

THE R J AND A H DANIELS CHARITABLE TRUST
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE R J AND A H DANIELS CHARITABLE TRUST

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THE R J AND A H DANIELS CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The trustee presents their annual report and financial statements of the charity for the year ended 31 December 2020. 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 charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019.

Legal and Administrative Information

Constitution	The R J & A H Daniels Charitable Trust is a registered charity governed by a Settlement Deed dated 29 December 1994 Charity Number: 1050703
Registered Office	The Administrator 5th Floor, 8 St James's Square, London SW1Y 4JU
Bankers and Investment Managers	SG Kleinwort Hambros Bank Limited 5th Floor, 8 St James's Square, London SW1Y 4JU
Independent Examiners	Couch Bright King & Co Shropshire House, 179 Tottenham Court Road, London W1T 7NZ
Trustee	SG Kleinwort Hambros Trust Company (UK) Limited

Objects of the Charity

The objects of the charity are to pay or apply the capital or income of the Trust Fund for such charitable purposes, and in such proportions that the trustee shall think fit. No fundraising is undertaken to support the work of the charity.

Grant making policy

The trustee's current policy is to consider all written appeals received, but only successful applications are notified of the trustee's decision. Donations are decided periodically.

Appointment of Trustee and Charity Organisation

The charity is managed by the trustee who is appointed under the terms of the Trust Deed, with daily administration being dealt with by the corporate trustee, SG Kleinwort Hambros Trust Company (UK) Limited. No fundraising is undertaken to support the work of the charity.

The power to appoint new Trustees is vested in the Settlor Mr R J Daniels and after his death in Mrs A H Daniels during her life.

Financial review and investment policy and performance

The financial statements cover all the activities of the charity and have been prepared on an accruals basis. They are presented in a format that reflects the split of funds between income (unrestricted) and capital (expendable endowment). The financial statements show a balance of unspent unrestricted funds of £172,689.53 (2019: £206,341.63); this is derived from income from Stock Market investments and cash deposits.

THE R J AND A H DANIELS CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Incoming resources totalled £32,347.90 (2019: £40,786.08). £66,000.00 (no donations were made in 2019) was committed to charitable donations, and total administration expenses totalled £21,638.91 (2019: £14,048.77).

Under the Settlement, there are no restrictions on the charity's power to invest. The overall investment policy is to achieve long term capital growth in real terms, whilst providing an income yield broadly in line with or above that of the UK equity market.

Review of the activities and future developments

The trustee is satisfied with the financial position of the charity and confirm that they have adequate assets available to fulfil their obligations. There are no plans to alter the charity's activities next year.

Charity's public benefit

The trustee has ensured that all activities throughout the period have been for the public benefit. This is evidenced by the contributions made to charities totalling £66,000.00 (no donations were made in 2019).

The trustee confirms that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Reserves policy and risk management

The trustee aims to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustee considers that this level will provide sufficient funds to respond to applications for grants and ensure that the support and governance costs are covered. The trustee considers that a level of three months is sufficient given the flexibility afforded by the total return approach towards the investment of the permanent endowment which allows the trustee to transfer amounts from the unapplied total element of the endowment fund in the case of urgent need. The balance held as unrestricted funds at 31 December 2020 was £172,689.53 which is regarded as free reserves. The current level of reserves is therefore higher than is needed and this will be adjusted by reducing the amount from the unapplied total return in 2021. It is the trustees' intention to maintain an unrestricted fund appropriate to expected levels of annual donations, together with a small cash balance of income, partly to offset any fluctuation in investments income in future periods and to enable them to continue with their policy of responding quickly to appeals for significant support where appropriate, the timing of which is unpredictable.

The trustee has considered what risks the charity faces and believe these to be fraud or poor investment performance. Adequate systems are in place to mitigate fraud and investment performance is regularly monitored.

Trustee's responsibilities in relation to the financial statements

The charity trustee is responsible for preparing a trustee's annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


THE R J AND A H DANIELS CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The law applicable to charities in England and Wales requires the charity trustee 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 trustee is 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 trustee is 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.

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by Mike
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Date: 2022.03.16
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SG Kleinwort Hambros Trust Company (UK) Limited

Date 16th March 2022

THE R J AND A H DANIELS CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

Independent Examiner's Report to the Trustee of The R J and A H Daniels Charitable Trust

I report to the Trustee on my examination of the accounts of the RJ and AH Daniels Charitable Trust for the year ended 31 December 2020 which are set out on pages 5 to 15.

Responsibilities and basis of report

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

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.

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 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.

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.



D R Cates BA, FCA
Couch Bright King & Co Chartered Accountants
1st Floor, Shropshire House
179 Tottenham Court Road
London W1T 7NZ

Date 17/3/2022

THE R J AND A H DANIELS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Fund £	Expendable Endowment £	Total 2020 £	Total 2019 £
Income and Endowments					
Investments:					
Investment Income	3	32,347.90	-	32,347.90	40,786.08
Total Income and Endowments		£32,347.90	-	£32,347.90	£40,786.08
Expenditure					
Cost of raising funds:					
SG Kleinwort Hambros Investment Management Fee		-	9,827.91	9,827.91	8,873.77
Expenditure on Charitable Activities:					
Donations	4	66,000.00	-	66,000.00	-
Support Costs	5	-	11,811.00	11,811.00	5,175.00
Total Expenditure		£66,000.00	£21,638.91	£87,638.91	£14,048.77
Net Income Before Gains and Losses on Investments		(£33,652.10)	(£21,638.91)	(£55,291.01)	£26,737.31
Gains/(Losses) on Investments	6				
Realised		-	(21,180.53)	(21,180.53)	9,894.80
Unrealised		-	26,842.28	26,842.28	67,674.66
		-	5,661.75	5,661.75	77,569.46
Net Movement in Funds in the Year		(£33,652.10)	(£15,977.16)	(£49,629.26)	£104,306.77
Funds					
At 31 December 2019		206,341.63	1,060,202.56	1,266,544.19	1,162,237.42
Net Movement of Resources in the Year		(33,652.10)	(15,977.16)	(49,629.26)	104,306.77
At 31 December 2020		£172,689.53	£1,044,225.40	£1,216,914.93	£1,266,544.19

THE R J AND A H DANIELS CHARITABLE TRUST

**BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	£	2020 £	£	2019 £
Fixed Assets					
Investments	6		1,155,894.56		1,166,230.69
Current Assets					
Cash at Bank		66,480.37		101,513.50	
		<u>66,480.37</u>		<u>101,513.50</u>	
Current Liabilities					
Creditors, amounts falling due within one year	7	5,460.00		1,200.00	
		<u>5,460.00</u>		<u>1,200.00</u>	
Net Current Assets			61,020.37		100,313.50
Assets less Current Liabilities			<u>£1,216,914.93</u>		<u>£1,266,544.19</u>
Capital Fund					
Expendable Endowment	8		1,044,225.40		1,060,202.56
Income Fund					
Unrestricted Fund	9		172,689.53		206,341.63
			<u>£1,216,914.93</u>		<u>£1,266,544.19</u>

The financial statements were approved by the trustee on 16th March 2022

SG Kleinwort Hambros Trust Company (UK) Limited

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Trustee

THE R J AND A H DANIELS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting Policies

These financial statements have been prepared in accordance with the particular accounting policies described below.

Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared under the historical cost convention except for investments, which have been 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 Financial Statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102 2019) issued in October 2019 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern.

The presentation currency of these financial statements is Pounds Sterling.

The figures have not been rounded.

Basis of Accounting

- Income recognition

All incoming resources are 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.

Income tax recoverable in relation to investment income is recognised at the time investment income is receivable.

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 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 those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment manager of the dividend yield of the investment portfolio.

THE R J AND A H DANIELS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

- Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Fund Structure

Income funds are unrestricted funds which are available for use at the discretion of the trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Capital funds comprise expendable endowments, whereby there is no requirement to spend the capital unless, or until, the charity trustee decide to do so. These funds are invested to produce unrestricted income which can be spent in accordance with the charitable objectives.

Investment income, gains and losses are allocated to the appropriate fund.

Investments

Listed investments are included in the financial statements at mid-market value at the balance sheet date. Unlisted investments are included in the balance sheet at their historical cost less any amounts written off. Investments include cash held for investment purposes.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2 Information regarding Trustee's and Employees

SG Kleinwort Hambros Trust Company (UK) Limited received a remuneration at market rate for its services as corporate trustee. The charity had no employees.

3 Investment Income	2020 £	2019 £
Income from UK Listed Securities	33,515.65	40,786.08
Reversal of Duplicate Dividend	(1,167.75)	-
	<u>£32,347.90</u>	<u>£40,786.08</u>

THE R J AND A H DANIELS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4 Donations to Charitable Institutions	2020	2019
	£	£
3H Helping Hands for Holidays	2,000.00	-
Alzheimers Research UK	4,000.00	-
Barnardo's	2,000.00	-
Battersea Dogs Home	4,000.00	-
Children with Cancer UK	2,000.00	-
Dementia UK	4,000.00	-
Dogs for Good	2,000.00	-
Guide Dogs for the Blind	4,000.00	-
Headway	2,000.00	-
Honeypot Charity	4,000.00	-
Hope for Kidz	4,000.00	-
Macmillan Cancer	4,000.00	-
Make a Wish UK	2,000.00	-
Mane Chance Sanctuary	2,000.00	-
Redwings Horse Sanctuary	2,000.00	-
Step by Step	4,000.00	-
Strongbones Children's Charitable Trust	2,000.00	-
The Mayhew Animal Home	4,000.00	-
The Royal Marsden Cancer Charity	3,000.00	-
Tiny Tim's Children's Centre	4,000.00	-
Valgrays Border Collie Rescue	1,000.00	-
Winston's Wish	4,000.00	-
	<u>£66,000.00</u>	<u>-</u>
5 Support Costs	2020	2019
	£	£
Governance Costs:		
SG Kleinwort Hambros Trust Company (UK) Limited Fees	10,536.00	3,840.00
SG Kleinwort Hambros Trust Company (UK) Limited ARC Fees	15.00	75.00
Independent Examiner's Fees	1,260.00	1,260.00
	<u>£11,811.00</u>	<u>£5,175.00</u>

THE R J AND A H DANIELS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6 Investments listed on a recognised Stock Exchange	2020	2019
	£	£
Market Value Brought Forward	1,153,249.00	1,038,801.00
Purchases	271,498.69	314,766.15
Disposals	(304,792.44)	(277,887.61)
	<u>1,119,955.25</u>	<u>1,075,679.54</u>
Realised Gain/(Loss)	(21,180.53)	9,894.80
Unrealised Gain/(Loss)	26,842.28	67,674.66
	<u>1,125,617.00</u>	<u>1,153,249.00</u>
Market Value	1,125,617.00	1,153,249.00
Cash on SG Kleinwort Hambros Account	30,277.56	12,981.69
Total Investments	<u>£1,155,894.56</u>	<u>£1,166,230.69</u>

Investments comprising greater than 5% of the Portfolio	2020	2019
	%	%
Aviva Investors Select Funds	7.00	7.27
Fil Investment Services	7.90	6.78
Invesco Sterling Bond	6.50	-
M&G Charifund Income Units	9.70	11.33
Multi Units Luxembourg	11.10	5.37
Royal London Equity Funds	5.10	5.97
Treasury 1.75% Index-Linked 07/09/22	5.50	5.32

7 Creditors, amounts falling due within one year	2020	2019
	£	£
Independent Examiner's Fee Provision	1,260.00	1,200.00
SG Kleinwort Hambros Trust Company (UK) Limited Fees	4,200.00	-
	<u>£5,460.00</u>	<u>£1,200.00</u>

THE R J AND A H DANIELS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8 Expendable Endowment

Movement in Funds		
Balance 31 Dec 2019	Gains and Transfers	Balance 31 Dec 2020
£1,060,202.56	(£15,977.16)	£1,044,225.40

Income is available for general purposes. The expendable endowment is represented mainly by investments listed on a recognised Stock Exchange.

9 Unrestricted Funds

The income funds of the charity will be allocated by the trustee towards charities and charitable activities, as set out in the Trustee's Report attached to these financial statements. Unrestricted funds are represented by the net current assets of the charity.

10 Related party transactions and trustee's expenses and remuneration

The charity does not have a relationship with any other charity or organisations.

Remuneration of £10,536.00 (£3,840.00 in 2019) including VAT was paid to SG Kleinwort Hambros Trust Company (UK) Limited for its service as corporate trustee.