

THE SPEAR CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

THE SPEAR CHARITABLE TRUST

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THE SPEAR CHARITABLE TRUST
LEGAL AND ADMINISTRATIVE INFORMATION

REGISTERED CHARITY NUMBER	:	1041568
CURRENT TRUSTEES	:	Philip N Harris (resigned 6 January 2022) Richard M Horwood (appointed 6 January 2022) Hazel E Spear (Secretary) Nigel R N Gooch
ADMINISTRATOR	:	Flora Gaughan (01992-305229)
REGISTERED OFFICE	:	Roughground House Old Hall Green Ware Hertfordshire SG11 1HB
INDEPENDENT EXAMINER	:	Mrs Jacqui Lee Foster 31 Gellatly Road London SE14 5TU
SOLICITORS	:	Longmores Solicitors LLP 24 Castle Street Hertford SG14 1HP
INVESTMENT ADVISERS	:	Brewin Dolphin 12 Smithfield Street London EC1A 9BD
BANKERS	:	HSBC Bank plc 31 Holborn London EC1N 2HR

THE SPEAR CHARITABLE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report along with the financial statements of the trust for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust deed, applicable law and the requirements of the Charities SORP (FRSSE) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

The trust receives no income other than dividends, interest and any profits on sale arising from its investments. These monies are applied for the purpose of distributing monies to or for such charitable purpose or purposes or institution or institutions as the trustees shall in their absolute discretion think fit, with particular regard to charitable assistance of employees and former employees of J W Spear and Sons plc and the family and dependants of such employees and former employees.

The trustees have had regard to the Charity Commissioners' guidance on public benefit. They consider that the grants made by the fund fulfil the public benefit requirement.

The trustees will make grants without a formal application but organisations are encouraged to provide feedback on the use made of grants. These explanations are then used to monitor the quality of grants made and to provide the basis on which any further applications can be assessed.

The trustees intend to continue to provide grants in the areas currently supported and to monitor the use of donated funds to maximise the benefits provided.

The present policy of the trustees is to retain an investment portfolio to generate sufficient income to effectively maintain a constructive programme of charitable donations while researching opportunities to make further major grants. Current reserves of £4,415,325 are sufficient to satisfy these objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trust was established by deed on 8 July 1994 and is based in the UK at the registered office shown on page 1.

The power to appoint any new trustee is vested in the existing trustees whose names are set out on page 1.

The trustees conduct a risk assessment annually to review the major risks faced by the trust and to ensure that they have a sound knowledge of the charity and are in an informed position regarding its operations.

The trustees have a general power of investment and have agreed to delegate the management of available funds to their investment advisers subject to no one equity investment representing more than 5% of the overall portfolio valuation.

The trustees have adopted a medium risk investment strategy to maintain a balanced approach between income earned and capital appreciation.

THE SPEAR CHARITABLE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE

During the year the trust has been able to sustain its support to beneficiaries by utilising the continuing returns in investment income and surpluses on sales of investments.

The charitable trust meets its charitable purposes by providing grants and donations in accordance with the charitable objects of the trust.

A summary of the grants and donations made by the trust is set out on page 8.

FINANCIAL REVIEW

There was an overall increase in funds of £468,622 (2020 - decrease £619,174) after accounting for profits on investment assets of £459,987 (2020 – £79,622)

The assets of the trust are predominantly an investment portfolio and regular meetings are held with the investment advisers.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Charity law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of the incoming resources and application of resources of the charity for the financial year. In doing so the trustees are required to: -

- a Select suitable accounting policies and then apply them consistently;
- b Observe the methods and principles of the Charities SORP (FRSSE);
- c Make judgements and estimates that are reasonable and prudent;
- d State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with relevant legislation. The trustees 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.

So far as the trustees are aware there is no relevant information of which the trust's independent examiner is unaware, and the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant information and to establish that the trust's independent examiner is aware of that information.

Approved by the trustees and signed on their behalf by:



.....

27 June 2022

INDEPENDENT EXAMINER'S REPORT TO THE
TRUSTEES OF THE SPEAR CHARITABLE TRUST

I report on the financial statements of the trust for the year ended 31 December 2021 which are set out on pages 5 to 13.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As described on page 3 the trustees are responsible for the preparation of the trustees' annual report and financial statements. You consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed. It is my responsibility examine the accounts under section 145 of the 2011 Act, to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act and to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a "true and fair" view.

The report is made solely to the trustees for and is limited to those matters set out in the statement below. To the fullest extent permitted by law I do not accept or assume responsibility to any one other than the trustees for my work, for this report or for the opinions I have formed.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination nothing has come to my attention:

- a which gives me reasonable cause to believe that in any material respect requirements
- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
 - to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the Charities Act 2011
- have not been met; or
- b to which in my opinion attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Mrs Jacqui Lee Foster
31 Gellatly Road
London
SE14 5TU

11 August 2022

THE SPEAR CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

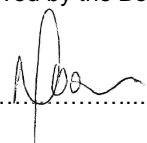
	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> <u>2021</u> £	<u>Unrestricted</u> <u>Funds</u> <u>2020</u> £
<u>INCOME FROM:</u>			
Investments	2	108,816	110,911
Grant returned		-	7,500
		<u>108,816</u>	<u>118,411</u>
<u>EXPENDITURE ON:</u>			
RAISING FUNDS			
Investment manager's fees		22,127	20,743
Irrecoverable VAT thereon		4,425	4,148
		26,552	24,891
CHARITABLE ACTIVITIES			
Grants and donations	3	58,850	783,079
OTHER	4	14,779	9,237
<u>TOTAL</u>		<u>100,181</u>	<u>817,207</u>
<u>NET INCOME/(EXPENDITURE)</u>		8,635	(698,796)
<u>OTHER RECOGNISED GAINS</u>			
Gains on investment assets	8	459,987	79,622
<u>NET MOVEMENT IN FUNDS</u>		468,622	(619,174)
<u>RECONCILIATION OF FUNDS</u>			
Total funds brought forward		3,946,703	4,565,877
<u>TOTAL FUNDS CARRIED FORWARD</u>		<u>4,415,325</u>	<u>3,946,703</u>

The statement of financial activities includes all gains and losses recognised in the year.

THE SPEAR CHARITABLE TRUST
BALANCE SHEET AS AT 31 DECEMBER 2021

	<u>Note</u>	<u>2021</u>	<u>2020</u>
		£	£
<u>FIXED ASSETS</u>			
Investments	8	4,253,222	3,879,961
<u>CURRENT ASSETS</u>			
Debtors	5	115,852	52,941
Cash at bank and in hand		62,742	50,899
TOTAL CURRENT ASSETS		178,594	103,840
<u>LIABILITIES</u>			
Creditors: Amounts falling due within one year	6	(16,491)	(37,098)
<u>NET CURRENT ASSETS/(LIABILITIES)</u>		162,103	66,742
<u>TOTAL NET ASSETS</u>		3,946,703	3,946,703
<u>THE FUNDS OF THE CHARITY</u>			
Unrestricted funds		4,415,325	3,946,703

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

.....  Trustee

27 June 2022

THE SPEAR CHARITABLE TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 PRINCIPAL ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention as modified by the valuation of investments at market value and in accordance with the requirements of the Charities SORP (FRSSE) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

The principal accounting policies adopted in the preparation of the financial statements are as follows: -

Income

Investment income and interest received

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

Expenditure

All expenditure is accounted for on an accruals basis. Costs to manage and administer the charity represent costs incurred attributable to the management of the charity's assets, organisation, administration and compliance with the constitutional and statutory requirements.

Fund accounting

Funds held by the charity are unrestricted general funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Value added tax

The trust has charitable status and is therefore unable to recover VAT within its governance costs. The trustees consider that the incidence of the indirect tax should be highlighted.

2 INVESTMENTS

Deposit interest

Investment income from quoted investments

	<u>2021</u>	<u>2020</u>
	£	£
	-	37
	108,816	110,874
	<u>108,816</u>	<u>110,911</u>

THE SPEAR CHARITABLE TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

	<u>2021</u>	<u>2020</u>
	£	£
3 <u>CHARITABLE ACTIVITIES</u> - Grants and Donations		
Bernese Rescue	1,000	-
Doctor Graham's Homes	1,000	4,500
Hertford Choral Society	5,000	-
Little Munden Church	2,550	-
Lord Whisky Sanctuary	1,500	-
Nowzad UK	30,000	-
Pekinese Rescue	-	1,000
Royal Philatelic Society London	-	750,000
RSPCA Brighton	1,000	-
Salvation Army	-	2,500
Stamp Active Network	-	1,000
St Margaret's Church	1,000	-
War Paws	2,000	-
Wood Green – Dog House	1,000	-
Donations for the charitable assistance of former employees of JW Spear & Sons plc and the family and dependants of such former employees: 8 (2020: 6)	12,300	24,079
Sundry donations: 1 (2020: none)	500	-
	<hr/> 58,850	<hr/> 783,079

THE SPEAR CHARITABLE TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

	<u>2021</u>	<u>2020</u>
	£	£
4 <u>OTHER</u>		
Independent examination	560	535
Accountancy (4a)	3,680	3,530
Professional fees (4a)	8,700	4,250
Office costs (4b)	99	72
Irrecoverable VAT	1,740	850
	<hr/> 14,779	<hr/> 9,237
	<hr/> <hr/>	<hr/> <hr/>

(a) Three named trustees are practitioners in professional firms who provide services to the trust in the normal course of business.

(b) No trustee has received any direct remuneration. No trustee received reimbursement of expenses during the year (2020: £nil).

THE SPEAR CHARITABLE TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

		<u>2021</u>	<u>2020</u>
		£	£
5	<u>DEBTORS</u>		
	Accrued income	699	699
	Funds held by stockbroker	115,153	52,242
		<hr/> 115,852	<hr/> 52,941
6	<u>CREDITORS: Amounts falling due within one year</u>		
	Grants Committed	-	25,000
	Accruals	16,485	12,092
	Other creditors	6	6
		<hr/> 16,491	<hr/> 37,098
		Market value	<u>Cost</u>
		£	£
7	<u>INVESTMENTS</u>		
	<u>Fixed Interest Stocks</u>		
	£110,000 Treasury 2% 2025	115,113	115,971
	<u>Ordinary Shares and Unit Trusts</u>		
	5,000 Aberforth Smaller Cos Ord 1p	73,200	64,421
	20,000 Apax Global Alpha Ord NPV	45,400	38,701
	16,980 Artemis Fd Mgrs US Smaller Cos I Acc	62,410	64,127
	890 Ashstead Group Ord 10p	52,884	14,198
	900 AstraZeneca Ord US\$0.25	78,102	14,665
	7,800 Bailee Gifford American W1 Dis	135,174	42,760
	4,780 Bailee Gifford Japanese W1 Dis	85,849	87,474
	2,400 BHP Group Ord US\$0.50	52,788	38,738
	70,000 Blackrock FM Contl Eurp Inc D Unts Inc	134,715	111,601
	27,095 BP Ord US\$0.25	89,549	107,247
	2,000 British American Tobacco Ord 25p	54,670	69,055
	2,850 Compass Group Ord 11.05p	47,054	17,022
		<hr/> 1,026,908	<hr/> 785,980
	Carried forward		

THE SPEAR CHARITABLE TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

		<u>Market value</u>	<u>Cost</u>
		£	£
7	<u>INVESTMENTS</u>		
	Brought forward	1,026,908	785,980
	<u>Ordinary Shares and Unit Trusts</u>		
	41,830 Cordiant Digital I Ord C Shs NPV	43,294	41,830
	1,650 Diageo Ord 28.935185p	66,594	6,580
	1,150 Experian Ord US\$0.10	41,768	4,609
	24,870 Fidelity Ucits ICA US Qual Inc Etf £ I	170,826	141,356
	45,000 FILInv Svcs UK Emg Mkts R £ Acc	64,170	49,903
	80,653 FILInv Svcs UK Money Builder Income I £	81,701	80,750
	1,200 Finlay Park Funds American \$ Dis	177,203	73,917
	41,500 First Sentier Inv Stewart Inv Asia Pac Ldrs	137,743	95,220
	4,000 GlaxoSmithKline Ord 25p	64,264	37,169
	120,000 Henderson Investment Fxd Int Monthly Inc	71,856	70,235
	30,318 HICL Infrastructure Ord 0.01p	53,542	45,792
	51,647 Hipgnosis Songs Fu Ord NPV	64,559	57,020
	9,000 HSBC Holdings Ord US\$0.50 (UK Reg)	40,379	57,085
	1,400 IMI Ord 0.28571428p	24,304	14,373
	400 Ishares £ Corp Bond 0-5 Yr Ucits ETF G	42,140	41,364
	11,200 JP Morgan Mid Cap IT Ord 25p	149,520	46,481
	75,000 JP Morgan Fds US Equity Inc K £ Net Inc	111,825	66,086
	52,200 Jupiter UT Mngrs Japan Inc Z £ Dis	62,196	61,304
	85,547 Jupiter UT Mngrs Statagic Bond X £ Dis	85,914	87,444
	12,000 Legal and General Ord 2.5p	35,700	23,825
	115,000 Lloyds Banking Group Ord 10p	54,970	149,653
	76,516 Mayfair Cap Inv Prop Inc Tst for Charities	73,869	66,000
	2,500 Morgan Stanley IF Asia Opps J \$ Acc	70,822	50,116
	3,600 National Grid Ord 12.431289p	38,153	16,283
	Carried forward	2,854,220	2,170,375

THE SPEAR CHARITABLE TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

		<u>Market value</u>	<u>Cost</u>
7	<u>INVESTMENTS</u>		
	Brought forward	2,854,220	2,170,375
	<u>Ordinary Shares and Unit Trusts</u>		
	4,260 Neuberger Ber Inv US Sml Cap Intrinsic	44,304	44,432
	50,000 Ninety One Fd Mgrs Diversified Inc J 2 Inc	49,570	50,354
	44,000 North American Inc Ord 5p	123,200	62,846
	1,100 Persimmon Ord 10p	31,416	4,314
	190 Pictet Robotics I £ Acc	49,212	45,876
	7,000 Pimco Gbl Adv UK Corp Bd Fd Inst Inc £	73,710	74,428
	2,600 Polar Capital Tech Tst Ord 25p	70,928	25,928
	8,000 Princess Private Equity Ord EUR0.001	97,057	41,507
	2,400 Prudential Ord 5p	30,588	8,464
	955 Rio Tinto Ord 10p	46,719	10,007
	30,000 Schroder Oriental Ord 1p	80,550	70,488
	20,000 Syncona Ord NPV	42,400	20,412
	60,000 Threadneedle Inv Euro Select Z £ Inc	142,404	102,252
	27,000 Tritax Big Box REIT Ord 1p	67,230	30,558
	1,000 Unilever Ord 3.1111p	39,455	21,425
	5,000 Vanguard Funds S&P 500 Ucits ETF \$ Dis	333,454	141,705
	415 Vanguard Inv Ser US Govt Bond Idx £ Dis	43,127	42,987
	30,000 Vodafone Group Ord US\$0.2095238	33,678	67,705
		<hr/> 4,253,222 <hr/>	<hr/> 3,036,063 <hr/>

THE SPEAR CHARITABLE TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8 INVESTMENTS

MOVEMENT IN MARKET VALUE

	<u>2021</u>	<u>2020</u>
	£	£
Market value at 1 January	3,879,961	4,604,000
Additions at cost	717,473	306,816
Disposal proceeds	(804,199)	(1,110,477)
Net investment gains	459,987	79,622
Market value at 31 December	<u>4,253,222</u>	<u>3,879,961</u>
Historical cost at 31 December	<u>3,036,063</u>	<u>2,891,326</u>