

The Sternians Trust Fund

Registered Charity: 1052004

Annual Report and Accounts

Year ended 31 December 2023

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Legal and Administrative

Registered charity number 1052004

Registered address Lord Wandsworth College
Long Sutton
Hook
Hampshire
RG25 1TB

Trustees Paul Richings (Chairman)
James Brewin (Hon. Secretary)
Ben Forman (Hon. Treasurer)
Alvin Boateng (appointed November 2023)
Richard Janaway
Shelley Lawson
Richard Saunders
Carly Skillett (appointed November 2023)

Independent Examiner Chris Bellairs

Bankers Lloyds Bank
174 Fleet Road
Fleet
Hampshire
GU51 4DD

Report of the Trustees

Headlines

- Assistance was given to eight pupils, with grants totalling £22,500
- Further donation of £19,000 to the Lord Wandsworth Foundation
- Individual donations received, including tax recovery, were almost £5,000
- Investment income was £41,500 against £36,600 in 2022
- Total assets increased from £1,004,000 to £1,040,000
- Two new Trustees appointed

The Trust Fund

The primary objective of the Fund is to help to ensure that children who are being educated at Lord Wandsworth College are not forced to leave following an adverse change in financial circumstances. That is particularly when they are in, or about to enter, the examination years of the fifth and sixth Forms. Grants for fees are made out of the income earned from the Fund's investments, while the capital is built up through donations and legacies.

The Trust Fund was established as 'The Old Sternians Charity Fund' by a Trust Deed dated 7th March 1961. In January 1966, the Fund was established as a separate charity, having previously been part of the Lord Wandsworth charity. The name was changed to 'The Sternians Trust Fund' in 1995.

The Fund started with the transfer of £223 from the 'Scholarship Fund', which itself had been set up from the balance remaining on the 'War Memorial Fund', created after the 1939-45 War. The Fund's assets grew slowly, to a little less than £1,000 by 1969 and to over £5,000 in 1977. The very limited investment income in the early days was applied in making small grants for language courses, field trips, sportswear and music lessons and instruments. Since 1999, by which time the value of the Fund had grown to over £150,000, grants have been almost entirely towards school fees, and over that period are approaching £350,000.

The Trustees

The current Trustees are all former pupils at the College. During the year we launched a process to find an additional Trustee. We were pleased to attract applications from over 30 high-quality candidates, between them offering a wide range of attributes to the Trust Fund. We therefore invited two applicants to join the Trustee body, and were delighted to welcome both Carly Skillett and Alvin Boateng. Carly and Alvin left the College in 2008 and 2019 respectively. Of the existing Trustees Richard Janaway, who is a Governor of the College, became a Trustee in 1998; Paul Richings (Chairman) in 2007; Richard Saunders in 2009, and Ben Forman (Honorary Treasurer) in 2015, after 12 years as Independent Examiner. James Brewin and Shelley Lawson were both appointed as Trustees in 2021, James having served as Honorary Secretary of the Trust

Fund since 2017, and Shelley being both a Sternian and current parent. Chris Bellairs was appointed Independent Examiner at the beginning of 2016; he was also a pupil at the College.

Grants

2023 saw assistance provided to eight pupils, compared to nine in 2022. Total grants awarded of £22,500 were slightly lower than in the prior year. Six of the eight pupils remained at the College at the year end, and the Trustees have committed an additional £22,500 to support them in 2024. The Trustees work with the College to identify the widest possible range of eligible beneficiaries. Grants are funded out of investment income, with donations and legacies used to build up the capital of the Fund, which helps to preserve the Trust Fund's capacity to provide support as school fees rise over time. Provided that the Headmaster and Bursar give their support and have agreed that assistance is merited, the amount of a grant is determined after examination of the financial information that applicants provide. Grants are for a proportion of the fees. In almost all cases, a grant is accepted when offered and the pupil continues at the College; where that does not happen, the level of grant is rarely, by itself, the decisive factor.

A number of the pupils supported during the year and as at the date of this report are Foundationers, where the Trust Fund has stepped in to fill the gap left by other charities whose previous support did not extend beyond the 5th Form.

As previously mentioned, the Trustees' policy is to invest donations to produce a rising income, ensuring that the Trust Fund's grant-making capacity keeps pace with increasing school fees. The Trustees are mindful of the need to ensure that investment income is applied as fully as possible towards grants. With ongoing economic uncertainty the Trustees expect there will be a continuing pipeline of applications. However, during 2023 there were insufficient applications received that met the Trustees' grant-making criteria to account for the entirety of the available investment income. As such, the Trustees have agreed to make a grant of £19,000, equivalent to the surplus investment income, to the Lord Wandsworth Foundation, thereby ensuring that the full amount of the year's income is purposefully deployed.

Legacies & Donations

Legacies have been a major factor behind the rapid growth of the Trust Fund's resources over recent years, contributing over £275,000 since 2006. No legacies were received during the year (2022: £25,000).

In addition to legacy income, the growth of the Trust Fund has been founded on the cumulative impact of regular donations from a small number of Sternians over many years, whose gifts now total c.£150,000, including tax recovery. Those donations were almost £5,000 in 2023.

General Finance

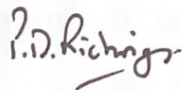
Following the prior year's fall of £97,000 in the value of the Fund's assets, 2023 saw a partial recovery of those unrealised losses, with the investments benefitting from a £32,000 increase in value. The total assets of the Trust Fund increased during the year from £1,004,000 to £1,040,000. The investment of donations and legacy income over time has resulted in an ongoing increase in available income, which rose to £41,500 in 2023 (2022: £36,600).

The Trust Fund's capital is invested in funds designed specifically for charities. The investments are mainly (85% by value) in wider range assets, primarily equities but also some real estate, producing an income yield of 4.3%. Cumulatively, gains in market value, all in the equity investments, have amounted to almost £300,000, an increase of over 50% above the original cost. The Trustees are in principle prepared for grants to exceed investment income by up to £10,000 on a rolling three-year basis if there are enough applications with sufficient merit.

Outlook

Although inflationary pressures have abated somewhat, there remain a number of sources of economic uncertainty, not least the ongoing conflicts in Ukraine and the Middle East, but also the UK General Election which is likely to be held before the end of 2024. Where these factors have an adverse impact on parental resources the Trust Fund is well-placed to step in and assist: its resources now allow it to make meaningful contributions to the students that it supports. I would like to thank the donors whose contributions have made this possible.

I would like to conclude by recognising the pivotal contribution to the Trust Fund of Hugh Podger, who sadly passed away in January 2024. Hugh chaired the Trust Fund in its various guises from its inception, and steered its development for the first half century of its existence. The Trust Fund has, over this period, enabled numerous students to continue their education at Lord Wandsworth College and to fully benefit from all that the College provides. The Fund's evolution and its ongoing positive influence on the lives of the students it supports is largely due to Hugh's leadership, vision, and unwavering dedication to the College. It was a privilege to have served as a Trustee under his leadership.



Paul Richings
Chairman of the Trustees
23 February 2024

Independent Examiner's Report to the Trustees of the Sternians Trust Fund

I report to the Trustees on my examination of the accounts of the Trust Fund for the year ended 31 December 2023 which are set out on pages 8 to 13.

Responsibilities and basis of report

As the Trustees 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 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 Fund 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.



Chris Bellairs FCA
23 February 2024
Old Cottage, Shoreham, Kent

Statement of Financial Activities

	Notes	2023 £	2022 £
Income from donations and legacies	4	4,678	29,938
Income from investments	5	41,522	36,594
Total income		46,200	66,532
Expenditure on charitable activities	6	41,500	24,000
Other expenditure	7	156	195
Total expenditure		41,656	24,195
Net income		4,544	42,337
Unrealised gain/(loss) on investment assets		31,629	(96,870)
Net movement in funds		36,173	(54,533)
Fund balance brought forward at 1 January		1,004,254	1,058,787
Fund balance carried forward 31 December		1,040,427	1,004,254

All amounts derive from continuing activities.

Notes 1 to 9 form part of these Annual Accounts.

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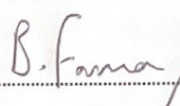
Balance Sheet

	Notes	2023 £	2022 £
Fixed assets			
Investments	8	1,012,114	935,485
Current assets			
Current account		47,227	67,101
Deposit account		7	7
Income tax recoverable		79	1,661
Total current assets		47,313	68,769
Current liabilities			
Accrued grants	6	(19,000)	-
Total current liabilities		(19,000)	-
Net current assets		28,313	68,769
Total net assets	9	1,040,427	1,004,254
Represented by:			
Unrestricted general purpose fund		1,040,427	1,004,254
Total funds at 31 December		1,040,427	1,004,254

Notes 1 to 9 form part of these Annual Accounts.

Approved by the Trustees on 23 February 2024 and signed on their behalf by:


..... P. D. Richings (Chairman)


..... B. R. Forman (Hon. Treasurer)

Notes to the Accounts

1. Accounting policies

- (i) The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') and the Charities Act 2011.
- (ii) The financial statements have been prepared under the historical cost convention except that investments are carried at the closing mid-market value at the Balance Sheet date. Any gain or loss is recognised in the Statement of Financial Activities.
- (iii) Donations are included in the Statement of Financial Activities when received, together with any associated tax credit. Investment income is recognised when received.
- (iv) Resources expended are accounted for on an accruals basis. In particular, grants provided to assist in the payment of school fees are recognised in the Statement of Financial Activities when they become due at the start of each term.

2. Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the accounts for each financial year which give a true and fair view of the Trust Fund's financial activities during the year and of its financial position at the end of the year.

The Trustees confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 2023. The Trustees also confirm that applicable accounting standards and statements of recommended practice have been followed and that the financial statements have been prepared on a going concern basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust Fund and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Trust Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The major risks to which the Trust Fund is exposed are kept under review and are taken into account when decisions are made concerning grants. The Trustees have set limits on the extent to which grants may exceed investment income over a rolling three year period.

The Trustees are mindful of the need for the Trust Fund to conform to the requirement for Charities to demonstrate public benefit and are satisfied that the Trust Fund conforms thereto.

3. Statement of investment policy

The Trustees' investment policy is to invest fully all funds not required in addition to investment income to meet commitments for grants in the near term (normally up to three years ahead), while retaining funds on deposit when market conditions make a delay in investing advisable. Investments are in unit trusts for charities and are divided between equities and property ('wider range investments') and fixed interest stocks ('narrower range investments') in proportions agreed by the Trustees and reviewed at their meetings.

The Trust Deed does not place restrictions on the use of funds and all funds are designated as unrestricted.

More than one unit trust manager is used. Currently the managers used are BlackRock (BLK Charities UK Bond Fund and BLK Charities Equity Fund), M&G (Charibond and Charifund) and CCLA (COIF Charities Investment Fund).

Cash awaiting investment or expected to be required for grants in the near term is held in the current account.

4. Income from donations and legacies

	2023	2022
	£	£
Individual donations (including tax recoverable)	4,678	4,938
Legacies	-	25,000
	<u>4,678</u>	<u>29,938</u>

5. Income from investments

	2023	2022
	£	£
Received from narrower range investments	5,777	4,120
Received from wider range investments	35,745	32,474
	<u>41,522</u>	<u>36,594</u>

6. Expenditure on charitable activities

	2023 £	2022 £
Expenditure on charitable activities	41,500	24,000

Expenditure on charitable activities comprises grants made for school fees and other associated costs, either directly or by amounts donated to the Lord Wandsworth College Foundation.

The Trust Fund supported eight pupils during 2023 (2022: nine) in respect of whom £22,500 (2022: £24,000) was charged to the Statement of Financial Activities during the year. The Trust Fund had committed support to six pupils (2022: six) at the end of 2023, for whom further grants totalling £22,500 (2022: £12,000) are committed to be paid during 2024.

In addition, a further grant of £19,000 (2022: £nil) for termly fees and other associated costs was committed to the Lord Wandsworth College Foundation during the year. This amount was accrued at 31 December 2023 and subsequently paid in 2024.

7. Other expenditure

	2023 £	2022 £
Trustees' expenses	156	195
	156	195

Trustees' expenses represent travel and other costs of two Trustees (2022: two). The Trustees make a donation to the Trust Fund equal to the expenses claimed, such that no payments were made to them in respect of this amount.

Neither the Trustees and the Independent Examiner, nor any person connected with them, have received any remuneration.

The Trust Fund has no employees and so incurs no staff costs.

8. Investments

	31 December 2023			31 December 2022		
	Holding	Cost	Market value	Holding	Cost	Market value
BLK Charities UK Bond	34,895	62,529	51,645	34,895	62,529	50,947
M&G Charibond	92,089	117,947	102,993	92,089	117,947	99,742
Narrower Range		180,476	154,638		180,476	150,689
BLK Charities UK Equity	18,674	72,162	135,947	18,674	72,162	128,852
M&G Charifund	24,764	252,807	355,355	21,815	207,807	320,582
COIF investment fund	18,452	234,897	366,174	18,452	234,897	335,362
Wider Range		559,866	857,476		514,866	784,796
Total Investments		740,342	1,012,114		695,342	935,485

Movement in market value

	2023	2022
	£	£
Market value at 1 January	935,485	1,032,355
Additions	45,000	-
Unrealised gain/(loss) on revaluation	31,629	(96,870)
Market value at 31 December	1,012,114	935,485
Historic cost at 31 December	740,342	695,342

9. Summary of net assets

	2023	2022
	£	£
Investments	1,012,114	935,485
Net current assets	28,313	68,769
Net assets	1,040,427	1,004,254