer Services	-	-	-	1,568	1,568	2,098
Executive Officer's expenses	-	-	-	-	-	1,028
Executive Officer's Charge	-	-	-	13,475	13,475	14,488
Managing Trustees' travel	-	-	-	-	-	438
Managing Trustees' meetings	-	-	-	150	150	646
Audit	-	-	-	4,660	4,660	4,304
Accountancy	-	-	-	5,200	5,200	6,400
Subscriptions	-	-	-	569	569	450
	<u>34,994</u>	<u>34,660</u>	<u>36,715</u>	<u>25,622</u>	<u>131,991</u>	<u>178,395</u>

£22,080 (2020: £12,087) of the above costs were attributable to endowment funds, and £109,911 (2020: £166,308) attributable to unrestricted funds.

Institutional grants comprised of £2,500 to God & The Big Bang, £5,000 to the A/B York Youth Trust £5,000 to Diss Methodist Church , £1,500 to Cambridge Theological Federation and £2,500 to Wintershall Education

Auditor's remuneration	2021	2020
	£	£
Audit - current year	4,500	4,560
Audit - previous year	160	(256)
	<u>4,660</u>	<u>4,304</u>
Other financial services	-	-
	<u>4,660</u>	<u>4,304</u>

Keswick Hall Charity

Notes to the accounts

Year ended 31 March 2021

4 Tangible fixed assets

	Computer equipment 2021 £
Cost	
At 1 April 2020 and 31 March 2021	3,742
Depreciation	
At 1 April 2020	(3,082)
Charge for the year	(165)
At 31 March 2021	<u>(3,247)</u>
Net book value at 31 March 2021	<u>495</u>
Net book value at 31 March 2020	<u>660</u>

All fixed assets are for the Charity's own use.

5 Investments

	2021 £	2020 £
Investment properties	295,000	295,000
Securities	4,672,203	3,959,185
	<u>4,967,203</u>	<u>4,254,185</u>

Investment properties

	2021 £	2020 £
59 Low Road Keswick (original cost £30,800) Valuation	95,000	95,000
Pasture land adjoining Keswick Hall (original cost £28,750) Valuation	200,000	200,000
	<u>295,000</u>	<u>295,000</u>

Keswick Hall Charity

Notes to the accounts

Year ended 31 March 2021

5 Investments [continued]

	2021	2020
	£	£
Securities		
Market value at 1 April 2020	3,959,185	4,489,337
Additions	869,314	211,799
Disposal proceeds	(937,561)	(413,805)
	<u>3,890,938</u>	<u>4,287,331</u>
Unrealised gains/losses	781,265	(328,146)
Market value at 31 March 2021	<u><u>4,672,203</u></u>	<u><u>3,959,185</u></u>

6 Creditors: amounts due within one year

	2021	2020
	£	£
Accruals	12,500	4,406
Deferred income (note 8)	3,375	3,375
Grants committed - Diocesan RE advisers (note 9)	180,000	180,000
	<u>195,875</u>	<u>187,781</u>

7 Creditors: amounts due after more than one year

	2021	2020
	£	£
Long Term Grant Commitment for Diocesan RE advisers (note 9)	670,681	816,450
	<u>670,681</u>	<u>816,450</u>

8 Deferred income

	2021	2020
Deferred income brought forward	3,375	-
Released during the year	(3,375)	-
Deferred during the year	3,375	3,375
Deferred income carried forward	<u>3,375</u>	<u>3,375</u>

Deferred income relates to rental income received in advance.

Keswick Hall Charity

Notes to the accounts

Year ended 31 March 2021

9 Grant commitments

	Commitments brought forward at 1.4.20	Increase in commitments less variations	Payments in year	Commitments carried forward at 31.3.21
	£	£	£	£
Individual	-	18,160	(11,660)	6,500
Corporate	-	16,500	(15,000)	1,500
Diocesan RE advisers	996,450	34,231	(180,000)	850,681
	996,450	68,891	(206,660)	858,681

10 Funds	Balance at 1.4.20	Income	Expenditure	Transfers between funds	Gains/ (losses)	Balance at 31.3.21
<u>2021</u>	£	£	£	£	£	£
Endowment Fund	1,506,810	48,345	(22,080)	(278,221)	245,146	1,500,000
Unrestricted Income Fund	1,840,798	97,694	(109,911)	278,221	536,119	2,642,921
Total funds	3,347,608	146,039	(131,991)	-	781,265	4,142,921

Funds	Balance at 1.4.19	Income	Expenditure	Transfers between funds	Gains/ (losses)	Balance at 31.3.20
<u>2020</u>	£	£	£	£	£	£
Endowment Fund	1,500,000	54,947	(12,087)	44,064	(80,114)	1,506,810
Unrestricted Income Fund	2,180,034	119,169	(166,308)	(44,064)	(248,033)	1,840,798
Total funds	3,680,034	174,116	(178,395)	-	(328,147)	3,347,608

The Endowment Fund is invested to protect the value of the Income Fund, and to provide supplementary income. During the year 2018/2019 the Trustees adopted a total return investment policy and released funds from endowed funds, retaining a permanent endowment of £733,000 and an unapplied total return of £767,000.

Under the terms of the Trust (Capital and Income) Act 2013 the Restricted Investment Fund has to be retained at the level of £1,500,000.

11 Analysis of net assets between funds

	Unrestricted £	Endowment £	Total £
<u>2021</u>			
Fixed assets	495	-	495
Investments	3,467,203	1,500,000	4,967,203
Net current liabilities	(154,096)	-	(154,096)
Long term liabilities	(670,681)	-	(670,681)
	2,642,921	1,500,000	4,142,921

	Unrestricted £	Endowment £	Total £
<u>2020</u>			
Fixed assets	660	-	660
Investments	2,747,375	1,506,810	4,254,185
Net current liabilities	(90,787)	-	(90,787)
Long term liabilities	(816,450)	-	(816,450)
	1,840,798	1,506,810	3,347,608

Keswick Hall Charity

Notes to the accounts

Year ended 31 March 2021

12 Transactions with Managing Trustees

No salaries or wages have been paid to employees, including the Managing Trustees, during the year or the previous year.

During the year £150 was reimbursed to one Managing Trustee in respect of training costs (2020: Eight Managing Trustees for travel expenses, £438).

13 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2021	2020
	£	£
<i>Financial assets</i>		
Measured at fair value through net income;	4,672,203	3,959,185
Fixed asset listed investments (note 5)	<u> </u>	<u> </u>

14 Total return investment

	Endowment	Unapplied	Total
	£	Total Return	£
		£	
At start of accounting period:			
Trust for permanent endowment	733,000	-	733,000
Unapplied total return	-	773,810	773,810
Movements in the accounting period:			
Investment return (dividends, interest)	-	48,345	48,345
Investment return (gains/losses)	-	245,146	245,146
Less investment management costs	-	(22,080)	(22,080)
Unapplied total return allocated to income	-	(278,221)	(278,221)
Net movements in the accounting period	-	(6,810)	(6,810)
At end of accounting period:			
Trust for investment/permanent endowment	733,000	-	733,000
Unapplied total return	-	767,000	767,000
	<u>733,000</u>	<u>767,000</u>	<u>1,500,000</u>

Held as follows:

Deposit account	1,483,903
Stock account	16,097
	<u>1,500,000</u>

The investment power of total return was exercised by the trustees under section 104A of the Charities Act 2011 as amended by the Trust (Capital and Income) Act 2013.

**The following pages do not form part of the financial statements.
They are for the use of the Charity's Trustees and management only.**

Keswick Hall Charity

Detailed Income and Expenditure account

Year ended 31 March 2021

	2021	2020
	£	£
Income		
Investment income on J M Finn & Co portfolio	135,407	163,420
Rents	3,792	3,792
Keswick Park Tenancy	6,750	6,750
Barclays Bank Loyalty Reward	-	6
Barclays Bank Saver Account Interest	90	148
	<hr/>	<hr/>
	146,039	174,116
	<hr/>	<hr/>
Expenditure		
Costs of generating funds		
Investment management costs - Endowment Fund	12,914	12,087
- Income Fund	22,080	23,778
Grants payable		
Individual	18,160	9,564
Corporate	16,500	55,985
Support costs		
Low Road Expenses	1,485	1,683
Keswick Park Maintenance	-	11,804
Copy/Post/Computer Supplies/Software/Website	1,568	2,099
Insurance	745	717
Sundry expenses	35	325
Bank Charges	54	80
Governance costs		
Executive Officer's Expenses	-	1,028
Executive Officer's Charge	13,475	14,488
Managing Trustees' Travel	-	438
Managing Trustees' Meetings	150	646
Audit & Review - re current year	4,660	4,560
- re previous year		(256)
Finance costs	34,231	31,239
Accountancy	5,200	6,400
Legal and professional fees	0	1,061
Depreciation	165	220
Subscriptions	569	450
	<hr/>	<hr/>
	131,991	178,395
	<hr/>	<hr/>
Net income/(expenditure) for the year before gains/(losses) on investments	14,048	(4,279)
	<hr/>	<hr/>