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The Humphrey Richardson Taylor
Charitable Trust

Financial Statements Year Ended 31 December 2020

Charity registration number: 1062836

The Humphrey Richardson Taylor Charitable Trust

Financial Statements

Year Ended 31 December 2020

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The Humphrey Richardson Taylor Charitable Trust

Charity Reference and Administrative Details

Year Ended 31 December 2020

Charity registration number	1062836
Trustees	Mr W J F Malings Mrs R M Cox Mr C J Edgerton Mr I Catling Mr M S Wood Mr S J Oliver Mr B M Bennett
Administrator	Mrs C R Perry
Deputy Administrator	Mrs S J Goddard
Registered office	32 Chipstead Station Parade Chipstead, Surrey CR5 3TF
Auditor	Palmers Chartered Accountants 28 Chipstead Station Parade Chipstead, Surrey CR5 3TF
Solicitor	gunnercooke llp 1 Cornhill London EC3V 3ND
Bankers	Lloyds Bank Plc 64 High Street Epsom, Surrey KT19 8AT
Investment managers	Barclays Bank UK PLC 1 Churchill Place London E14 5HP
Property Advisers	Huggins, Edwards & Sharp Apex House 10 West Street Epsom, Surrey KT18 7RG

The Humphrey Richardson Taylor Charitable Trust

Trustees' Annual Report

Year Ended 31 December 2020

The Trustees present their annual report and the audited financial statements for the year ended 31st December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Structure, Governance and Management

Mr H R Taylor, who died in 1996, was devoted to music all his life and wished to establish a charity for the advancement of music. The Humphrey Richardson Taylor Charitable Trust was incorporated under a Trust Deed dated the 23rd May 1997 and Amendment Deed dated 4th April 2019, and its registration number is 1062836. Of the original Trustees, William John Fortnam Malings continues in office.

New Trustees may be appointed at any time either by way of replacement or addition and whilst there is a minimum number of three Trustees, there is no maximum. Appointments are made by a resolution of a meeting of the Trustees provided that a memorandum declaring such appointment or discharge shall be signed as a deed either at a meeting by the person presiding or in some other manner directed by the meeting and attested by two persons present at the meeting.

Trustees are recruited either on personal recommendation or, where appropriate, through advertising. Care is taken to maintain a balance between the business and music experience and skills contributed by the Trustees. References are taken up on potential Trustees and they are required to attend a briefing on the Trust's activities given by the Administrator, where they are provided with background information, copies of the latest audited accounts, and the latest Charity Commission guidance.

The day-to-day activities of the Trust are managed by the Administrator and the Deputy Administrator who deal with funding applications and correspondence, visits to schools and other organisations, preparation of reports for the Trustees and the minutes of meetings, and maintenance of the accounting records. All funding decisions are taken by the Trustees either at their regular meetings or, more rarely, by email. The latter decisions are ratified by the Trustees at a subsequent meeting.

The Trustees have reviewed the major risks facing the Trust and taken action to manage those risks. The major risks are a fall in income due to difficulties in the property and financial markets, as occurred in late 2008, 2009 and 2020, and possible employee fraud. The Trustees employ professional advisers to manage the Trust's significant property and equity portfolios and meet them regularly to review performance and the advice provided. The possibility of fraud is minimised by only the Trustees being signatories on the bank accounts, and robust bank account security. In addition, the Trustee Indemnity Insurance Policy includes cover against possible employee fraud.

The members of the Board of Trustees during the year ended 31st December 2020 were:

Mr W J F Malings
Mrs R M Cox
Mr C J Edgerton
Mr I Catling
Mr M S Wood
Mr S J Oliver
Mr B M Bennett

Objectives and Activities

The objectives of the Trust are "the advancement of public education in and appreciation of the art and science of music and allied performing arts (including the presentation of public concerts and recitals)". The Trust's aims are to encourage and support music education at state primary, secondary and tertiary levels and to seek the continuing performance of live music in society, particularly by amateur performers.

Initially, awards were restricted to organisations and individual applicants living in areas adjacent to Cheam, the lifelong home of Humphrey Richardson Taylor, but they have since been extended to cover the historical and geographical area of Surrey and occasionally other adjacent areas.

The Humphrey Richardson Taylor Charitable Trust

Trustees' Annual Report

Year Ended 31 December 2020

The Trust's main financial objective is to maintain a balance between expenditure and income whilst giving due diligence to funding projects and maintaining financial prudence. The Trust does not raise funds from the public or employ professional fund-raisers.

The main areas of activity pursued by the Trust are:

- Grants to state schools for the purchase of musical instruments, music computers and software, musical scores, and the funding of concerts for special occasions. Grants are very occasionally made to independent schools.
- Funding of instrumental tuition for children at state schools, and occasionally for children of parents of limited means at independent schools.
- Grants towards the cost of building, refurbishing or extending music facilities at state schools.

The Trust would normally expect a contribution from the school towards the cost of any of the above projects.

- Funding of music scholarships in partnership with the University of Surrey, Royal College of Music, English National Opera, Southbank Sinfonia, National Youth Orchestra and the National Youth Choirs of Great Britain.
- Annual grants to amateur choirs and orchestras, and to music societies, to promote the performance of live classical music in the Trust's area of operations.
- Grants towards tertiary study or towards the cost of an instrument for exceptionally talented individuals with a desire to make music their future.

Grants are awarded on the basis of need and merit, case by case. Individual applicants are requested to provide full details of their musical experience, aspirations and financial circumstances. Choirs and orchestras are expected to be efficiently run and largely self-financing, as evidenced by recent annual accounts. A visit is always made to schools applying for a major grant to determine the level of musical activity and how the Trust may best provide assistance. School visits may often be made to ensure the best use of funding, to see a completed project funded by the Trust, to see lessons in progress or to watch a performance. In the field of education, the main emphasis is on supporting the state sector, although limited assistance is provided to independent schools.

Public Benefit

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and grant making policy.

The Trust's funds promote the study and playing of musical instruments, including the voice, and are disbursed to deserving applicants – schools, choirs, orchestras, other musical societies, undergraduate and postgraduate students of music and individuals within the Trust's field of operation and/or with a strong link to the area. All schools in the Trust's area of operation are eligible for funding, although the Trust gives priority to state schools and, within independent schools, as far as possible, to children of parents of limited means.

Support to amateur choirs and orchestras is available to musical societies in the Trust's area of operations and the Trust encourages them to make selective use of local young professional performers, both to encourage high standards and to help young local talent embarking on a career in music. A number of music scholarships are available, on the recommendation of the institution, to British students at the Royal College of Music (postgraduate) and the University of Surrey (undergraduate) and, on personal application to the Trust, to individual students with a strong connection to the Trust's area of operation.

Privacy

The Trust holds information provided by correspondents securely. It is used only as required for the smooth operation of the Trust and will never be sold or passed to a third party.

The Humphrey Richardson Taylor Charitable Trust

Trustees' Annual Report

Year Ended 31 December 2020

Achievements and Performance

As a grant-making Trust, expenditure reflects both the level of income and the number of viable applications received each year.

In 2020, rental income and equity dividends were generated throughout the year. Income for the year was £455,830 compared to £562,600 in 2019. Expenditure for the year was £410,794 (2019: £624,456).

Charitable expenditure was mostly devoted to schools (£161,060 for musical instruments and tuition and £nil for capital projects) and choirs, orchestras and other music societies (£50,992 in support of amateur productions), with £76,660 going to partner organisations such as the Royal College of Music and music festivals, and £29,065 devoted to the development of promising individual young musicians in Surrey.

Covid-19

The Trust, along with many others, suffered a considerable reduction in income in 2020 due to the impact of Covid-19. The Trustees were aware this might also continue into 2021. Prudence was necessary but, whilst the level of support the Trust was able to offer was affected, the Trustees felt strongly that grants should continue to be made whenever appropriate.

A balance of financial help from the Trust and drawing on reserves meant that most Trust supported music societies were able to survive. Despite the restrictions imposed, schools and individuals still needed support as tuition continued online. The Trustees were aware that with so much uncertainty it would be necessary to examine future bids carefully to ensure grants had been used appropriately. The Trustees felt more than ever that they were providing an important lifeline for music and musicians.

Financial Review

The Trust's principal sources of funding are freehold commercial and residential investment properties in Chelsea, London, SW3, funds quoted on the stock exchange, and cash and short-term bank deposits. The Trust does not engage in fund raising.

The investment properties were externally valued as at 11 September 2017 at a total of £10,100,000 and the value incorporated into the accounts.

The Trustees continued to monitor other market fluctuations during the financial year and kept under review their policy of diversification to ensure that it met the Trust's requirements for income generation and capital growth and that the return on investments was satisfactory. With low returns on cash continuing in 2020 they continued to favour equity investment over cash deposits.

Unrestricted funds invested in tangible fixed assets, equities and investment properties fell from £15,500,660 to £15,408,988 during the year.

Investment Policy

The Trustees reviewed the balance and nature of their investments in the light of rates of return from property and continuing low interest rates and carried out an annual review of their investment policy with Barclays Wealth. The value of their units in Barclays' Charity Fund (excluding cash held for re-investment within the portfolio) fell in 2020 from £5,380,660 to £5,288,988.

Assets Policy

The Trust's assets are property, Charity Fund units and cash. It aims in 2021 to continue to generate around 80% of its income from a net 4% return on its property holdings, or around £400,000, and the remaining 20%, or around £100,000, from a net 3% dividend return on its Charity Fund holdings. Its cash holdings are held in reserve (see below) and are expected to generate only a minimal return.

The Humphrey Richardson Taylor Charitable Trust

Trustees' Annual Report

Year Ended 31 December 2020

Reserves Policy

The Trust's reserves are its assets, in the first instance cash. It is likely to need to call on reserves if tenants default on their rental payments - as occurred in 2008, 2009 and 2020 - or if the stock market experiences a serious fall in value and dividends. The Trustees reviewed the balance and nature of their reserves in the light of the need to match income with variable commitments and decided to hold reserves of £200,000 in interest bearing but readily realisable cash accounts, supplemented by a variable amount in a low interest-bearing instant access account linked to its current account, topped up as needed by withdrawals from equity investments in the event of a sharp drop in income. Their priority remains to meet demand for essential support in core activities: music tuition in schools, scholarships and support to amateur choirs and orchestras.

Plans for the Future

The Trustees' budgeting will reflect both the long-term future of the charity and the need for short-term income, in accordance with the Objectives of the Charitable Trust. In addition to its existing activities, the Trust will seek actively to increase awareness in schools in its area of operation of the availability of funds for major projects, instrument purchases and tuition.

Auditors

During the year, Palmers, Chartered Accountants, have acted as auditors to the Trust and have indicated their willingness to continue in office.

Trustees' Responsibilities Statement

The Trustees are responsible for preparing the Trustees' Annual Report and the 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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust 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 in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the Trust and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board of Trustees on 08 August 2021 and signed on its behalf by:

W J F Malings
Trustee

The Humphrey Richardson Taylor Charitable Trust

Independent Auditor's Report

Year Ended 31 December 2020

Independent Auditor's Report to the Trustees of The Humphrey Richardson Taylor Charitable Trust

Opinion

We have audited the financial statements of The Humphrey Richardson Taylor Charitable Trust for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31st December 2020, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Humphrey Richardson Taylor Charitable Trust

Independent Auditor's Report

Year Ended 31 December 2020

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- the Trust has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the Trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The Humphrey Richardson Taylor Charitable Trust

Independent Auditor's Report

Year Ended 31 December 2020

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Palmers

Chartered Accountants and Statutory Auditors

*28 Chipstead Station Parade
Chipstead, Coulsdon
Surrey CR5 3TF*

08 August 2021

The Humphrey Richardson Taylor Charitable Trust

Statement of Financial Activities

Year Ended 31 December 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total £	2019 Total £
Income and endowments from:						
Investments	2	455,830	-	-	455,830	562,600
Total income and endowments		455,830	-	-	455,830	562,600
Expenditure on:						
Raising funds	3	37,307	-	-	37,307	103,248
Charitable activities	4	317,777	-	-	317,777	469,950
Other	5	55,710	-	-	55,710	51,258
Total expenditure		410,794	-	-	410,794	624,456
Net income/(expenditure) before investments		45,036	-	-	45,036	(61,856)
Net (losses)/gains on investments	8	(77,794)	-	-	(77,794)	579,419
Net (expenditure)/income		(32,758)	-	-	(32,758)	517,563
Transfers between funds		-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-
Net movement in funds		(32,758)	-	-	(32,758)	517,563
Reconciliation of funds:						
Total funds brought forward		15,552,080	-	-	15,552,080	15,034,517
Total funds carried forward		15,519,322	-	-	15,519,322	15,552,080

All income and expenditure derive from continuing activities.

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

The Humphrey Richardson Taylor Charitable Trust

Balance Sheet

Year Ended 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	-	-
Investments	13	15,408,988	15,500,660
		<hr/> 15,408,988	<hr/> 15,500,660
Current assets			
Debtors	14	6,292	10,638
Investments	15	11,038	11,912
Cash at bank and in hand		471,896	391,980
		<hr/> 489,226	<hr/> 414,530
Creditors: amounts falling due within one year	16	378,892	363,110
Net current assets		<hr/> 110,334	<hr/> 51,420
Total assets less current liabilities		<hr/> 15,519,322	<hr/> 15,552,080
Provisions for liabilities		-	-
Net assets		<hr/> 15,519,322	<hr/> 15,552,080
		<hr/>	<hr/>
 Charity Funds			
Unrestricted funds		15,519,322	15,552,080
Total Charity Funds		<hr/> 15,519,322	<hr/> 15,552,080
		<hr/>	<hr/>

Approved by the Board of Trustees on 08 August 2021 and signed on its behalf by

W J F Malings
Trustee

The notes on pages 12 to 25 form part of these financial statements.

The Humphrey Richardson Taylor Charitable Trust

Statement of Cash Flows

Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flow from operating activities	18	(390,666)	(671,970)
Interest paid			
Net cash flow from operating activities		<u>(390,666)</u>	<u>(671,970)</u>
Cash flow from investing activities			
Payments to acquire investments		-	(793,066)
Receipts from sales of investments		13,878	850,000
Interest received		604	2,152
Dividends and bond income received		145,466	157,443
Rents received from investment properties		309,760	396,186
Net cash flow from investing activities		<u>469,708</u>	<u>612,715</u>
Cash flow from financing activities			
Interest paid		-	-
Net cash flow from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		79,042	(59,255)
Cash and cash equivalents at 1 January		403,892	463,147
Cash and cash equivalents at 31 December		<u>482,934</u>	<u>403,892</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		471,896	391,980
Cash held by investment adviser		11,038	11,912
Cash and cash equivalents at 31 December		<u>482,934</u>	<u>403,892</u>

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

1 Summary of significant accounting policies

(a) General information and basis of preparation

The Humphrey Richardson Taylor Charitable Trust is a charity formed under a trust deed in England. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Trust's operations and principal activities are detailed in the Report of the Trustees on page 2.

The Trust constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Trust and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for particular purposes.

Endowment funds represent those assets which must be held permanently by the Trust.

The Trust has no designated, restricted or endowment funds in the current or previous year.

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Trust is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Trust will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Trust and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Trust's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes investment manager fees and rent collection costs;
- Expenditure on charitable activities includes grants paid to beneficiaries; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Trust.

(e) Support costs allocation

Support costs are those that assist the work of the Trust but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Trust. The Trust has one activity, grant-making so all support costs are in furtherance of this objective.

The analysis of these costs is included in note 5.

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and equipment	20% straight line basis
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(g) Investment properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in "net gains/(losses) on investments" in the SoFA.

(h) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in "net gains/(losses) on investments" in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit, cash held by the investment manager and cash equivalents with a maturity of less than one year.

(i) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(k) Provisions

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

(l) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(m) Employee benefits

When employees have rendered service to the Trust, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

(n) Tax

As a registered charity, the organisation is exempt from income and capital gains tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the Trust, and is therefore included within the relevant costs in the Statement of Financial Activities.

(o) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Trust to be able to continue as a going concern.

2 Income from investments

	2020 £	2019 £
Dividends and bond income	145,466	157,443
Interest - deposits	604	2,152
Compensation interest	-	6,819
Rental income	309,760	396,186
	<hr/> 455,830 <hr/>	<hr/> 562,600 <hr/>

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

3 Investment management costs

	2020 £	2019 £
Investment manager fees	14,682	14,965
Investment property costs	2,392	44,372
Professional fees investment properties	-	5,159
Property agents commission	20,233	38,752
	<u>37,307</u>	<u>103,248</u>

4 Analysis of expenditure on charitable activities

	Grant funding of activities £	Support costs £	2020 Total £
Individuals	29,065	-	29,065
Schools	161,060	-	161,060
Partner Organisations	76,660	-	76,660
Societies	50,992	-	50,992
	<u>317,777</u>	<u>-</u>	<u>317,777</u>

5 Allocation of support costs

		2020 £	2019 £
Governance	6	10,745	11,649
Staff costs	11	30,500	28,950
Office costs (incl. rent)		14,465	10,659
		<u>55,710</u>	<u>51,258</u>

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

6 Governance costs

		2020 £	2019 £
Trustee expenses	10	1,018	2,442
Auditor's remuneration	9	8,880	8,360
Indemnity insurance for Trustees and employees		847	847
		<u>10,745</u>	<u>11,649</u>

7 Analysis of grants

	Grants to Individuals £	Grants to Schools £	Grants to Partners £	Grants to Societies £	2020 Total £
Capital projects	-	-	-	-	-
Concerts and sponsorship	-	-	3,500	49,850	53,350
Tuition fees and scholarships	15,200	75,520	73,160	-	163,880
Instrument & equipment purchases	13,865	85,540	-	1,142	100,547
	<u>29,065</u>	<u>161,060</u>	<u>76,660</u>	<u>50,992</u>	<u>317,777</u>

Recipients of grants:

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Grants to Institutions				
<i>Capital projects</i>				
Carshalton Boys Sports College	-	-	-	(1,165)
Pyrford C of E Primary	-	-	-	(105)
Reigate School	(50,000)	-	(50,000)	50,000
Wilsons School	50,000	-	50,000	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,730</u>

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<i>Concerts and sponsorship</i>				
Ashted Choral Society	-	-	-	1,500
Banstead Arts Festival	6,500	-	6,500	-
Banstead Musical Society	5,000	-	5,000	-
Baseless Fabric Theatre	-	-	-	2,500
Bookham Choral Society	2,000	-	2,000	2,000
Brockham Choral Society	-	-	-	2,000
Burgess Hill Choral Society	-	-	-	3,000
Burgess Hill Symphony Orchestra	3,000	-	3,000	3,500
Chandos Choir	-	-	-	1,000
Chantry Singers	1,500	-	1,500	1,500
Classical Road Show	-	-	-	3,000
Creative Youth	2,000	-	2,000	-
Croydon Bach Choir	2,000	-	2,000	2,000
Croydon Symphony Orchestra	1,000	-	1,000	2,000
Dorking Chamber Orchestra	-	-	-	2,000
Dorking Choral Society	-	-	-	1,000
Dorking Concertgoers	-	-	-	2,000
Dorking Philharmonia	-	-	-	3,000
Egham & District Music Club	500	-	500	-
Egham Choral Society	-	-	-	1,000
Epsom Chamber Choir	-	-	-	2,000
Epsom Light Opera Company	1,000	-	1,000	-
Genesis Chorale	-	-	-	1,500
Guildford Music Society	-	-	-	3,000
Guildford Opera	-	-	-	5,000
Holmbury St Mary Choral Society	2,000	-	2,000	-
Horsham Symphony Orchestra	-	-	-	3,000
Imagine That Productions	-	-	-	2,500
Kingston Orpheus Choir	1,500	-	1,500	2,000
Kingston Philharmonia Orchestra	1,000	-	1,000	-
Kingston Third Age Orchestra	850	-	850	-
Leatherhead Choral Society	2,000	-	2,000	2,000
Meath Choir	2,500	-	2,500	-
National Youth Choirs of GB	-	-	-	2,050
NewSPAL	3,500	-	3,500	-
NYO	-	-	-	3,000
Oakleaf Enterprise – Everyone Choir	1,000	-	1,000	-
Opera Holloway	-	-	-	6,500
Redhill & Reigate Music & Drama Festival	-	-	-	2,000
Redhill Sinfonia	1,000	-	1,000	3,000
Richmond Orchestra	-	-	-	1,500
Sonore	-	-	-	1,000
Surbiton Symphony Orchestra	1,500	-	1,500	-

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Surrey Heath Singers	2,500		2,500	2,500
Surrey Opera	3,000		3,000	3,000
Surrey Philharmonic Society	1,000	-	1,000	2,000
Sutton Music Festival	-	-	-	3,500
Sutton Symphony Orchestra	-	-	-	3,000
Thames Philharmonia	-	-	-	1,000
Twickenham Choral	1,000	-	1,000	-
Wimbledon Symphony Orchestra	1,500	-	1,500	1,000
Woking Choral Society	-	-	-	2,000
YESPA	3,000	-	3,000	1,000
	53,350	-	53,350	92,050

Tuition fees and scholarships

Burgess Hill Academy	3,515	-	3,515	5,127
Carshalton Boys Sports College	6,270	-	6,270	6,075
Carshalton High School	-	-	-	-
Dorchester Primary School	2,000	-	2,000	2,000
English National Opera	-	-	-	2,000
Fullbrook School	-	-	-	575
Glenthorne High School	25,000	-	25,000	20,000
Green Wrythe Primary	3,300	-	3,300	-
Guildford Cathedral Choir	4,410	-	4,410	-
Harris Academy Wimbledon	426	-	426	4,560
Linden Bridge School	4,900	-	4,900	4,760
Minster Junior	5,000	-	5,000	-
National Youth Choir of GB	2,250	-	2,250	-
National Youth Orchestra	3,000	-	3,000	-
Overton Grange School	10,635	-	10,635	4,242
Reigate School	3,563	-	3,563	3,990
Robin Hood Junior School	1,273	-	1,273	5,295
Royal College of Music	36,500	-	36,500	35,000
Rushy Meadow Primary	3,000	-	3,000	2,250
Shirley High School	6,820	-	6,820	8,529
Southbank Sinfonia	9,000	-	9,000	8,700
Sutton Music Service - Philharmonia	-	-	-	5,000
Sutton Music Serv. - Endangered Inst.	-	-	-	2,490
University of Surrey	18,000	-	18,000	18,000
Woodmansterne Primary School	(182)	-	(182)	730
Yehudi Menuhin School	-	-	-	5,000
	148,680	-	148,680	144,323

Instrument and equipment purchases

Beacon School	-	-	-	450
Burgess Hill Academy	1,939	-	1,939	-
Carshalton Boys Sports College	(1,313)	-	(1,313)	10,161
Collyers College	-	-	-	17,500
Coombe Girls School	-	-	-	2,311

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
de Stafford School	-	-	-	17,480
Dorchester Primary School	-	-	-	517
Effingham Learning Partnership	3,612	-	3,612	5,359
Forest School	-	-	-	33,500
Forge Wood Primary	-	-	-	1,115
Fullbrook School	684	-	684	1,380
Glebelands School	4,500	-	4,500	-
Greenshaw School	4,475	-	4,475	15,000
Harris Academy Wimbledon	4,450	-	4,450	2,406
Hollyfield School	34,000	-	34,000	-
Minster Junior School	1,749	-	1,749	-
Overton Grange School	400	-	400	1,540
Rushy Meadow Primary	435	-	435	3,950
St Andrews School	-	-	-	(98)
Stamford Green Primary School	-	-	-	597
Thomas More School	-	-	-	2,273
Tiffin Boys School	-	-	-	1,500
Tiffin Girls School	30,609	-	30,609	1,984
Vaughan Williams Singers	1,142	-	1,142	-
Wallington Grammar School	-	-	-	2,536
Woodmansterne Primary School	-	-	-	2,407
Yehudi Menuhin School	-	-	-	10,000
	86,682		86,682	133,868
Total grants to institutions	288,712	-	288,712	418,971
Grants to individuals				
Bursaries	12,700	-	12,700	38,020
Instrument purchases	13,865	-	13,865	11,279
Tuition fees and scholarships	2,500	-	2,500	1,680
Total grants to individuals	29,065	-	29,065	50,979
Total grants paid	317,777	-	317,777	469,950

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

8 Net income/(expenditure) for the year

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Loss/(profit) on sale of investments	72	-
Loss/(profit) on fair value movement of investments	77,722	(579,419)

9 Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £8,880 in respect of last year's audit fee (2019: £8,000 plus an under accrual of £360 for the previous year).

10 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2019: £nil).

The reimbursement of Trustees' expenses was as follows:

	2020 Number	2019 Number	2020 £	2019 £
Travel	6	7	315	1,599
Other	2	2	703	843
			<hr/> 1,018	<hr/> 2,442

11 Staff costs and employee benefits

	2020 £	2019 £
Wages and salaries	30,500	28,950

The average number of employees during the year was 2 (2019: 2) with all employee time involved in either providing support to the governance of the Trust or support services to charitable activities.

12 Tangible fixed assets

The Trust had no tangible fixed assets in the current or previous year.

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

13 Fixed asset investments

	Listed Investments £	Unlisted Investments £	Property Investments £	Total £
Cost or valuation				
At 1 January 2020	5,380,660	20,000	10,100,000	15,500,660
Additions	-	-	-	-
Disposals	(13,950)	-	-	(13,950)
Revaluation	(77,722)	-	-	(77,722)
At 31 December 2020	<u>5,288,988</u>	<u>20,000</u>	<u>10,100,000</u>	<u>15,408,988</u>
Impairment				
At 1 January 2020	-	-	-	-
Written off	-	-	-	-
Eliminated on disposals	-	-	-	-
At 31 December 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Carrying amount:				
At 31 December 2020	<u>5,288,988</u>	<u>20,000</u>	<u>10,100,000</u>	<u>15,408,988</u>
At 31 December 2019	<u>5,380,660</u>	<u>20,000</u>	<u>10,100,000</u>	<u>15,500,660</u>

Investments at fair value comprise:

	2020 £	2019 £
Listed equities	5,288,988	5,380,660
Unlisted investments	20,000	20,000
Property investments	10,100,000	10,100,000
	<u>15,408,988</u>	<u>15,500,660</u>

All investments are carried at their fair value. Investments in listed equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

The unlisted investments comprise 2,000 ordinary shares of £10 each (4% of total issued share capital) of Clyde Hall (Addiscombe) Limited, a private limited company. The principal activity of Clyde Hall (Addiscombe) Limited is to own and manage premises known as Clyde Hall (located in Croydon, Surrey) for use as a local community resource. More particularly, Clyde Hall is the home of Surrey Opera, a regular recipient of grants from the Trust. As it is an unquoted company, there is no readily identifiable market for its shares. Accordingly, the value of the Trust's investment has been assessed by the Trustees on the basis of the share of the value of the underlying net assets attributable to the Trust's holding. The latest accounts for the company show net assets of £523,556 as at 31 October 2020. Therefore the Trustees have valued the investment at £20,000.

The investment properties were revalued during 2017 by N W Angus FRICS Dip (Est Man) IRRV of Huggins, Edwards & Sharp LLP, Apex House, 10 West Street, Epsom KT18 7RG. The valuations took into account both market values and tenancy details at the time of the valuation.

14 Debtors

	2020 £	2019 £
Rent deposits	1,875	4,875
Accrued income	3,881	5,384
Other debtors	536	379
	<hr/> 6,292	<hr/> 10,638
	<hr/>	<hr/>

All debtors fall due within one year.

15 Current asset investments

	2020 £	2019 £
Cash held by investment managers	11,038	11,912
	<hr/> 11,038	<hr/> 11,912
	<hr/>	<hr/>

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Other tax and social security	420	402
Other creditors	160,345	160,287
Accruals for grants payable	204,954	188,261
Accrued expenses	13,173	14,160
	<u>378,892</u>	<u>363,110</u>

17 Accrued funding commitments

	Under 1 year £	Over 1 year £	Total £
At 1 January 2020	188,261	-	188,261
Additions during the year charged to income	317,777	-	317,777
Amounts paid during the year	(301,084)	-	(301,084)
At 31 December 2020	<u>204,954</u>	<u>-</u>	<u>204,954</u>

18 Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure)/income for year	(32,758)	517,563
Dividends and bond income received	(145,466)	(157,443)
Rent received from investment properties	(309,760)	(396,186)
Interest receivable	(604)	(2,152)
(Gains)/losses on investments	77,722	(579,419)
(Profit)/loss on disposal of fixed asset investments	72	-
(Increase)/decrease in debtors	4,346	(6,172)
(Decrease)/increase in creditors	15,782	(48,161)
Net cash flow from operating activities	<u>(390,666)</u>	<u>(671,970)</u>

The Humphrey Richardson Taylor Charitable Trust

Notes to the Financial Statements

Year Ended 31 December 2020

19 Related party transactions

Fees have been paid to a professional firm to which one of the Trustees, Mr W J F Malings, is a consultant. The total fees and reimbursed expenses charged during the year amounted to £nil (2019: £5,254); commissions charged on the collection of rent amounted to £20,233 (2019: £24,159) and commission on the sale of an investment property £nil (2019: £10,200).

Note 13 to the accounts details an equity investment made by the Trust in an unlisted private limited company, Clyde Hall (Addiscombe) Limited. Mrs R M Cox, a Trustee, is also a minority shareholder in this company.

During the year a grant of £3,000 (2019: £3,500) was made to the Burgess Hill Symphony Orchestra who employ Trustee Mr M Wood. Burgess Hill Choral Society also employ Mr M Wood but did not receive a grant this year (2019: £3,000).

Trustee, Mr S Oliver is the chair of Banstead Arts Festival that received a grant of £6,500 this year (2019: £nil).