

THE SURREY SQUARE CHARITABLE TRUST

ANNUAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2021

THE SURREY SQUARE CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30TH JUNE 2021

The Trustees present their annual report and financial statements of the charity for the year ended 30th June 2021. The financial statements have been prepared in accordance with the charity's Trust Deed, 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 (FRS102) published 16th July 2014; updated 2nd February 2016.

OBJECTIVES AND ACTIVITIES

The Trust has been established to make grants for charitable purposes. Grants are only made to charities known to the settlor and unsolicited applications are therefore not considered.

Public Benefit:

In planning the Trust's grant making the Trustees have given consideration to the Charity Commission guidance on public benefit.

ACHIEVEMENTS AND PERFORMANCE

Investments were managed by the Investment Managers, until 30th November 2020, with performance being monitored by the Trustees. Since then, the Trustees have elected to actively manage investments at their own discretion. The Trust has therefore been able to continue with its grant-making programme.

FINANCIAL REVIEW

Investment income totalling £94,170 (2020: £51,518) was received in the year. Grants of £14,150 (2020: £85,200) were made to charitable organisations. Capital investments were valued at £1,061,311 (2020: £955,335) at the year-end.

Reserves Policy:

The trust deed permits the spending of capital; the Trustees have, however, agreed to retain the capital for the time being and to invest it to produce income to make grants. The Trustees are managing the reserves to balance the needs of current and future beneficiaries. It is not anticipated that the needs of beneficiaries will diminish over time.

Investment Policy and Powers:

The trustees have the same full and unrestricted powers of investment in all respects as if it were the beneficial owner. The investment strategy is set by the trustee and takes account of recent demands for funds and an assessment of expected future needs (see Reserves Policy). The investment policy and strategy are reviewed with the investment managers at regular intervals. The investment objective is to maintain, overall, the real value of capital and income

Plans for the future

The objectives remain unchanged for the future; the intention is for continued investment management on a consistent basis and distribution of income to charitable organisations.

Covid 19

The effect of the Covid-19 pandemic had resulted in a reduction in investment income in the prior year and so the Trustees have reduced their level of grant making in the current year.

THE SURREY SQUARE CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30TH JUNE 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Administration:

The Trust is administered by its corporate Trustee, Liverpool Charity and Voluntary Services (LCVS). LCVS administers and records all donations received. All funds are promptly banked and reconciled on a monthly basis in accordance with LCVS' own internal processes and controls. On the basis of recommendations received, the trustee makes awards in accordance with the Charity's objective.

Risk Management:

The main risks to which the charity is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

Related Parties:

Liverpool Charity and Voluntary Services (LCVS) received income totalling £3,018 (2020: £1,717) in respect of costs incurred in administering payments of grants. In addition, the sum of £1,509 (2020: £859) is payable to LCVS in respect of book-keeping and accounts preparation.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

The Trust was established by a Trust Deed dated 6th September 1994 and is a registered charity, number 1041062.

Principal Office:

151 Dale Street, Liverpool L2 2AH

Trustees:

Alexander Stevenson (appointed 6th October 2020)

Charles Dennistoun Stevenson (appointed 6th October 2020)

Charlotte Stevenson (appointed 6th October 2020)

Henry Dennistoun Stevenson (appointed 6th October 2020)

Liverpool Charity and Voluntary Services (LCVS) (resigned 6th October 2020)

LCVS is a corporate trustee and is incorporated under the Companies Act as a company limited by guarantee without share capital as company number 181759, a registered charity, number 223485, and a charitable Trust Corporation. LCVS Trustee, who are also its Directors, were as follows during the year: Heather Akehurst (resigned 25th November 2021) Dorcas Akeju, Duncan Brookes (resigned 14th December 2020), Jonathan Hesketh (resigned 16th November 2021), Michael James (resigned 27th April 2021), Steven Long (resigned 29th January 2021), Andrew Lovelady (resigned 1st December 2020), Ken Perry, John Price, Michael Salla, Louise Scholes, James Sloan Mike Thomas, Sue Williams. On 20 May 2021 the following trustees were appointed: Sonia Bassey MBE, Maxine Ennis, Neil John Sturmeay and Henry Terefenko,

Professional Advisers:

Investment Manager	Investec Wealth and Investment
(until 30 th November 2020)	100 Old Hall Street
	Liverpool L3 9AB

Independent Examiner	Anna Spencer-Gray
	RSM UK Tax and Accounting Limited
	20 Chapel Street,
	Liverpool, L3 9AG

THE SURREY SQUARE CHARITABLE TRUST
TRUSTEES' REPORT FOR THE YEAR ENDED 30TH JUNE 2021

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

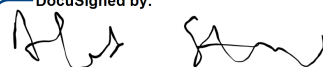
The charity's trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the charity's trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be 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 that 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees and signed on its behalf by

Trustee

DocuSigned by:

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Dated: 5/25/2022

Independent Examiner's Report to the Trustees of The Surrey Square Charitable Trust

I report to the trustees on my examination of the accounts of The Surrey Square Charitable Trust ('the charity') for the year ended 30th June 2021, which are set out on pages 6 to 11.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Anna Spencer-Gray

Name: **Anna Spencer-Gray**

Name of applicable listed body: The Institute of Chartered Accountants in England and Wales

Relevant professional qualification or body: Chartered Accountant

ON BEHALF OF RSM UK TAX AND ACCOUNTING LIMITED

Chartered Accountants

20 Chapel Street

Liverpool

L3 9AG

Date: 27/05/22

THE SURREY SQUARE CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30TH JUNE 2021

-----UNRESTRICTED FUNDS-----

		<u>Year to 30th June 2021</u>			<u>Year to</u>
		<u>Income</u>	<u>Capital</u>	<u>Total</u>	<u>30th June 2020</u>
	Notes	Funds	Funds		Total
		£	£	£	£
Income from:					
Investments		94,170	-	94,170	51,518
		-----	-----	-----	-----
Total Income		94,170	-	94,170	51,518
		-----	-----	-----	-----
Expenditure on:					
Raising funds		210	-	210	-
Charitable activities	2	18,942	-	18,942	88,022
		-----	-----	-----	-----
Total expenditure		19,152	-	19,152	88,022
		-----	-----	-----	-----
Net income/(expenditure)		75,018	-	75,018	(36,504)
		-----	-----	-----	-----
Net gains/(losses) on investment assets	3	-	108,141	108,141	(76,690)
		-----	-----	-----	-----
Net income/(expenditure) before transfer between funds		75,018	108,141	183,159	(36,504)
		-----	-----	-----	-----
Transfer between funds	6	2,165	(2,165)	-	-
		-----	-----	-----	-----
Net movement in funds		77,183	105,976	183,159	(113,194)
		-----	-----	-----	-----
<i>Reconciliation of funds:</i>					
Total funds brought forward		66	955,335	955,401	1,068,595
		-----	-----	-----	-----
Total funds carried forward		77,249	1,061,311	1,138,560	955,401
		=====	=====	=====	=====

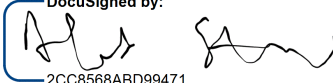
The notes on pages 8 to 11 form part of these accounts.

THE SURREY SQUARE CHARITABLE TRUST**BALANCE SHEET AS AT 30TH JUNE 2021**

		-----UNRESTRICTED FUNDS-----			
		At		At	
	Notes	30 th June 2021	30 th June 2021	30 th June 2020	30 th June 2020
		£	£	£	£
Fixed Assets					
Investments	3		1,061,311		955,335
Current Assets					
Cash Balance			82,287		2,887
Current Liabilities					
Creditors	4		(5,038)		(2,821)
Net Current Assets			77,249		66
Net Assets			<u>1,138,560</u>		<u>955,401</u>
The funds of the charity:	5				
Unrestricted Funds:			£		£
Capital Funds			1,061,311		955,335
Income Funds			77,249		66
			<u>1,138,560</u>		<u>955,401</u>

Approved and authorised for issue by the Board of Trustees and signed on its behalf by

Trustee
Dated: 5/25/2022

DocuSigned by:
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THE SURREY SQUARE CHARITABLE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

1. ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16th July 2014; updated 2nd February 2016 (SORP 2015) and Charities Act 2011.

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

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

The scheme has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Going concern

At the time of approving the accounts and considering the impact of the Covid-19 pandemic, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Fund accounting

Unrestricted funds are considered 'free' reserves and are expendable at the discretion of the Trustees in furtherance of the general objectives of the Trust.

Investments

In accordance with Statement of Recommended Practice: Accounting and Reporting by Charities, investments held as fixed assets are stated at market value. Realised and unrealised gains and losses are dealt with as movements on the Capital Fund. Investments are valued at the mid-market price on the valuation date.

Income recognition

Donations are from third parties and are recognised when received. Investment income is stated on a received basis.

Expenditure recognition

Raising funds are the costs associated with management of investments. Charitable activities include grant funding, along with associated support and governance costs, to charitable organisations. These are dealt with in the Statement of Financial Activities when payment has been agreed. Governance costs relate to compliance with constitutional and statutory requirements and specifically include all costs incurred by the Trust in producing the Annual Report. Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to expenditure.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

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.

THE SURREY SQUARE CHARITABLE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial instruments

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when 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.

Basic financial assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Taxation

The income and gains of the fund are exempt from taxation as they are applied for charitable purposes only.

2. CHARITABLE ACTIVITIES – GRANT FUNDING

	2021	2020
	£	£
<i>Direct charitable expenditure:</i>		
Grant funding	14,150	85,200
Grant making administration costs - LCVS	3,018	1,717
	-----	-----
	17,168	86,917
	-----	-----
Independent examination	265	246
Administration - LCVS	1,509	859
	-----	-----
	1,774	1,105
	-----	-----
	18,942	88,022
	=====	=====

All expenditure in 2020 was unrestricted.

THE SURREY SQUARE CHARITABLE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

2. ***Charitable activities continued.....***

The following grants were made during the year:

Grants of £1,000 and over	£
Alive and Kicking UK	5,000
City of Westminster Charitable Trust	1,000
Hazara Charitable Trust	2,500
Royal Academy of Music	1,000
UK Music Masters	1,000

	10,500
Other grants	3,650

	14,150
	=====

3. **FIXED ASSET INVESTMENTS**

	2021	2020
	£	£
Quoted Investments:		
Market Value at 1 st July 2020	955,335	1,032,025
Disposal proceeds	(1,009,165)	-
Acquisitions	1,007,000	-
Realised gains on investment assets	242,185	-
Unrealised losses on investment assets	(134,044)	(76,690)
	-----	-----
Market value at 30th June 2021	1,061,311	955,335
	=====	=====
Book value at 30th June 2021	1,007,009	766,989
	=====	=====

The trust holds 74.39% (2020: n/a) of its fixed asset investments in VT Vanneck Defensive Fund and 25.61% (2020: n/a) in VT AJ Bell both managed by Valu-Trac Administration Services. In the prior year the trust held 99.99% (2020: 99.99%) of its investments in a Charity Commission approved pooling scheme, the Settlers' Trust Fund (STF), administered by Liverpool Charity and Voluntary Services and managed by Investec Wealth & Investment.

At the year end, the Trust held, 900 Ordinary Shares (2020: 9 ordinary shares), in a private limited company, valued and held at the original cost of £9 (2020: £9). The cost of obtaining a valuation outweighs the benefit for the purpose of the accounts.

4. **CREDITORS**

	2021	2020
	£	£
Administration – LCVS	4,527	2,575
Independent examination fee	511	246
	-----	-----
	5,038	2,821
	=====	=====

These unaudited financial statements have been subjected to independent examination. See report on page 5.

THE SURREY SQUARE CHARITABLE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

5. UNRESTRICTED FUNDS

Income Fund: Investment income and donations received for distribution as grants to charitable voluntary organisations.

Capital Fund: Funds held provide income for the ongoing activities of the trust.

6. TRANSFER BETWEEN FUNDS

This represents the balance of funds remaining after the withdrawal of capital investment assets from one fund and reinvestment into another. There is no intention for reinvestment of the balance into capital funds, so it has been transferred to income funds.

7. RELATED PARTY TRANSACTIONS

Charitable Activities: these include £3,018 (2020: £1,717) grant making administration costs and governance costs of £1,509 (2020: £859) payable to LCVS in respect of accountancy and trust administration.

Creditors: these include £4,527 (2020: £2,575) balance owing to LCVS.

LCVS was related to the Trust, until 6th October 2020, by virtue of being the corporate trustee.

No trustee received remuneration or expenses as part of their role as Trustee of the charity.