

Company registration number: 06754592

Charity registration number: 1135860

# A M Challis Trust Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2019

Tim Phillips & Co Ltd  
Accountants  
Cart House 2  
Copley Hill Business Park  
Cambridge Road  
Babraham  
Cambridge  
CB22 3GN



# **A M Challis Trust Ltd**

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## **A M Challis Trust Ltd**

### **Reference and Administrative Details**

<b>Trustees</b>	Mrs R J Phillips, Chairman Mr W A Fell, Deputy Chairman Mrs M C M Dicken, Secretary Mrs E Dockerill Mr J H Hunting Mr M Redshaw Mrs G Riley Mrs S Williams, Treasurer
<b>Principal Office</b>	68 High Street Sawston Cambridge CB22 3BG
<b>Registered Office</b>	68 High Street Sawston Cambridge CB22 3BG  The charity is incorporated in England & Wales.
<b>Company Registration Number</b>	06754592
<b>Charity Registration Number</b>	1135860
<b>Independent Examiner</b>	Tim Phillips & Co Ltd Accountants Cart House 2 Copley Hill Business Park Cambridge Road Babraham Cambridge CB22 3GN
<b>Accountants</b>	Tim Phillips & Co Ltd Cart House 2 Copley Hill Business Park Cambridge Road Babraham Cambridge CB22 3GN

## **A M Challis Trust Ltd**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2019.

## **A M Challis Trust Ltd**

### **Trustees' Report**

The re-appointment for 2019 of all current officers was unopposed.

This year has seen several unexpected challenges associated with our rental properties and with the development of our new Garden Museum building. However, alongside this, there are pleasing signs that we are hosting an ever-growing number of visitors and becoming a truly valued asset for our local community and the area beyond.

Encouragingly, there is no shortage of new volunteers coming forward wanting to work both in the Garden and the House.

#### **THE HOUSE (THE MARY CHALLIS MUSEUM)**

With all floors now completely refurbished, we have ample good-quality storage for our large collection of artefacts (incorporating those formally held by the Sawston Village History Society) and for further donated items.

The David Dockerill Library already houses a remarkable collection of historical documents, parchments and other material with close ties to Sawston. Connection to the internet this year means access online to this collection for the general public will very soon be possible. Until then, cataloguing continues apace on a weekly basis led by our Trustee Archivist with a group of dedicated volunteers who assist.

Although a specific museum exhibition was not held during the year, there were regular meetings to discuss the 2020 exhibition focusing on the history of shops and shopping in Sawston with a spotlight on the original Sawston Co-operative Society founded in 1867. There were also meetings to discuss a following exhibition celebrating the 50th anniversary of our multi-award-winning village magazine 'Sawston Scene'.

#### **THE GARDEN**

There has been a year-round plan of ongoing work around the Garden keeping it in tip-top condition and attracting many admiring visitors particularly on the National Garden Scheme Open Day in the summer.

This year, the 10th Anniversary Fete celebrating the opening of the Garden was particularly well-attended as were the two annual children's events and the Horticultural Show.

Apart from our regular events, the number of Garden bookings for groups visiting from a wide area continues to grow - two or three per week in the spring and summer. It is also particularly pleasing that people of all ages with a variety of disabilities choose to spend time in our Garden and find it a real haven of peace.

Work carried out by our building team has included:

- \* Installation of a safety fence around the large pond (funded by grants)
- \* New window frames installed in the Vine House
- \* Repairs to the flint boundary walling & corrugated boundary fencing

Regrettably, we suffered a break-in during the spring resulting in substantial damage to several young trees, to our notice board and to garden furniture and we also lost the money from our main collection box. Images of the perpetrators - a group of teenage boys and girls in local school uniform, captured on nearby CCTV and clearly identifiable, was not followed-up by the police. We were very fortunate to receive a gift of £500 to cover putting right the damage so we sustained no financial loss.

## **A M Challis Trust Ltd**

### **Trustees' Report**

#### **THE NEW GARDEN MUSEUM BUILDING**

This has been a year of much planning and real disappointment. Firstly, the amount of time it took the local authority to consider the plans meant that there was little prospect of a start to building in 2019 and secondly, there was growing disquietude with the likely final cost of this new build.

It was decided to draw a line, seek a different project development manager and so, the whole process had to be re-started. As we still hadn't received any final decisions (on the first plans) from the local authority, this was not too disastrous. At least, by the year end, things are once again moving forward.

#### **RENTAL PROPERTIES**

The renewal of the lease of one of our properties has caused us problems throughout the year resulting in considerable legal fees as we have tried to move things forward.

The tenant of our largest shop whose family has occupied the premises since 1969 continues to be a first class occupant who maintains the premises to a very high standard.

The tenant of our smallest property gave notice during the year and vacated during October offering us the opportunity to address some much needed restoration of what is a Grade 2 listed building. The work is continuing and the improvements are dramatic.

We were proud to be able to offer The Royal British Legion (Sawston Branch) accommodation in this vacant shop for this year's Poppy Appeal and also somewhere to store the very many poppy wreaths that are laid at the war memorial on Remembrance Sunday. We were also delighted to yet again have 'Jimmy' - the full-sized WW1 soldier silhouette - safely displayed amidst an avalanche of poppies in the front garden of the Challis House.

The A M Challis Trust remains dedicated to the wishes of its benefactor Mary Challis and we all continue to thank her for the great gift she bestowed to the people of Sawston.

## A M Challis Trust Ltd

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of A M Challis Trust Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 12 October 2020 and signed on its behalf by:

  
Mrs R J Phillips  
Chairman and Trustee

## **A M Challis Trust Ltd**

### **Independent Examiner's Report to the trustees of A M Challis Trust Ltd**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2019 which are set out on pages 7 to 16.

#### **Respective responsibilities of trustees and examiner**

As the charity's trustees of A M Challis Trust Ltd (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of A M Challis Trust Ltd are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of A M Challis Trust Ltd as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tim Phillips  
Accountants  
Tim Phillips & Co Ltd

Cart House 2  
Copley Hill Business Park  
Cambridge Road  
Babraham  
Cambridge  
CB22 3GN

12 October 2020



# A M Challis Trust Ltd

## Statement of Financial Activities for the Year Ended 31 December 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2019 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	9,639	9,639
Investment income		86	86
Rental Income	4	34,914	34,914
Total income		44,639	44,639
<b>Expenditure on:</b>			
Raising funds	5	(10,805)	(10,805)
Charitable activities	6	(23,398)	(23,398)
Total expenditure		(34,203)	(34,203)
Net income		10,436	10,436
Net movement in funds		10,436	10,436
<b>Reconciliation of funds</b>			
Total funds brought forward		47,552	47,552
Total funds carried forward	13	57,988	57,988

	Note	Unrestricted funds £	Total 2018 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	58,778	58,778
Investment income		40	40
Other income	4	36,250	36,250
Total income		95,068	95,068
<b>Expenditure on:</b>			
Raising funds	5	(10,727)	(10,727)
Charitable activities	6	(50,805)	(50,805)
Total expenditure		(61,532)	(61,532)
Net income		33,536	33,536
Net movement in funds		33,536	33,536
<b>Reconciliation of funds</b>			
Total funds brought forward		14,517	14,517
Total funds carried forward	13	48,053	48,053

**A M Challis Trust Ltd**

**Statement of Financial Activities for the Year Ended 31 December 2019  
(Including Income and Expenditure Account and Statement of Total Recognised Gains  
and Losses)**

All of the charity's activities derive from continuing operations during the above two periods.

# A M Challis Trust Ltd

(Registration number: 06754592)  
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
<b>Current assets</b>			
Debtors	10	-	500
Cash at bank and in hand	11	<u>59,069</u>	<u>50,181</u>
		59,069	50,681
<b>Creditors: Amounts falling due within one year</b>	12	<u>(1,081)</u>	<u>(2,628)</u>
<b>Net assets</b>		<u>57,988</u>	<u>48,053</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>57,988</u>	<u>48,053</u>
<b>Total funds</b>	13	<u>57,988</u>	<u>48,053</u>

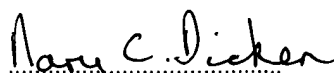
For the financial year ending 31 December 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

## Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 16 were approved by the trustees, and authorised for issue on 12 October 2020 and signed on their behalf by:

  
Mrs M C M Dicken  
Trustee

## **A M Challis Trust Ltd**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

68 High Street  
Sawston  
Cambridge  
CB22 3BG

The principal place of business is:

68 High Street  
Sawston  
Cambridge  
CB22 3BG

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

A M Challis Trust Ltd 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 notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Income and endowments**

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 the income receivable can be measured reliably.

## **A M Challis Trust Ltd**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Depreciation and amortisation**

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	25% straight line
Fixtures and fittings	25% straight line

#### **Debtors**

Debtors are amounts due from tenants for insurance and rent in the ordinary course of business.

## **A M Challis Trust Ltd**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## A M Challis Trust Ltd

### Notes to the Financial Statements for the Year Ended 31 December 2019

#### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### **3 Income from donations and legacies**

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Donations and legacies;			
Donations from individuals	6,177	6,177	52,143
Other income from donations and legacies	-	-	2,924
	<u>6,177</u>	<u>6,177</u>	<u>55,067</u>

#### **4 Other income**

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Rental income	<u>34,914</u>	<u>34,914</u>	<u>36,250</u>

# A M Challis Trust Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 5 Expenditure on raising funds

#### a) Costs of generating donations and legacies

		Unrestricted funds		
	Note	General £	Total 2019 £	Total 2018 £
Donations		<u>2,305</u>	<u>2,305</u>	<u>2,986</u>

#### b) Costs of other income-generating activities

		Unrestricted funds		
	Note	General £	Total 2019 £	Total 2018 £
Costs of goods sold		-	-	1,330
Membership subscriptions		80	80	75
Other direct costs of activities for generating funds		820	820	269
Allocated support costs	7	<u>4,418</u>	<u>4,418</u>	<u>4,264</u>
		<u>5,318</u>	<u>5,318</u>	<u>5,938</u>

#### c) Investment management costs

		Unrestricted funds		
	Note	General £	Total 2019 £	Total 2018 £
Allocated support costs	7	<u>1,951</u>	<u>1,951</u>	<u>1,773</u>
		<u>1,951</u>	<u>1,951</u>	<u>1,773</u>



# A M Challis Trust Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 6 Expenditure on charitable activities

		Unrestricted funds		
	Note	General £	Total 2019 £	Total 2018 £
Museum		16,298	16,298	32,175
Governance costs	7	1,975	1,975	2,170
		<u>18,273</u>	<u>18,273</u>	<u>34,345</u>

### 7 Analysis of governance and support costs

#### Governance costs

	Unrestricted funds		
	General £	Total 2019 £	Total 2018 £
Marketing and publicity	413	413	494
Other governance costs	482	482	548
	<u>895</u>	<u>895</u>	<u>1,042</u>

# A M Challis Trust Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year. Expenses incurred were repaid at cost.

### 9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 10 Debtors

	2019 £	2018 £
Debtors	-	500

### 11 Cash and cash equivalents

	2019 £	2018 £
Cash on hand	57	22
Cash at bank	21,987	17,541
Short-term deposits	37,025	32,618
	<u>59,069</u>	<u>50,181</u>

### 12 Creditors: amounts falling due within one year

	2019 £	2018 £
Other creditors	-	1,500
Accruals	1,080	1,129
	<u>1,080</u>	<u>2,629</u>

### 13 Funds

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>				
General	<u>47,552</u>	<u>44,639</u>	<u>(34,203)</u>	<u>57,988</u>