

PETER STORMONTH DARLING CHARITABLE TRUST

REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2020

PETER STORMONTH DARLING CHARITABLE TRUST

I N D E X

Year ended 31 December 2020

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PETER STORMONTH DARLING CHARITABLE TRUST

GENERAL INFORMATION

Year ended 31 December 2020

| | |
|--|--|
| Settlor | Peter Stormonth Darling |
| Trustees | J F M Rodwell Dr E I Cobb O J Cobb C C Taylor A J Stormonth Darling |
| Registered charity number | 1049946 |
| Address | c/o Miss S Maan Soditic Limited 22 Long Acre London WC2E 9LY |
| Trust summary | <p>The charity was formed on 5 December 1995 with an initial contribution from the settlor.</p> <p>The income and capital of the trust is held by the trustees for such charitable purposes as they think fit, with an emphasis on heritage, education, health care and sports facilities.</p> |
| Independent Examiner | G P Smye-Rumsby Dixon Wilson 22 Chancery Lane London WC2A 1LS |
| Solicitors | Hunters Law LLP 9 New Square Lincoln's Inn London WC2A 3QN |
| Investment advisers and bankers | Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ |

PETER STORMONTH DARLING CHARITABLE TRUST

R E P O R T O F T H E T R U S T E E S

Year ended 31 December 2020

The Trustees present their report and accounts for the year ended 31 December 2020.

Constitution

The Charity is constituted under a Charitable Trust Deed dated 5 December 1995 and registered under the number 1049946.

Trust objects and policies

The main object for which the trust is established is:

- to make donations to any charitable body, association or organisation at the discretion of the trustees with an emphasis on heritage, education, health care and sports facilities.

The trustees' policies are:

- (a) to invest with a view of achieving long-term growth of capital and income so that the trustees will be in a position to make larger charitable donations in future years to further the trust objective.
- (b) to give grants only to recognisable national charities and to local charities of which the trustees have first-hand knowledge that they are properly and efficiently run.
- (c) to give grants out of capital funds as permitted by the trust deed when that is necessary in order to support deserving causes.

Public benefit

The Trustees, having regard to the Public benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011, consider that that purpose and activities of the charity satisfy the requirements of the public benefit test set out in section 4 of the same act.

Trustees

The Trustees of the charity are set out on page 2. New trustees can be discussed by the current board, but their appointment is in the gift of the Founder. New trustees are briefed on their responsibilities and duties, including applicable legal requirements, by the existing trustees.

Organisational structure

The charity is managed by a maximum of 6 Trustees. The Trustees meet twice a year to review investment performance, funding requests and decide on grants to be made by the charity.

Review of the year

The Trustees' policy is to invest funds in marketable securities with a view to achieving long-term growth of capital and income so that larger charitable donations can be made in future years.

Donations are made in view of the Trustees' expectations of longer term returns rather than the investment return in any one period. The Trustees aim to make annual donations of around 5% of the trust's funds. Accordingly, the Trustees may transfer funds from the expendable endowment reserve to make donations. The Trustees transferred £180,237 (2019 - £209,515) from the expendable endowment reserve during the year. At 31 December 2020 the investment portfolio was valued at £6,577,545 and cash balances of £13,085 were held (2019 – investment portfolio £4,508,921, cash balance £671,958) with an investment return of around 12.2% (2019 - 14.1%), which compares favourably to relevant market indices for the period.

During the year investment income totalled £56,583 (2019 - £72,448) as set out on page 7. A total of 43 grants amounting to £215,050, approximately 5% of the trust fund, were committed in the year by the Trustees (2019 - £249,659), of which £6,900 is payable in 2021 and 2022. Grants were funded from a combination of investment income and increases in value of investments.

In the opinion of the Trustees, the charity's progress is satisfactory.

PETER STORMONTH DARLING CHARITABLE TRUST

R E P O R T O F T H E T R U S T E E S

Year ended 31 December 2020

Future plans

The Trustees have no plans to change their activities. They intend to continue to use investment returns to make donations to selected charitable organisations with an emphasis on heritage, education, health care and sports facilities.

Peter Stormonth Darling, the settlor and a trustee, died on 16 September 2019, leaving a share of his estate to the charity. In the year ended 31 December 2020 the trust received £1,000,000 as a part of the estate. The Trustees expect to receive a further sum after completion of a significant property sale, the amount is presently unconfirmed.

Risk

The Trustees have identified the major risks to which the charity is exposed and have established systems and procedures to mitigate those risks.

The Trustees have engaged Rathbone Investment Management to provide discretionary investment management services. Rathbone are instructed to invest with a focus on capital growth. The level of the reserves enables the Trustees to tolerate shorter term volatility in equities in order to achieve longer term returns.

The Trustees make only prudent distributions each year, targeting distributions of around 5% of the trust fund, and aim, over the longer term, for investment returns to exceed the level of grants, so that larger grants can be made in future periods.

The Trustees do not enter into material long-term binding commitments and are satisfied that the level of reserves of £6,556,690 (2019 - £5,140,880) are sufficient to fund the charity's purposes.

Grants are made only to organisations with national recognition or of which the Trustees have first hand knowledge, to ensure that funds are only applied in accordance with the charity's objects.

Accounts

The accounts set out on pages 7 to 13 have been drawn up in accordance with the relevant provisions of the Charities Act 2011, and with the Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

For and on behalf of the Trustees

C C TAYLOR

A J STORMONTH DARLING

6 May 2021

PETER STORMONTH DARLING CHARITABLE TRUST

S T A T E M E N T O F T R U S T E E S ' R E P O N S I B I L I T I E S

Year ended 31 December 2020

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. 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 of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 charity will continue in business.

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

PETER STORMONTH DARLING CHARITABLE TRUST

I N D E P E N D E N T E X A M I N E R ' S R E P O R T

Year ended 31 December 2020

Independent examiner's report to the Trustees of the Peter Stormonth Darling Charitable Trust

I report to the Trustees on my examination of the accounts of the Trust for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). You are satisfied that an audit is not required for this year under charity law and that an independent examination is needed.

I report in respect of my examination of the Trust'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 Act. Dixon Wilson, a firm of Chartered Accountants of which I am an employee has provided bookkeeping services to the Trust and I have applied the FRC's Revised Ethical Standard in carrying out my examination.

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 am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the 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; 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 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.

GREGORY SMYE-RUMSBY ACA CTA
Dixon Wilson
22 Chancery Lane
London WC2A 1LS

Date: 10 May 2021

PETER STORMONTH DARLING CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2020

| | Note | Unrestricted Funds £ | Expendable Endowment Funds £ | 2020 Total £ | Unrestricted Funds £ | Expendable Endowment Funds £ | 2019 Total £ |
|---|------|-------------------------|---------------------------------|------------------|-------------------------|---------------------------------|------------------|
| Income and endowments from: | | | | | | | |
| Donations & legacies | | - | 1,000,000 | 1,000,000 | - | - | - |
| Listed investments | | 56,277 | - | 56,277 | 68,006 | - | 68,006 |
| Bank deposits | | 576 | - | 576 | 4,442 | - | 4,442 |
| Total income | | <u>56,853</u> | <u>1,000,000</u> | <u>1,056,853</u> | <u>72,448</u> | <u>-</u> | <u>72,448</u> |
| Expenditure on: | | | | | | | |
| Raising funds | 2 | - | 5,304 | 5,304 | - | 12,767 | 12,767 |
| Charitable activities | 2 | 237,090 | - | 237,090 | 281,963 | - | 281,963 |
| Total expenditure | | <u>237,090</u> | <u>5,304</u> | <u>242,394</u> | <u>281,963</u> | <u>12,767</u> | <u>294,730</u> |
| Net gains on investments | | - | 601,350 | 601,350 | - | 555,154 | 555,154 |
| Net (expenditure) / income | | <u>(180,237)</u> | <u>1,596,046</u> | <u>1,415,809</u> | <u>(209,515)</u> | <u>542,387</u> | <u>332,872</u> |
| Transfers between funds | | 180,237 | (180,237) | - | 209,515 | (209,515) | - |
| Net movement in funds for the year | | <u>-</u> | <u>1,415,809</u> | <u>1,415,809</u> | <u>-</u> | <u>332,872</u> | <u>332,872</u> |
| Fund balances brought forward at 1 January | | - | 5,140,880 | 5,140,880 | - | 4,808,008 | 4,808,008 |
| Fund balances carried forward at 31 December | | <u>-</u> | <u>6,556,689</u> | <u>6,556,689</u> | <u>-</u> | <u>5,140,880</u> | <u>5,140,880</u> |

PETER STORMONTH DARLING CHARITABLE TRUST

B A L A N C E S H E E T

At 31 December 2020

| | Note | 2020 £ | 2019 £ |
|---|-------------|-------------------|-------------------|
| Fixed assets | | | |
| Investments at market value | 6 | <u>6,577,545</u> | <u>4,508,921</u> |
| Current assets | | | |
| Cash at bank | | <u>13,084</u> | <u>671,959</u> |
| Creditors: amounts falling due within one year | 7 | <u>(33,940)</u> | <u>(40,000)</u> |
| Net current assets | | <u>(20,856)</u> | <u>631,959</u> |
| Net assets | | <u>6,556,689</u> | <u>5,140,880</u> |
| Trust Funds | | | |
| Expendable Endowment | 8 | <u>6,556,689</u> | <u>5,140,880</u> |
| Total charitable funds | | <u>6,556,689</u> | <u>5,140,880</u> |

The financial statements on pages 7 to 13 were approved by the trustees on 6 May 2021 and were signed on their behalf by:-

C C TAYLOR
Trustee

A J STORMONTH DARLING
Trustee

PETER STORMONTH DARLING CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

I. Accounting policies

Basis of preparation and assessment of going concern

The financial statements have been prepared under the historic cost convention, with the exception that investments are included at market value. 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 (FRS 102) and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. There are no significant areas of adjustment and key assumptions that affect items in the accounts. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the risk management section of the trustees' annual report for more information).

Funds structure

The charity has an endowment fund created by a gift. The income of the Trust is unrestricted. The terms of the endowment allow the capital of the fund to be spent if the Trustees so determine.

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charity objects.

Income

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

Gifts received from the settlor are recognised once receipt is probable and the fair value receivable can be measured reliably. All other income is included on an accruals basis together with any income tax recoverable.

Expenditure

Donations are recognised once the charity has a constructive obligation to pay them, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Accountancy, investment management charges and administrative fees are recognised on an accruals basis.

Fees paid to the investment managers are included within Cost of Raising Funds. All other expenditure is directly related to the furtherance of the charity's objects and the governance of the charity and are included within Charitable Activities.

Investments

Listed investments are measured at fair value, which is determined as their quoted market price. The fair value of the charity's unlisted investments cannot be reliably determined and are measured at cost less impairment. Changes in the fair value of investments are included in net gains on investments in the statement of financial activities.

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Exchange differences arising on transactions in the year are taken to the Statement of Financial Activities.

PETER STORMONTH DARLING CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

2. Allocation of expenditure

| | Note | 2020 £ | 2019 £ |
|------------------------------|------|----------------|----------------|
| <i>Raising funds</i> | | | |
| Investment management fees | | 5,304 | 12,767 |
| | | <u>5,304</u> | <u>12,767</u> |
| <i>Charitable activities</i> | | | |
| Charitable donations | 3 | 215,050 | 249,659 |
| Support costs | 4 | 22,040 | 32,304 |
| | | <u>237,090</u> | <u>281,963</u> |

Investment management fees are charged to the expendable endowment fund. All other expenditure is charged to the unrestricted fund.

3. Charitable donations

| | 2020 £ | 2019 £ |
|---------------------------------|----------------|----------------|
| 5x5x5 Creativity | - | 3,000 |
| Bath Festivals | 5,000 | 6,000 |
| Bath Mind | 2,000 | 1,000 |
| Bath Mozartfest | 1,000 | 1,000 |
| Bath Rugby Foundation | 1,000 | - |
| Breast Cancer Haven | - | 1,000 |
| Bryanston School | 1,500 | 2,000 |
| Burma Star Association | 10,000 | - |
| Canine Partners | - | 5,000 |
| Cedars Sinai Medical | - | 1,244 |
| Chailey Heritage Foundation | 10,000 | - |
| Chelsea Physic Garden | 25,000 | 25,000 |
| Chelsea & Westminster Hospital | - | - |
| Cheltenham Festivals | 5,000 | 6,000 |
| Cleanup UK | 2,000 | 5,000 |
| Cleveland Pools Trust | 2,000 | 2,000 |
| Cure Parkinsons Trust | 5,000 | 10,000 |
| Dysautonomia International | 2,206 | - |
| Felix Project | 2,000 | - |
| Fisher House Foundation | 2,206 | - |
| Friends of East Sussex Hospices | 5,000 | 25,000 |
| Gary Sinise Foundation | 2,000 | - |
| Glyndebourne Opera House | 5,000 | - |
| Higher Ground | - | 4,977 |
| Hilary Storm School Uganda | 6,200 | - |
| Holburne Museum Trust | 3,000 | 1,000 |
| Hope of the Valley | 2,346 | - |
| Ian's Friends Foundation | 2,000 | - |
| Iford Arts | 2,000 | - |
| Imperial College Research | - | 50,000 |
| Jo's Cervical Cancer Trust | 2,000 | 2,000 |
| Landmark Trust | - | 1,000 |
| Laura Hyde Foundation | 2,500 | - |
| Longlands Care Farm | - | 3,000 |
| Martin and Barry's Trust | - | 10,000 |
| MCC Foundation | - | 10,000 |
| Medical Detection Dogs | 2,000 | - |
| Carried forward | <u>109,958</u> | <u>165,221</u> |

PETER STORMONTH DARLING CHARITABLE TRUST**NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 December 2020****3. Charitable donations (continued)**

| | 2020 | 2019 |
|---|----------------|----------------|
| | £ | £ |
| Brought forward | 109,958 | 165,221 |
| MS Yoga Program | - | 6,948 |
| MSK Lab | 5,000 | 10,000 |
| National Gallery | 2,900 | 2,900 |
| National Trust for Scotland | 10,000 | - |
| New College Oxford | - | 5,000 |
| Normandy Memorial Trust | 6,000 | - |
| Once Upon A Room | - | 1,659 |
| Parker Lee Project | 4,000 | - |
| PCC of St Nicholas' Church | - | 5,000 |
| Royal Commonwealth Ex-Services League | 5,000 | - |
| Royal Hospital for Neuro-Disability | 10,000 | 20,000 |
| Royal Opera House | 2,500 | 2,000 |
| Royal United Hospital | 4,000 | - |
| Sandpiper Trust | 3,000 | - |
| Sebastian Action Trust | 10,000 | - |
| Severn Valley Railway Apprenticeship Scheme | 5,250 | - |
| Spitalfields Crypt Trust | 7,000 | 4,000 |
| St Luke's Church | 5,000 | - |
| Stop MS Appeal | 10,000 | 10,000 |
| The Childhood Trust | 12,500 | - |
| Treloar Trust | - | 5,000 |
| Tunnels to Towers Foundation | 2,942 | - |
| World Monuments Fund | - | 1,931 |
| Total grants for charitable purposes | 215,050 | 249,659 |

Grants are made to charities focusing on heritage, education or health care and sports facilities. All grants were made to Institutions. The number of grants made during the year was as follows:

| | | |
|------------------------------------|-----------|-----------|
| Heritage | 15 | 12 |
| Education | 7 | 8 |
| Health care or sporting facilities | 21 | 15 |
| | <u>43</u> | <u>35</u> |

4. Support costs*Governance costs*

| | | |
|---|--------------|---------------|
| Audit fees | - | 8,660 |
| Independent examiner's fees | 1,440 | - |
| Other fees to auditor/independent examiner – accountancy services | 600 | 600 |
| Trustees' expenses | - | 3,044 |
| | <u>2,040</u> | <u>12,304</u> |

Other support costs

| | | |
|---------------------|---------------|---------------|
| Administrative fees | 20,000 | 20,000 |
| | <u>22,040</u> | <u>32,304</u> |

PETER STORMONTH DARLING CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

5. Trustee and staff remuneration, related party and other transactions

The charity has no employees.

The trustees received no emoluments for their services to the charity. Trustee expenses amounting to £nil (2019 - £3,044) were reimbursed during the year, being costs of attending trustee meetings.

An administrative charge for secretarial services of £20,000 was incurred in the year (2019 - £20,000).

Peter Stormonth Darling, the settlor and a trustee, died on 16 September 2019, leaving a share of his estate to the charity. In the year ended 31 December 2020 the trust received £1,000,000 as a part of the estate. No conditions were attached to the donation.

During the year the trustees made a grant of £6,200 in a charity in which the relative of a trustee is a trustee.

6. Investments

The trustees' holdings of investments are as follows:

| | Cost | | Market value | |
|---|------------------|------------------|---------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Listed investments | | | | |
| Fixed interest | 126,424 | 612,068 | 127,900 | 660,946 |
| UK equities | 1,122,557 | 1,040,586 | 1,393,828 | 2,099,599 |
| Private equities | 320,538 | - | 364,663 | - |
| North American equities | 1,095,403 | 206,677 | 1,196,267 | 188,715 |
| Asia Pacific equities | 713,651 | - | 812,298 | - |
| Emerging Market equities | 297,360 | - | 366,800 | - |
| European equities | - | 201,874 | - | 209,667 |
| Global funds | 1,596,472 | 765,781 | 1,942,357 | 997,233 |
| Commodity funds | 104,390 | 104,390 | 123,459 | 102,788 |
| | <u>5,376,797</u> | <u>2,931,376</u> | <u>6,327,572</u> | <u>4,258,948</u> |
| Unlisted investments | | | | |
| UK equities | <u>249,973</u> | <u>249,973</u> | <u>249,973</u> | <u>249,973</u> |
| Total investments | <u>5,626,770</u> | <u>3,181,349</u> | <u>6,577,545</u> | <u>4,508,921</u> |
| | | | Listed | Unlisted |
| | | | Market value | Cost |
| | | | £ | £ |
| Market value / cost at 1 January 2020 | | | 4,258,948 | 249,793 |
| Additions to investments at cost | | | 4,464,331 | - |
| Disposal proceeds | | | (2,983,814) | - |
| Change in value of investments | | | 589,296 | - |
| Equalisation | | | (1,189) | - |
| Market value / cost at 31 December 2020 | | | <u>6,327,572</u> | <u>249,793</u> |

PETER STORMONTH DARLING CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

7. Creditors: amounts falling due within one year

| | 2020 | 2019 |
|-------------------|---------------|---------------|
| | £ | £ |
| Accruals | 2,040 | 15,000 |
| Donations payable | 31,900 | 25,000 |
| | <u>33,940</u> | <u>40,000</u> |

8. Disposition of funds

| | Unrestricted | Expendable | Total |
|--------------------|---------------------|-------------------|------------------|
| | £ | Endowment | £ |
| Investments | - | 6,577,545 | 6,577,545 |
| Net current assets | - | (20,856) | (20,856) |
| Net assets | <u>-</u> | <u>6,556,689</u> | <u>6,556,689</u> |

9. Financial instruments

| | 2020 | 2019 |
|---|---------------|----------------|
| | £ | £ |
| The charity's principal financial instruments comprise: | | |
| Quoted securities measured at fair value through income and expenditure | 6,327,572 | 4,258,948 |
| Unquoted securities measured at cost less impairment | 249,793 | 249,793 |
| Cash at bank | <u>13,084</u> | <u>671,959</u> |

10. Non-adjusting post balance sheet events

Peter Stormonth Darling, the settlor, died on 16 September 2019, leaving a share of his estate to the charity. In the year ended 31 December 2020 the trust received £1,000,000 as a part of the estate. The Trustees expect to receive a further sum after the completion of a significant property sale, the amount is presently unconfirmed.
