

SOUTHAMPTON ROW TRUST LIMITED

England & Wales · Charity number 1079020

Details

Other names	CAF AMERICAN DONOR FUND
Status	Registered
Legal form	Charitable company
Company number	03900842
Registered	2000-01-20
Register	View on the Charity Commission register

Contact

Address	Charities Aid Foundation 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA
Phone	03000123088
Email	cadf@cafonline.org
Website	www.cafonline.org

Activities

Objects: TO PROMOTE THE ADVANCEMENT OF EDUCATION, THE RELIEF OF POVERTY, THE ADVANCEMENT OF RELIGION AND SUCH OTHER PURPOSES AS ARE EXCLUSIVELY CHARITABLE UNDER THE LAWS OF ENGLAND AND WALES

Activities: To promote the advancement of education, the relief of poverty, the advancement of religion and such other purposes as are exclusively charitable under the laws of England and Wales.

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-30	£146,809,000	£123,736,000	£195,843,000	0
2024-04-30	£162,396,000	£125,451,000	£174,930,000	0
2023-04-30	£106,591,000	£88,790,000	£133,695,000	0
2022-04-30	£98,401,000	£68,443,000	£117,138,000	0
2021-04-30	£84,009,000	£76,205,000	£88,342,000	0

Trustees

Name	Role	Appointed
Caroline Elizabeth Armes Rylatt		2022-02-01
Carolyn Osteen Ward		2024-06-10
Mark Jonathan Greer		2021-06-25
Meredith Niles		2024-06-10

SOUTHAMPTON ROW TRUST LIMITED

England & Wales - Charity number 1079020

Accounts

BETTER GIVING

STARTS HERE

**SOUTHAMPTON ROW
TRUST LIMITED**

Trustees' report and financial
statements for the year ended
30 April 2025

Charity Registration No: 1079020
Company Registration No: 03900842 (England and Wales)

CAF
Charities Aid Foundation

The CAF American Donor Fund (CADF) is the operating name of Southampton Row Trust Limited.

It is a dual qualified Donor Advised Fund for US and UK taxpayers. With 25 years' experience, we offer strategic, tax-effective philanthropy for these donors to maximise the impact of their giving by claiming eligible tax relief in both countries.

Since 2000, we have received more than £1.1 billion (US\$1.5 billion) in charitable donations to support charities around the world.



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CHARITY INFORMATION, TRUSTEES AND ADVISERS

REGISTERED OFFICE

25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

Telephone +44 (0)3000 123 150
Email cadf@cafonline.org

REGISTERED CHARITY NUMBER
1079020

COMPANY NUMBER
03900842

TRUSTEES

Meredith Niles (Chair, appointed 10 June 2024)
Mark Greer
Neil Heslop OBE, (resigned 20 July 2024)
Liz Rylatt
Carolyn (Morey) Ward (appointed 10 June 2024)

INDEPENDENT AUDITOR

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

PRINCIPAL BANKER

National Westminster Bank plc
94 Moorgate
London
EC2M 6UR

COMPANY SECRETARY
Kate Newman



MEREDITH NILES,
CHAIR

“It is testament to our donors' generosity that we have once again been able to achieve an incredible year of progress, despite the heightened global uncertainty and volatility. The donor-advised grants payable to charities by CADF reached over £118 million in 2024/25.”

The story of the CAF American Donor Fund (CADF) throughout the last quarter of a century has been one of collaboration between our expert team, generous CADF donors and the dedicated charities they support. This year is no exception.

CADF started as an idea within the Charities Aid Foundation (CAF), to help ignite and maximise the value of transatlantic giving, by creating a dual qualified charity with a Donor Advised Fund. This innovative solution enables dual US and UK taxpayers to claim eligible tax relief from both jurisdictions, amplifying support for causes they care about.

During my first year as Chair, it has been a real honour to meet some of the individuals and organisations that have contributed to CADF's legacy of impact, with over £1.1 billion (US\$1.5 billion) in donations received so far.

This number represents numerous impactful gifts that have made a tangible, positive difference. We were privileged to hear about a few of these at our 25th anniversary reception in February 2025, which brought together donors and charities from across the community CADF has helped to build.

Each of these impact stories — alongside that of Orbis UK, a charity promoting global eye care, featured in this report — are important reminders of the positive change that donors can achieve working with CADF. Crucially, they inspire us as a team to grow CADF, with even greater ambition for the future.

Since 2000, the global landscape in which CADF operates has transformed — politically, economically and socially — and the pace of these changes intensified throughout 2024/25. As an American based in the UK, I know some of the complexities that the individuals and families we work with, experience living across two countries. For CADF donors, among more personal factors, this includes the regulatory reforms and tax changes that shape their charitable giving and the work we do.

During the previous year (2023/24), CADF delivered an unprecedented year of growth, supported by major one-off gifts from our donors. It is testament to their generosity that we have once again been able to achieve an incredible year of progress, despite the heightened global uncertainty and volatility.

The donor-advised grants payable to charities by CADF reached over £118 million in 2024/25, just under the £120 million secured in 2023/24, with the donations received totalling £139 million this year.

The number of new donors we are onboarding continues to grow, as do the prospective philanthropists we are engaging with. We focus on being the trusted giving expert for people who want to maximise the impact of their donations and, using our research, we are digging deeper into giving behaviours in the UK and the US to help them navigate the evolving environment.

In the UK, for example, our insights show that fewer people are giving. But those who can, are giving more and they are searching for increasingly innovative ways to leverage the value they can bring.

This includes our donors' expanding interest in gifting more complex assets. We have the flexibility and in-house expertise to facilitate these more complicated requests with discretion and confidence. In 2024/25, the team dealt with an increased number of share gifts exceeding £27 million.

Throughout the year, colleagues facilitated a total of 1,447 donor-advised grants covering cause areas ranging from global healthcare and medical research, animal welfare and the community-led restoration of natural habitats, to tackling poverty and supporting education, children and young people.

Looking to build on this in the 12 months ahead, I am excited about the opportunity for more CADF donors to benefit from what our Impact Accelerator offers. By accessing this centre of excellence for impact — they can develop a more strategic approach to giving, aligning their charitable goals with the needs of the global, national and local communities.

As we strengthen our connections with the charities across our global network, we are also scaling our industry-leading charity due diligence services. We are, therefore, ready to help realise the evolving giving ambitions of the philanthropists who donate to CADF as effectively as possible, especially those responding to crises in high-risk and sanctioned areas of the world.

Bolstered by our experienced and talented team in the UK and the US, we are delivering an ambitious programme of meetings, networking events and high-profile speaking opportunities to share what we are learning.

This focused engagement with advisers and donors on both sides of the Atlantic is reinforcing our reputation within the wealth management industry for tax-effective philanthropy. And we were pleased to be nominated for an award at this year's influential Magic Circle Awards.

I want to thank my CADF colleagues for their commitment and hard work. I am also extremely grateful to my predecessor, Neil Heslop, for his support over the last year.

As we begin this next chapter of CADF's story, we cannot write it alone. So, finally, I must express my gratitude to the philanthropists who support CADF and the charities we work with. It is their dedication, passion and generosity that continues to enable us to maximise the impact of transatlantic giving, changing people's lives across the world for the better, as envisioned 25 years ago.



Meredith Niles
Chair

Taking off

Ensuring everyone has equitable access to eye care

When a CADF donor expressed interest in supporting healthcare-related causes, we connected them with Orbis UK, an affiliate of Orbis International. The charity works around the world to ensure that everyone has equitable access to eye care, combining support from donors and in-country healthcare partners.

Drawing on our advisers' expert knowledge of Orbis's international operations, the donor committed a US\$100,000 grant to help support the Orbis Flying Eye Hospital. This is the world's only fully accredited ophthalmic teaching hospital onboard a MD-10 aircraft.

By funding cutting-edge, virtual simulation training technology onboard, the impact of the donor's gift travels with the jet on every mission.

During the aircraft's time in Bangladesh in 2024/25, 113 eye doctors and junior doctors participated in surgeries and lectures alongside Orbis's expert volunteers, building capacity among senior ophthalmologists through their Training of Trainers initiative. This training was also shared globally, with sessions livestreamed to 47 countries.

95

The Orbis Flying Eye Hospital has taken world-class training to eye care teams in over 95 countries.

47

Orbis's training in Bangladesh was shared globally with 47 countries.

113

Eye doctors and junior doctors participated in surgeries and lectures during the aircraft's time in Bangladesh.

1

The world's only fully accredited ophthalmic teaching hospital onboard an MD-10 aircraft.

“Generous support from CAF’s American Donor Fund has enabled Orbis to continue its work to provide access to eye care around the world.”

CASE STUDY

Rebecca Cronin
CEO, Orbis UK



Trustees' Report

Including the Strategic Report

Southampton Row Trust Limited is a dual qualified Donor Advised Fund for US and UK taxpayers. Operating under the name of CADF it provides strategic, tax-effective philanthropy options for donors to maximise the impact of their giving by claiming eligible tax relief in the US and UK, and using these funds to support charities around the world.

CADF offers a range of donor advised funds to help donors achieve their philanthropic objectives:

- Donor Advised Gifts (DAGs) allow donors to give large, one-off or ad hoc gifts.
- Donor Advised Funds (DAFs) enable donors to give regularly and subsequently suggest the distribution of grants to charities from the fund.
- Premier Donor Advised Funds (PDAFs) have the same features as DAFs together with the option for the donor to suggest investment of funds contributed to enable growth for longer-term grantmaking.

ACHIEVEMENTS AND PERFORMANCE

CADF's objective is to achieve long-term growth in donations received, and grants paid, through the three fund options available.

During the year, CADF's donors continued to give generously despite heightened geo-political uncertainties and economic volatility. Donations received into CADF's donor advised funds were £138.1 million (2024: £153.6 million). Although this is below the unprecedented level for the previous year, which included major one-off donations, the Trustees are pleased to note an underlying trend of increased giving.

This generosity enabled CADF to award 1,447 grants from its donor advised funds to charities in the UK, the US and elsewhere around the world. The aggregate value of these grants was £118.9 million, compared with £121.0 million (1,487 grants) in 2023/24, which was augmented by major one-off donations.

In addition, the Trustees are pleased to note the continuing trend of growth in PDAFs. These are intended to enable donors to increase the value of charitable funds over time through investment, and facilitate longer-term grantmaking to support charitable causes. During the year, the value of PDAFs grew to £160.5 million from £143.1 million at 30 April 2024.

FINANCIAL REVIEW

Donations received and credited to DAFs and DAGs increased marginally to £73.9 million (2024: £72.6 million). Donations received into PDAFs were £64.2 million (2024: £80.9 million), with the value for last year arising from some significant one-off donations.

Although interest rates began to decline during the year, investment income grew to £7.4 million (2024: £7.0 million) as fund balances grew. Funds were further boosted by net investment gains of £0.7 million (2024: £4.0 million), despite the market uncertainties during the year.

Donor-advised grants awarded from DAFs and DAGs increased marginally to £69.2 million (2024: £68.9 million), whereas those from PDAFs, which benefitted from major one-off donations last year decreased from £52.1 million to £49.8 million.

The net effect of this activity for the year is an increase in designated funds held to support future grantmaking, with funds held at 30 April 2025 increasing to £192.3 million from £172.9 million at 30 April 2024.

As a result of the ongoing level of liquid assets held pending their future application to donor-advised grantmaking, the level of interest income has remained beneficial. Consequently, during the year, CADF was able to award a grant from its unrestricted general funds of £2.7 million (2024: £2.5 million) to CAF, its ultimate parent. This will support CAF's commitment to growing philanthropic giving to achieve the greatest possible impact.

OUR AIMS FOR NEXT YEAR

The Trustees' objective for the coming year is to sustain the long-term growth in the average value of funds received and granted by the charity.

RISK MANAGEMENT

The Trustees have a risk management strategy that comprises:

- An annual review of the risks the charity may face.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of policies and procedures designed to minimise any potential impact on the charity should those risks materialise.

The main risks identified are credit, liquidity and market risk.

CREDIT RISK

Credit risk is the risk of financial loss because of a failure of a counterparty to meet financial obligations to repay the charity as they fall due. Credit risk arises primarily from investing funds with treasury counterparties and from financial investments.

Treasury policies establish criteria including credit rating, counterparty lending limits and country limits that are approved by the Trustees, with further oversight from the Investment and Finance Committee (IFC) of CAF, the charity's ultimate parent.

Subject to minimum credit ratings, maximum terms and maximum counterparty limits, funds may be invested in the following:

- UK Gilts and Multilateral Development Banks.
- Other single sovereign-backed sterling denominated bonds.
- Financial and non-financial fixed and floating rate corporate bonds and covered bonds.
- Bank deposits, certificates of deposit and other marketable securities.

The charity carefully monitors and considers risks associated with the macro-economic environment. There have been no material adverse impacts from changes in the economic environment.

Financial investments held in respect of PDAFs are invested in accordance with policies approved by Trustees, with further oversight from CAF's IFC. Donors typically suggest that a portion of funds donated are held in cash to meet short-term giving expectations and invest funds to meet medium to long-term philanthropic objectives. Grant suggestions are planned by reference to the market values and liquidity profile of the assets held.

LIQUIDITY RISK

Liquidity risk is the risk that the charity does not have sufficient financial resources to meet its obligations as they fall due.

The charity's principal obligations relate to grants payable. The charity does not award grants out of anticipated future income.

The liquidity position is monitored by the charity and CAF's IFC. On a day-to-day basis, the liquidity profile of the charity's assets is compared with the historical behavioural of donor-advised grant payments to recipient charities.

The liquidity policy requires a minimum percentage of total balances to be available within 24 hours and a further minimum percentage of total balances to be available over three months. No more than 50% of balances may be invested for a term in excess of 24 months.

PDAF funds are invested in accordance with policies that require investments to be liquid. Investments consider anticipated liquidity requirements to fund donor-advised grants. Should additional liquidity be required to fund these, investments are disposed of. In the event of a shortfall in anticipated proceeds, the value of the grant would be reduced.

MARKET AND INTEREST RATE RISK

Market risk is the risk from adverse movements in external markets including interest rates, changes in investment values or foreign currency exchange rates that will reduce income or the value of assets.

The charity does not undertake proprietary trading activities. It is the charity's policy to hold treasury-related investments to maturity and to value at cost, with any premium or discount amortised over the remaining term (the effective interest method).

The charity may manage interest rate risk attributable to treasury assets through the purchase of fixed rate investments that provide a degree of hedging against changes in market interest rates. The charity's policy is to hold such investments to redemption at par. The impact of any movements in interest rates on fixed rate instruments is, therefore, not anticipated to affect the charity's financial results.

The charity holds funds principally denominated in sterling and US dollars. The US dollars held mostly arise from donations received in that currency and are primarily intended to fund donor-advised grants that are awarded and paid in US dollars, thus mitigating the risk to fluctuations in foreign currency exchange rates.

PDAFs may be invested to fund long-term donor-advised philanthropic goals. The value of investments, alongside any regular donations received, determines the value of funds available for donor-advised grants. Accordingly, a movement in equity markets or interest rates may affect the value of PDAFs but does not impact the level of reserves.

SHARE CAPITAL AND DIVIDENDS

The charity's authorised share capital of 100 ordinary shares of £1 each was issued at par upon incorporation and is held by CAF America.

The charity's regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

PUBLIC BENEFIT

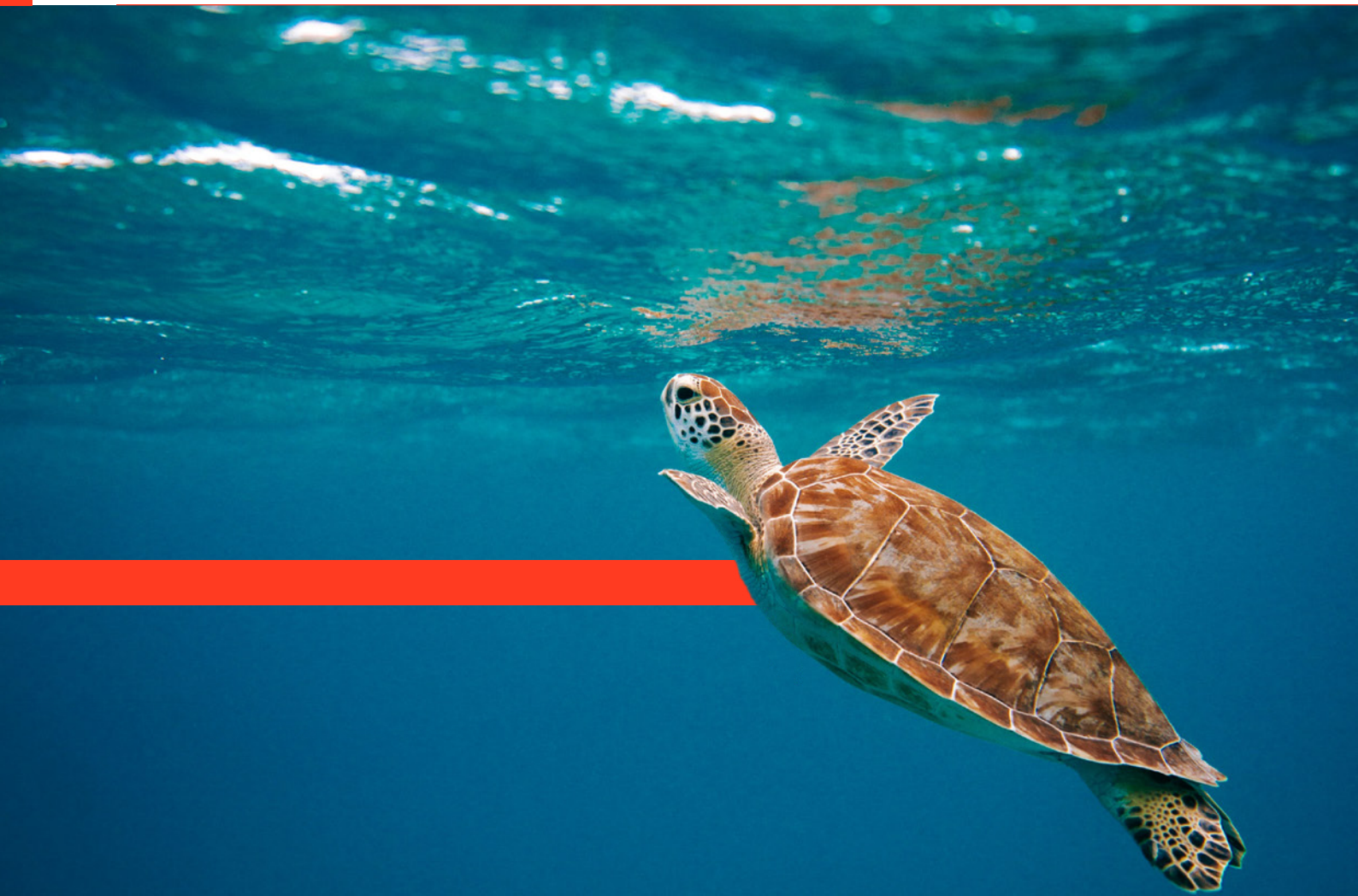
The aim of the charity is to encourage, support and develop the work of charities in the UK, the US and elsewhere in the world by operating a range of donor advised funds that ensure the most effective handling and distribution of charity funds. The activities provide public benefit by creating value for other charities and organisations around the world in carrying out exclusively charitable activities.

When reviewing the charity's aims and objectives and in planning future activities and setting the grantmaking policy, the Trustees paid due regard to the guidance issued by the Charity Commission, HM Revenue & Customs (HMRC) and the US Department of the Treasury and Internal Revenue Service (IRS).

FUNDRAISING

There have been no fundraising activities undertaken in the current or preceding year.





GRANTMAKING POLICY

The charity supports cross-border, tax-effective giving by enabling donors liable for tax in both the UK and the US to obtain tax relief in both countries on their charitable giving. Donors suggest, but they may not direct, how the Trustees might distribute their donation (donor-advised grants). This may be to organisations carrying out charitable activities across the world.

The Trustees' objective is to be cause neutral and within the requirements of relevant regulations, to support any charitable cause wherever in the world it may be, providing that appropriate charitable purpose is achieved, and thorough due diligence is conducted. Consequently, these donor-advised awards are not made in pursuit of a grantmaking policy to support organisations that operate in specific charitable sectors, geographical locations, or are of a certain size.

Each donor-advised grant is reviewed having regard for grantmaking guidance issued by the Charity Commission, HMRC and the US Department of the Treasury and IRS. If it is considered that a donor's suggestion is not in accordance with issued guidance, then steps are taken to ensure the funds are paid to an organisation with similar charitable objects.

All recipient charities are required to report to the Trustees on the actual use of grants given, and the achievements made, to monitor the effective use of grants made.

Funds received to support donor-advised grantmaking are held as designated funds pending distribution to beneficiary charities. Grants are only awarded up to a level equal to the funds already contributed and received from donors. No grants are awarded in anticipation of future income.

RESERVES POLICY

The charity's policy is to maintain, but not exceed, an appropriate level of reserves to support its activities, considering the risks to which it is exposed, and existing and projected future levels of income and expenditure.

The policy and determination of the required level of reserves are set in accordance with Charity Commission guidelines and are reviewed annually by Trustees.

In determining the appropriate level of reserves, Trustees consider the risks in the charity's activities including the risks in its financially based activities, such as credit risk, liquidity risk and interest rate risk, and other risks to which it may be exposed. They also consider the charity's operating environment, including regulatory changes that may impact the required level of reserves.

Although recent higher interest rates have been beneficial for the charity because of the significant level of liquid assets held, the Trustees are mindful of factors that may negatively affect the charity in the future. In the current context of the UK economy, a further rapid significant decline in short-term interest rates is not currently anticipated. However, if it were to arise, it would have a negative impact in the medium to longer-term once deposit rates, which have already been locked in for shorter periods, have matured.

Past economic crises experienced since 2008, however, provide evidence that individual donors who chose to give to the charity are resilient and giving remains broadly protected from economic changes. Therefore, the Trustees continue to closely monitor these matters and to identify actions to mitigate the impact should pressures arise.

The free reserves of the charity are determined as its unrestricted funds, less funds that have been designated for future grantmaking. Funds received to support future grantmaking are classified as designated funds upon receipt. At 30 April 2025, £192.3 million (2024: £172.9 million) of the charity's unrestricted funds were designated for future grantmaking and consequently the charity's free reserves were £3.5 million (2024: £2.1 million).

This level of free reserves is considered by the Trustees to be sufficient to support the ongoing activities and development of the charity.

GOING CONCERN

To assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed.

The Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least 12 months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

INVESTMENT POWERS AND POLICY

The Trustees have the power to invest in such investments, securities or property as they see fit.

The charity adopts investment policies appropriate to the nature of the funds for which the investments are held. The policies set out the risk appetite for investments including liquidity, credit, large exposures and interest rate risks.

Investment policies are approved by the Trustees. They are monitored by CAF's IFC.

The charity's funds principally comprise unrestricted designated funds held pending onward donor-advised grantmaking. The charity assesses liquidity requirements to ensure funds are available to meet the suggestions received for donor-advised grantmaking and may invest funds with a range of counterparties within approved credit, liquidity, interest rate and large exposure risk appetites. The charity may invest these funds in UK Gilts, multilateral and single sovereign-backed bonds, and cash deposits or certificates of deposit. The charity's policy is to hold these investments to maturity.

The investment policy allows for PDAFs to be invested to meet the longer-term donor-advised philanthropic objectives. The investment risk appetite is appropriate for the charitable purposes of the funds. The portfolio consists of investments often held over the longer term, comprising UK and global investment funds, equities, bonds, and cash deposits. PDAF investments are held and managed directly or managed by third-party investment managers.

RELATED PARTIES

CAF America, the charity's immediate controlling party, provides administrative support services to the charity.

CAF, the charity's ultimate parent, provides the charity with administrative and managerial services.

Details of the related parties and the transactions with these entities during the year are included in notes 15 and 16.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and governed by its Memorandum and Articles of association. It is registered with the Charity Commission for England and Wales. The charity's company and charity registration numbers and address of its registered office are shown on page two.

Throughout the year, the charity was wholly owned by Charities Aid Foundation America (CAF America), a US public charity recognised by the US Internal Revenue Service as an organisation of the kind described in section 501(c)(3) of the US Internal Revenue Code of 1986.

The charity has made a US tax election to be treated as a part of CAF America, so that a donation to the charity is treated as a gift to CAF America for US tax purposes. Given the charity's UK charitable status, a donation to it is also eligible for relief under UK tax legislation relating to gifts to charities.

CAF, UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity's ultimate controlling entity.

Both CAF and CAF America are charitable entities and operate a range of activities to support donors and to other charities.

The charity's Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. The charity's Trustees meet at least twice a year. Newly appointed Trustees undertake an induction process to ensure they gain a full understanding of the charity and their responsibilities. They are then required to complete training at regular intervals throughout their trusteeship.

The Trustees delegate management responsibilities to CAF. This delegation is controlled by requiring regular reporting to the Board of Trustees.

The charity's Trustees are committed to high standards of governance. In addition to approving donor grant suggestions and assessing charity eligibility to receive grants, the Trustees also have responsibilities in relation to the financial statements and internal control.

None of the Trustees has an interest in the shares of the company or in any associated entity in either the current or the prior financial year.

During the year, the Trustees took out trustees', directors' and officers' indemnity cover under the umbrella of the CAF group.

In carrying out their duties under s172(1) (a) to (f) of the Companies Act 2006, the Trustees have regard to both the short- and long-term impact of their decisions, the interests of the charity's donors, its grant recipients and the impact of its activities on the communities in which it operates and the environment.

The charity is conscious of its impact on the planet. The entity shares premises with its ultimate parent and participates in recycling schemes, paper-saving initiatives and a range of energy efficiency measures. The charity itself has a limited direct impact on the environment, aside from employees commuting to work, energy and consumables use and a relatively modest travel footprint.

POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' REPORT AND THE FINANCIAL STATEMENTS

The Trustees (who are also directors of Southampton Row Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and

enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each person who is a Trustee in office at the date the report is approved confirms that:

- (a) So far as the trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- (b) They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to appoint the auditors of the charity and to agree their remuneration will be submitted to the Trustees.

The Trustees' report (which includes the Strategic Report) on pages 7 to 14 was approved by the Trustees and signed on their behalf on 14 July 2025.



Meredith Niles
Chair

Independent auditors' report to the members of Southampton Row Trust Limited

Report on the audit of the financial statements

OPINION

In our opinion, Southampton Row Trust Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2025 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Trustees' Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 April 2025; the statement of financial activities (incorporating an income and expenditure account), and the cash flow statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in

the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

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 charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

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

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated.

If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Trustees' Report and the Strategic Report included within it, we also considered whether the disclosures required by the UK Companies Act 2006 and Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report (including the Strategic Report) for the period ended 30 April 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Trustees' Report (including the Strategic Report).

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities in respect of the Trustees' Report and the financial statements, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such

internal control as they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charitable company and its industry/environment, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements.

We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries and bias through manipulation of key accounting estimates. Audit procedures performed by the engagement team included:

- Making enquiries with management and those charged with governance, including review of minutes of meetings in so far as they related to the financial statements and consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing key correspondence with regulatory authorities;
- Gaining an understanding of period end controls around the preparation of the financial statements, including controls around posting of journals;
- Identifying and testing journal entries using risk-based criteria;
- Assessing for bias in key accounting estimates;
- Incorporating unpredictability into the nature, timing and/or extent of our testing; and
- Testing of the financial statement disclosures.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

COMPANIES ACT 2006 EXCEPTION REPORTING

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Yulia Vasyura
(Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 July 2025



(incorporating an Income and Expenditure Account)

		Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
	Notes	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Income									
Donations		1,289	1,126	73,867	72,632	64,232	80,922	139,388	154,680
Legacies		-	-	6	739	5	-	11	739
Investment income	2	4,280	3,973	15	-	3,115	3,004	7,410	6,977
Total income		5,569	5,099	73,888	73,371	67,352	83,926	146,809	162,396
Expenditure									
Charitable activities:									
Grants payable to charities	3	2,713	2,500	69,157	68,867	49,791	52,116	121,661	123,483
Cost of charitable activities	4	2,013	1,789	6	5	56	174	2,075	1,968
Total expenditure		4,726	4,289	69,163	68,872	49,847	52,290	123,736	125,451
Net income before net gains on investments		843	810	4,725	4,499	17,505	31,636	23,073	36,945
Net gains/(losses) on:									
Financial investments	7	-	-	(13)	532	677	3,490	664	4,022
Other investments	8	-	-	-	(30)	-	-	-	(30)
Net income		843	810	4,712	5,001	18,182	35,126	23,737	40,937
Transfers between funds	12	532	-	(1,814)	(2,564)	1,282	2,564	-	-
Net movement in funds before other recognised gains/(losses)		1,375	810	2,898	2,437	19,464	37,690	23,737	40,937
Other recognised gains/(losses)									
Foreign exchange gains/(losses)		70	28	(822)	(147)	(2,072)	417	(2,824)	298
Net movement in funds		1,445	838	2,076	2,290	17,392	38,107	20,913	41,235
Reconciliation of funds									
Total funds brought forward		2,074	1,236	29,715	27,425	143,141	105,034	174,930	133,695
Total funds carried forward	12	3,519	2,074	31,791	29,715	160,533	143,141	195,843	174,930

The results are derived from ongoing operations, and all gains and losses arising in the current and preceding year are included in the above Statement of Financial Activities.

The notes on pages 22 to 31 form part of these financial statements.

		Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
	Notes	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Assets									
Loans and advances to banks:									
On demand and short-term deposits	6	2,506	1,443	30,778	25,132	55,365	49,353	88,649	75,928
Other	6	-	-	-	-	55,012	48,506	55,012	48,506
Financial investments	7	-	-	-	160	48,495	41,546	48,495	41,706
Loans to charities	9	-	-	-	-	751	803	751	803
Debtors	10	1,369	808	1,209	5,904	958	2,933	3,536	9,645
Total assets		3,875	2,251	31,987	31,196	160,581	143,141	196,443	176,588
Liabilities									
Amounts falling due within one year:									
Creditors	11	356	177	196	1,481	48	-	600	1,658
Total liabilities		356	177	196	1,481	48	-	600	1,658
Funds									
Charitable funds	12	3,519	2,074	31,791	29,715	160,533	143,141	195,843	174,930
Called up share capital (£100, 2024: £100)	13	-	-	-	-	-	-	-	-
		3,519	2,074	31,791	29,715	160,533	143,141	195,843	174,930
Total liabilities, funds and capital		3,875	2,251	31,987	31,196	160,581	143,141	196,443	176,588

The financial statements on pages 19 to 31 were approved by the Board of Trustees on 14 July 2025 and signed on its behalf by:



Meredith Niles
Chair



Liz Rylatt
Trustee

Charity Registration No: 1079020
Company Registration No: 03900842

The notes on pages 22 to 31 form part of these financial statements.

	2025		2024	
	£000	£000	£000	£000
Cash flows from operating activities				
Net cash (used in)/generated from operating activities		(8,241)		8,169
Cash flows from investing activities				
Proceeds from sale of financial investments	32,217		30,321	
Proceeds from sale of other investments	-		3,720	
Purchases of investments	(10,728)		(16,775)	
Net movement in other term and money market deposits	(6,506)		(25,549)	
Donor Advised Funds:				
Investment income received	3,011		2,985	
Decrease/(increase) in investment portfolio cash	255		(472)	
Net cash provided by/(used in) investing activities		18,249		(5,770)
Change in cash and cash equivalents in the year		10,008		2,399
Cash and cash equivalents as at 1 May		75,928		73,949
Change in cash and cash equivalents due to exchange rate movements		2,713		(420)
Cash and cash equivalents as at 30 April		88,649		75,928

Reconciliation of net income to cash flows from operating activities

Net income for the year	20,913	41,235
Non-cash donations received	(27,869)	(19,778)
Gains on financial investments	(664)	(4,022)
Losses on other investments	-	30
Decrease/(increase) in loans to charity	52	(7)
Decrease/(increase) in debtors	6,228	(6,910)
(Decrease)/increase in creditors	(1,058)	205
Donor Advised Funds:		
Investment income receivable	(3,130)	(3,004)
Unrealised (gain)/loss on foreign currencies	(2,713)	420
Net cash (used in)/generated from operating activities	(8,241)	8,169

The notes on pages 22 to 31 form part of these financial statements.

1. ACCOUNTING POLICIES

The principal accounting policies and judgements used in the preparation of the financial statements are:

1.1. Basis of preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') and the Statement of Recommended Practice: Accounting and Reporting by Charities (Charity SORP (FRS 102)), except for the adoption of a balance sheet format that the Trustees believe more clearly represents the charity's financial assets and liabilities.

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and registered with the Charity Commission for England and Wales.

The charity meets the definition of a public benefit entity under FRS 102.

The principal activities and the nature of the charity's operations are set out in the Trustees' Report, including the Strategic Report on pages 7 to 14.

The functional currency is considered to be pounds sterling as this is the currency of the primary economic environment in which the charity operates.

1.2. Going concern basis

To assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed.

The Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. The Trustees have also considered the circumstances under which the operations of the charity would be unable to continue.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least 12 months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Fund accounting

The classification of funds between unrestricted general funds and unrestricted designated funds and restricted funds is an area of significant judgement and is further described in note 1.11.

Further details of the charity's funds and the disclosure policy are set out in note 12.

1.4. Income recognition

a) Donations and legacies

Donations received and Gift Aid on eligible donations are recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Non-cash donations principally comprise share gift donations, which are recognised as donations received at the market value on the date of gift. Proceeds from the sale of non-cash donations are recognised as investing activities in the cash flow statement.

If a donation or grant is subject to conditions, 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.

Legacy donations are recognised on a case-by-case basis where there has been a grant of probate or notification that a distribution will be made. If 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 of the asset having been transferred to the charity. Where legacies have been notified with an estimated value but the criteria for income recognition have not been met, then the legacies are treated as contingent assets and disclosed if material.

b) Investment income

Interest receivable on term and money market deposits with banks is recognised using the effective interest method over the term of the deposit. Dividends are recognised once the dividend has been declared and notification has been received of the value of the dividend due.

1.5. Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Grants payable are charged to the Statement of Financial Activities (SOFA) when they have been approved by the Trustees and the recipient charity has been formally notified in writing of the award. This notification gives the recipient a reasonable expectation that they will receive the donor-advised grant. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award, or once the grant has been paid, whichever is the earlier. Grant awards that are subject to the recipient fulfilling performance conditions are accrued when any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Governance costs comprise costs involving the public accountability of the charity and its compliance with regulation and good practice, and are included within support costs.

Irrecoverable VAT is charged as a cost.

1.6. Allocation of support costs

All expenses are allocated or apportioned to the applicable expenditure headings. Support costs, unless directly attributable, are charged to the general fund. Support costs comprise costs of certain central functions that underpin the delivery of our services such as technology and data, finance, executive management and governance.

1.7. Pension costs

There were no employees of the charity in the current or the previous year. All administrative services are provided by employees of CAF, the charity's ultimate parent (see note 16). The charity pays a management charge and fees to CAF for these services.

1.8. Foreign currencies

Sterling is the functional and reporting currency. Transactions in foreign currencies are translated to sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to sterling at the exchange rate ruling at that date.

Exchange differences arising are taken to the SOFA.

1.9. Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK Corporation Tax purposes.

Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3, Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10. Basic financial instruments**a) Balances with banks**

On demand balances and short-term deposits represent 'cash and cash equivalents' and include the charity's cleared and uncleared balances held at banks that are available on demand or have an original maturity date of three months or less.

Other loans and advances to banks represent balances with an original maturity of more than three months and less than five years. These are shown at the lower of cost or estimated realisable value.

b) Financial investments

A pool of investments may be held for PDAF to achieve an investment return to fund future grants to charitable causes. The value of the investments determines the funds available for grantmaking at any point in time.

Basic financial instruments held as 'Financial investments' are, therefore, measured initially at fair value, which is normally the transaction

price. Transaction costs are expensed in the SOFA if the investments are subsequently measured at fair value through profit or loss.

Subsequent to initial recognition, all types of investments, including debt securities, which can be measured reliably are measured at fair value with changes recognised in the SOFA. Where the fair value of such investments cannot be reliably measured because, for example, they are not publicly traded, the investments are measured at cost less impairment.

c) Investment properties

Investment properties are measured initially at fair value, which is typically probate value. They are subsequently reviewed at each balance sheet date for any changes in fair value, which is typically open market value.

d) Debtors and creditors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors are recognised where there is a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

e) Concessionary loans receivable

Concessionary loans may be receivable from other charities because of loans advanced by the charity. Such loans are advanced at concessionary (non-market) rates of interest, which may include interest-free loans. These are initially recognised at the amount advanced to the borrower and are subsequently measured at the amount advanced less amounts received less any impairment.

Loans are assessed at each reporting date to determine whether there is objective evidence of impairment. Objective evidence can include default or delinquency by a borrower, restructuring of a loan or advance on terms the charity would otherwise not consider, or indications that a borrower may become insolvent.

If there is evidence of an impairment loss then the amount of the loss is determined as the difference between the carrying amount of the loan, including accrued interest, and the estimated recoverable amount. The carrying amount of the loan is reduced by the use of an allowance account and the amount of the loss is recognised in the SOFA.

1.11. Critical accounting judgements and significant estimates

a) Critical accounting judgements

Classification of funds

Judgement has been applied in determining whether certain funds held should be classified as unrestricted general funds, unrestricted designated funds or restricted funds under the SORP.

The Trustees consider the unrestricted general funds comprise those funds that the Trustees are free to use for any purpose in furthering of the charitable objects of the charity.

The Trustees, meanwhile, consider that funds held pending suggestions by the original donors for the onward donation to charitable organisations or for investment pending onward donation are more appropriately classified as unrestricted designated funds. Subject to the Trustees being satisfied that these funds will be applied for charitable purposes, and in accordance with relevant regulations, there is no expectation they will be applied for any purposes other than in accordance with grant suggestions received from the original donors.

Legacies

Judgement has been applied in recognising income from legacies gifted to the charity. Legacies are recognised as income where receipt is probable, which is determined from a review of a number of criteria including grant of probate, sufficiency of assets and the existence of any conditions to be met.

b) Significant estimates

There are no sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. INVESTMENT INCOME

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Dividends	-	-	15	-	1,142	876	1,157	876
Interest on balances with banks	4,280	3,973	-	-	1,973	2,128	6,253	6,101
	4,280	3,973	15	-	3,115	3,004	7,410	6,977

3. GRANTS PAYABLE TO CHARITIES

	2025		2024	
	No. of grants	£000	No. of grants	£000
Charitable sector:				
Animal welfare	41	255	25	118
Arts, culture, heritage or science	233	11,332	211	35,932
Citizenship or community development	81	7,809	79	2,394
Education	472	31,040	518	39,074
Environmental protection or improvement	59	1,967	62	1,264
Health	155	23,339	151	19,796
Human rights or conflict resolution	54	1,445	57	3,472
Armed forces and the emergency services	5	129	9	213
Relief of poverty	49	1,652	68	2,727
Relief of those in need	109	4,932	89	2,505
Religion	137	2,556	147	2,410
Amateur sport	4	176	10	179
Other charitable purposes	44	30,394	56	2,091
	1,443	117,026	1,482	112,175
Other group charities (see note 15 and 16):				
Charities Aid Foundation	4	3,169	5	11,151
Charities Aid Foundation America	1	1,466	1	157
	5	4,635	6	11,308
	1,448	121,661	1,488	123,483
Grants awarded from:				
Unrestricted general funds	1	2,713	1	2,500
Unrestricted designated funds	1,447	118,948	1,487	120,983
	1,448	121,661	1,488	123,483

4. COST OF CHARITABLE ACTIVITIES

	2025	2024
Cost of charitable activities includes the following:	£000	£000
Allocated support costs paid to (see note 15 and 16):		
Charities Aid Foundation	1,731	1,532
Charities Aid Foundation America	150	150
Other support costs	194	286
	2,075	1,968
Other support costs include governance costs of:		
Fees payable to the charity's auditors for the audit of the charity's annual accounts (excluding irrecoverable VAT)	75	40
Legal and professional fees	42	21

5. STAFF COSTS AND TRUSTEES REMUNERATION

There were no employees in the current or the previous year. All administrative services were provided by employees of CAF. The charity pays a management charge and fees for these services (see note 4).

None of the Trustees received any remuneration for their role as a Trustee of the charity or reimbursement of expenses during the current or the previous year, nor were any expenses paid on their behalf. None of the Trustees had an interest in the shares of the company or in any associated entity during the current or the previous year.

6. LOANS AND ADVANCES TO BANKS

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
On demand and short-term deposits	2,506	1,443	30,778	25,132	55,365	49,353	88,649	75,928
Remaining maturity of other loans and advances:								
Less than 6 months	-	-	-	-	27,506	28,506	27,506	28,506
Over 6 months to 1 year	-	-	-	-	27,506	20,000	27,506	20,000
	-	-	-	-	55,012	48,506	55,012	48,506
	2,506	1,443	30,778	25,132	110,377	97,859	143,661	124,434

7. FINANCIAL INVESTMENTS

The following tables show the carrying amounts of financial investments held at fair value in respect of PDAFs, which form part of the charity's unrestricted designated funds.

PDAF funds are held pending the receipt of suggestions for onward donations from the original donor. Until such suggestions are received and grants are subsequently approved by the Trustees, there is no constructive obligation or liability to pay a defined amount within a set time period to a recipient. A portion of the funds contributed by donors to their PDAF is typically held in cash to meet short-term giving expectations, with the balance invested to meet medium to long-term philanthropic objectives. The approval by the Trustees of grants from PDAF funds is planned by reference to the market values and liquidity profile of the assets held for a PDAF.

	2025	2024
Held at fair value for unrestricted designated funds:	£000	£000
At 1 May	40,953	30,700
Additions	38,597	36,552
Disposal proceeds	(32,217)	(30,321)
Realised gains	778	1,185
Unrealised (losses)/gains	(114)	2,837
	47,997	40,953
Investment portfolio cash	498	753
At 30 April	48,495	41,706
Historical cost of investments held at fair value	43,561	35,069

The following hierarchy is used to estimate the fair value of investments:

- Level 1** The quoted price for an identical asset in an active market.
- Level 2** When quoted prices are unavailable, the fair value is taken as the price of a recent transaction for an identical asset (derived from market data).
- Level 3** If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, a valuation technique is used to estimate the fair value. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arms length exchange motivated by normal business considerations. If the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the assets are valued at cost less impairment until a reliable measure of fair value becomes available.

No level 2 or level 3 assets were held at 30 April 2025 or 2024.

	2025		2024	
	Level 1	Total	Level 1	Total
Represented by:	£000	£000	£000	£000
Listed securities:				
UK Government fixed interest	-	-	803	803
Overseas Government fixed interest	352	352	857	857
UK equities	955	955	530	530
Overseas equities	15,305	15,305	12,668	12,668
IFSL CAF Funds	228	228	184	184
Unit trusts and other pooled investments	30,716	30,716	25,317	25,317
Investment trusts	441	441	594	594
	47,997	47,997	40,953	40,953
Investment portfolio cash	498	498	753	753
	48,495	48,495	41,706	41,706

8. OTHER INVESTMENTS

	2025	2024
Held at fair value for unrestricted designated funds:	£000	£000
At 1 May	-	3,750
Disposals	-	(3,720)
Realised losses	-	(30)
At 30 April	-	-

9. LOANS TO CHARITIES

	Unrestricted designated funds				Total	
	Donor advised funds and gifts		Premier donor advised funds			
	2025	2024	2025	2024	2025	2024
	£000	£000	£000	£000	£000	£000
Concessionary loans:						
Amounts receivable in one to five years	-	-	751	803	751	803
	-	-	751	803	751	803

Concessionary loans may be receivable from other charitable organisations as a result of loans advanced by the charity at concessionary (non-market) rates of interest. There were no concessionary loans committed but not taken up at the reporting date.

10. DEBTORS

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Interest and dividends receivable	1,360	784	-	-	211	92	1,571	876
UK income tax recoverable	-	-	169	4,780	538	2,290	707	7,070
Other debtors	9	24	-	1,124	209	551	218	1,699
Accrued legacy income	-	-	1,040	-	-	-	1,040	-
	1,369	808	1,209	5,904	958	2,933	3,536	9,645

11. CREDITORS

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Amounts due to:								
CAF (see note 16)	163	131	-	-	-	-	163	131
Other creditors	193	46	196	1,481	48	-	437	1,527
	356	177	196	1,481	48	-	600	1,658

The intercompany balances, none of which represent loan arrangements, are interest free, unsecured and payable on demand.

12. CHARITABLE FUNDS

All of the charity's funds constitute unrestricted funds as follows:

General funds

General funds are credited with surpluses arising from operations and are expendable at the discretion of the Trustees in the furthering of the charity's objectives.

Designated Donor Advised Funds and Gifts

The assets representing these funds have been gifted to the charity by donors. Donors may make suggestions (they may not direct) to the charity's Trustees regarding the distribution of their donations to charitable organisations based across the world.

Designated Premier Donor Advised Funds

The assets representing these funds have been gifted to the charity by donors and may be invested to generate an income that may be distributed to charities in addition to any capital distribution. Donors may make suggestions (they may not direct) to the charity's Trustees regarding the distribution of the income and capital to charitable organisations based across the world.

Transfers between funds

Transfers between designated funds arise upon original donors requesting that their donations are held under another form of the donor advised funds operated by the charity. Transfers to general funds consist of amounts for which the original donor has ceased to provide suggestions for onward grantmaking from the designated donor advised fund to which they originally donated. These are applied for the general charitable purposes of the charity and of the CAF group of charitable entities.

13. CALLED UP SHARE CAPITAL

	2025	2024
Authorised, allotted, issued and fully paid:	£	£
100 ordinary shares of £1 each	100	100

The charity's articles state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

14. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2025	2024
	£	£
Opening shareholders' funds	100	100
Result for the year and net additions to shareholders' funds	-	-
Closing shareholders' funds	100	100

15. PARENT AND ULTIMATE PARENT ENTITY

All of the charity's issued share capital is owned by CAF America. The charity's Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. CAF America is the charity's controlling entity and the smallest group into which the charity is consolidated. CAF America is a US 501(c)(3) public charity recognised by the US Internal Revenue Service. CAF America is incorporated in the State of Delaware. CAF America's headquarters are located at: 225 Reinekers Lane, Suite 375, Alexandria, VA 22314 USA.

CAF, UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity's ultimate controlling entity and the largest group into which the charity is consolidated. The accounts of CAF can be obtained from CAF at: 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA.

16. RELATED PARTY TRANSACTIONS**CAF America**

During the year £1,465,637 (2024: £156,876) was awarded and paid to CAF America from the charity's donor advised funds and was for the credit of similar donor advised funds held by CAF America.

During the year £836,639 (2024: £280,104) was received from CAF America for the credit of donor advised funds from similar funds held by CAF America.

In addition, the charity was charged £150,216 (2024: £150,061) by CAF America for the provision of support services for the year. This was fully paid at the balance sheet date.

The Charities Aid Foundation

During the year the charity awarded a grant of £2,713,000 (2024: £2,500,000) from general funds to CAF for its general purposes. This grant was fully paid by the charity at 30 April 2025.

In addition, the charity awarded grants of £455,923 (2024: £8,650,700) to CAF. These were awarded and paid from the charity's donor advised funds and were for the credit of similar donor advised funds held by CAF.

The charity was charged £1,730,983 (2024: £1,531,684) by CAF for the provision of support services for the year. At the balance sheet date, £162,935 (2024: £130,076) was unpaid by the charity.

17. POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events.

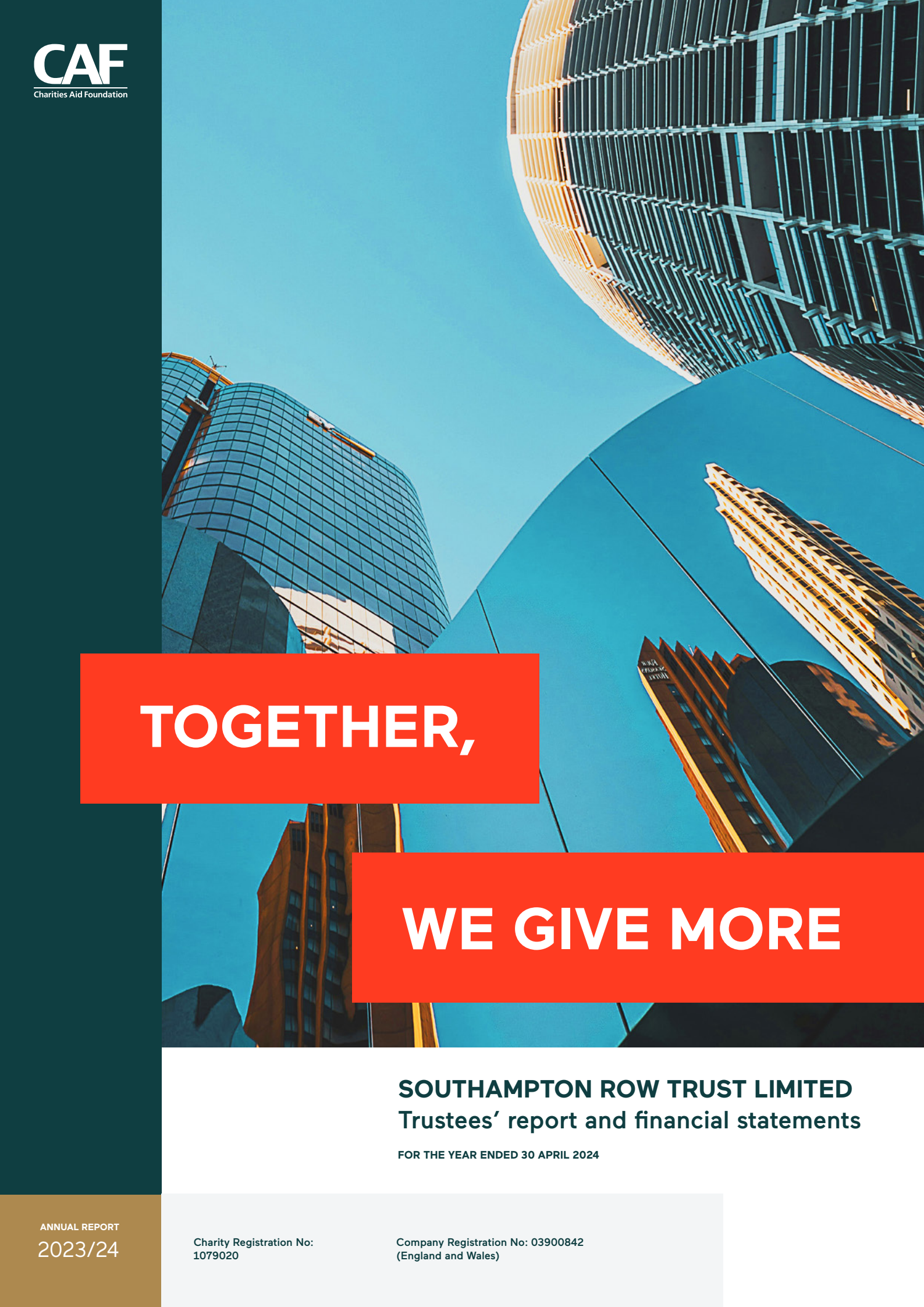


The CAF American Donor Fund is the operating name of Southampton Row Trust Ltd, a company registered in England and Wales with the company number 03900842 and with the Charity Commission registered charity number 1079020. Southampton Row Trust Ltd is a wholly owned subsidiary of CAF America, a US 501 (c) (3) public charity.

SOUTHAMPTON ROW TRUST LIMITED

England & Wales - Charity number 1079020

Accounts



TOGETHER,

WE GIVE MORE

SOUTHAMPTON ROW TRUST LIMITED
Trustees' report and financial statements

FOR THE YEAR ENDED 30 APRIL 2024

The CAF American Donor Fund is the operating name of Southampton Row Trust Limited. It is a dual qualified Donor Advised Fund for US and UK taxpayers. With more than 20 years' experience, we offer smart, tax-effective philanthropy services for clients to maximise the impact of their giving by claiming eligible tax relief in both countries. Since 2000, we have received more than \$1 billion in charitable contributions from our clients to support charities around the world.

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REGISTERED OFFICE

25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

Telephone +44 (0)3000 123 150
Email cadf@cafonline.org

REGISTERED CHARITY NUMBER

1079020

COMPANY NUMBER

03900842

AUDITOR

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

PRINCIPAL BANKER

National Westminster Bank plc
332 High Holborn
London
WC1V 7PS

TRUSTEES

Neil Heslop, OBE
Chairman

Mark Greer

Meredith Niles

(appointed 10 June 2024)

Liz Rylatt

Carolyn (Morey) Ward

(appointed 10 June 2024)

Ted Hart

(resigned 12 January 2024)

COMPANY SECRETARY

Kate Mayor



NEIL HESLOP, OBE
Chair

“Our client’s generosity has contributed to a substantial increase in grants payable to charities - hitting £120 million, rising from £86 million in 2022/2023.”

In many ways, the CAF American Donor Fund (CADF) exemplifies the best work of the entire Charities Aid Foundation (CAF). CADF has a clear focus on clients who have connections to the United Kingdom and United States, and we provide dedicated expertise to assist in their giving journey and help them to build connections with charities around the world. For both CADF and CAF, we are committed to growing philanthropic giving to achieve the greatest possible impact.

While in 2024, CAF is celebrating its Centenary, our American Donor Fund will mark 25 years since it was brought to market in 1999. The CAF American Donor Fund was the first dual qualified charity, with a Donor Advised Fund designed for donors to maximise the value of their gifts to charitable organisations by claiming eligible UK and US tax relief. This dual relief ensures even more money can go to an incredible range of global causes.

Thanks to the unwavering generosity of our transatlantic clients, we have received more than \$1 billion of donations in our 25 years.

This has been a remarkable year of growth for CADF. Through the specialist expertise we offer, we have been delighted to welcome new clients on board, growing the number of donors we work with to 474. Crucially, our client’s generosity has contributed to a substantial increase in grants payable to charities - hitting £120 million, rising from £86 million in 2022/2023.

The areas supported this year range from community to global causes, from the restoration of historic buildings to the protection of biodiversity and support for education.

With the largest-ever transfer of wealth in history underway to younger generations, an increasing number of those who can afford to give the most are recognising the importance of charitable giving and looking to achieve positive impact. For those with connections in both the US and UK, our committed experts provide a deep understanding of the challenges and opportunities, as well as advice on, navigating philanthropy. It is thanks to them that the amount of funds entrusted to our stewardship reached £155 million, building on last year’s £104 million.

Among private clients, there is a growing interest in donating more complex assets. CADF is experienced in receiving non-cash gifts, including shares, property and artworks, and an increasing number of donors are taking advantage of this. While donations like these take more time, regulatory oversight and administrative support, they are worth the extra effort for the funds that can ultimately go to charities.

Throughout the last twelve months, the team have focused on meeting with advisers and prospective clients across the private wealth industry, to help raise awareness about charitable giving and how dual-qualified giving can add so much value. Alongside our other giving and impact work, the team secured well-deserved recognition from Spear’s Magazine in winning the Private Client Service Award in 2023.

This year, we have also prioritised deepening our relationships with the charities our donors choose to support, which has been welcomed by our clients. Those who are fortunate enough to be able to give are eager to further their relationships with charities they support, to learn from them and to ensure their giving choices deliver lasting impact.



Looking ahead, we will continue to improve and expand the expert, bespoke client service we offer. Dual UK-US taxpayers turn to the CAF American Donor Fund for knowledgeable, safe and efficient ways to grant money to causes, but there is more we can do to help them achieve impact through their giving.

We recognise that a growing number of CADF clients want to make an impact internationally. They work with us to take advantage of our world-leading charity verification and due diligence services. But we need to be able to scale this support and ensure donors can respond to global emergencies and other crises in a timely and responsible manner. We plan to continue expanding the capabilities of our transatlantic team to better service our clients, especially for those wishing to donate to high-risk and sanctioned areas of the world.

We are proud that our American Donor Fund continues to be at the heart of transatlantic generosity, and plans are

under way to build on the momentum of the past few years. CAF's purpose as an organisation is to accelerate progress in society towards a fair and sustainable future for all, and CADF provides inspiration for how this can be achieved.

Finally, my time as CADF's Chair has now come to an end and I am delighted to hand the baton to my successor Meredith Niles. An American living in London harnessing her experience in investment banking and the charitable sector in both New York and London, Meredith will make an excellent Chair to guide CADF to the next stage of its growth. I extend my sincere appreciation to those who continue to place their trust in us and to the extraordinary charity partners we have the honour of working with.

NEIL HESLOP, OBE
Chair

Our committed experts provide a deep understanding of the challenges and opportunities, as well as advice on, navigating philanthropy.

It is thanks to them that the amount of funds entrusted to our stewardship reached £155 million, building on last year's £104 million.



Image credit: Michael Van Valkenburgh Associate, Inc.

A natural transformation for future learning

Using our American Donor Fund, a Colgate University alum is funding a landscape revitalisation project that will support the university's work to connect academic disciplines and link up the different parts of their campus.

As a CADF client, the donor – who is American, but lives in the UK – worked with us to facilitate their gift of shares, simply and in compliance with UK and US law.

Our team based in London managed the necessary administrative and verification processes required for an overseas donation of this kind, giving our client the reassurance needed.

With this support, the university is transforming a previously unused, relatively degraded piece of land into beautiful pathways and plazas, where students can meet, study and relax, surrounded by trees and natural pools.

The donation – which builds on past generous support – will also fund infrastructure work essential to the university's future development plans.

ACHIEVEMENTS AND PERFORMANCE

In line with the Trustees’ objective to achieve long-term growth, during the year under review, income from donations grew to a record £154.7m, up from £103.5m in the previous year. The charity’s donors continued to give generously despite the range of geo-political and economic uncertainties that continued to prevail throughout the year. This generosity enabled the charity to award a record value of grants. The number awarded grew from 1,266 to 1,488, with the aggregate value awarded to charities in the UK, US and elsewhere around the world reaching £123.5m, compared with £87.1m in 2022/23.

FINANCIAL REVIEW

Principally as a result of the generosity of donors, total income for the year increased to £162.4m (2023: £106.6m).

Donations received and credited to Donor Advised Funds (DAFs) and Donor Advised Gifts (DAGs) increased marginally to £72.6m (2023: £71.9m). Donations to Premier Donor Advised Funds (PDAFs), which are held to support longer-term grantmaking, increased significantly to £80.9m (2023: £30.7m). This was largely as a result of some significant individual contributions, but also due to the improved performance of global stock markets making the donation of share gifts more attractive again, following a drop in the previous year.

As a result of the sustained higher interest rates on US Dollar and Sterling cash balances, investment income grew to £7.0m (2023: £2.5m). Funds were further boosted by net investment gains of £4.0m (2023: £1.6m loss) as global stock markets saw a recovery.

Donor-advised grants awarded from DAFs and DAGs maintained their level at £68.9m (2023: £68.7m), whereas those from PDAFs

grew significantly to £52.1m (2023: £17.5m). This reflects a record level of grantmaking by the charity.

The record levels of donations received, and grants awarded, are in line with the Trustees’ objective to achieve ongoing growth. They resulted in designated funds held to support future grantmaking increasing to £172.9m at 30 April 2024 (2023: £132.5m).

As a result of the significant level of liquid assets held pending their future application to donor-advised grantmaking, the increased UK and US interest rates have been beneficial for the charity. Consequently, during the year, the charity was able to award a grant from its unrestricted general funds of £2.5m (2023: £0.8m) to CAF, its ultimate parent. This will be applied by CAF to support the CAF group’s commitment to growing philanthropic giving to achieve the greatest possible impact.

OUR AIMS FOR NEXT YEAR

The Trustees’ objective for the coming year is to sustain the long-term growth in the average value of funds received and granted by the charity.

Risk management

The Trustees have a risk management strategy that comprises:

- An annual review of the risks the charity may face.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of policies and procedures designed to minimise any potential impact on the charity should those risks materialise.

The main risks identified are credit risk, liquidity risk and market risk.

CREDIT RISK

Credit risk is the risk of financial loss as a result of a failure of a counterparty to meet financial obligations to repay the charity as they fall due. Credit risk arises primarily from investing funds with treasury counterparties and from financial investments.

Treasury policies establish criteria, including credit rating, counterparty lending limits and country limits, that are approved by the Trustees, with further oversight from the Investment, Finance and Impact Committee (IFIC) of the Charities Aid Foundation (CAF), the charity’s ultimate parent.

Subject to minimum credit ratings, maximum terms and maximum counterparty limits, funds may be invested in the following:

- UK Gilts and Multilateral Development Banks.
- Other single sovereign-backed Sterling denominated bonds.
- Financial and non-financial fixed and floating rate corporate bonds and covered bonds.
- Bank deposits, certificates of deposit and other marketable securities.

The charity carefully monitors and considers risks associated with the macro-economic environment. There have been no material adverse impacts from changes in the economic environment.

Financial investments held in respect of PDAFs are invested in accordance with policies approved by the Trustees, with further oversight from CAF’s IFIC. Donors typically suggest that a proportion of funds donated are held in cash to meet short-term giving expectations and invest funds to meet medium - to long-term philanthropic objectives. Grant suggestions are planned by reference to the market values and liquidity profile of the assets held.

LIQUIDITY RISK

Liquidity risk is the risk that the charity does not have sufficient financial resources to meet its obligations as they fall due.

The charity’s principal obligations relate to grants payable. The charity does not award grants out of anticipated future income.

The liquidity position is monitored by the charity and CAF’s IFIC. On a day-to-day basis, the liquidity profile of the charity’s assets is compared with the historical behaviour of donor-advised grant payments to beneficiary charities.

The liquidity policy requires a minimum percentage of total balances to be available within 24 hours, and a further minimum percentage of total balances to be available over three months. No more than 50% of balances may be invested for a term in excess of 12 months.

PDAF funds are invested in accordance with investment policies that require investments to be liquid. Investments take into account anticipated liquidity requirements to fund donor-advised grants. Should additional liquidity be required to fund these, investments are disposed of. In the event of a shortfall in anticipated proceeds, the value of the grant would be reduced.

MARKET AND INTEREST RATE RISK

Market risk is the risk from adverse movements in external markets, including interest rate movements, changes in investment values or foreign currency exchange rates that will reduce income or the value of assets.

The charity does not undertake proprietary trading activities. It is the charity’s policy to hold treasury-related investments to maturity and to value at cost, with any premium or discount amortised over the remaining term (the effective interest method).

The charity may manage interest rate risk attributable to treasury assets through the purchase of fixed-rate investments that provide a degree of hedging against changes in market interest rates. The charity’s policy is to hold such investments to redemption at par. The impact of any movements in interest rates on fixed-rate instruments is, therefore, not anticipated to affect the charity’s financial results.

The charity holds funds principally denominated in Sterling and US Dollars. The US Dollars held principally arise as a result of donations received in that currency and are primarily intended to fund donor-advised grants that are also awarded and paid in US Dollars. This mitigates the risk of fluctuations in foreign currency exchange rates.

PDAFs may be invested to fund long-term donor-advised philanthropic goals. The value of investments, alongside any regular donations received, determines the value of funds available for donor-advised grants. Accordingly, a movement in equity markets or interest rates may affect the value of PDAFs, but does not impact the level of reserves.

SHARE CAPITAL AND DIVIDENDS

The charity’s authorised share capital of 100 ordinary shares of £1 each was issued at par upon incorporation and is held by CAF America.

The charity’s regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

PUBLIC BENEFIT

The aim of the charity is to encourage, support and develop the work of charities in the UK, the US and elsewhere in the world by providing a range of services that ensure the

most effective handling and distribution of charity funds. The activities provide public benefit by creating value for other charities and organisations around the world that carry out exclusively charitable activities.

When reviewing the charity’s aims and objectives, and in planning future activities and setting the grantmaking policy, the Trustees paid due regard to the guidance issued by the Charity Commission, HM Revenue & Customs and the US Internal Revenue Service.

FUNDRAISING

There have been no fundraising activities undertaken in the current or preceding year.

GRANTMAKING POLICY

The charity supports cross-border, tax-effective giving by enabling donors liable for tax in both the UK and the US to obtain tax relief in both countries on their charitable giving. Donors suggest, but they may not direct, how the Trustees might distribute their donation (donor-advised grants). This may be to organisations carrying out charitable activities across the world.

The Trustees’ objective is to be cause neutral and within the requirements of relevant regulations, to support any charitable cause wherever in the world it may be, providing that appropriate charitable purpose is achieved and thorough due diligence is conducted. Consequently, these donor-advised awards are not made in pursuit of a grantmaking policy to support organisations that operate in specific charitable sectors, geographical locations, or are of a certain size.

Each donor-advised grant is reviewed having regard for grantmaking guidance issued by the Charity Commission, HM Revenue & Customs, the US Department of the Treasury and the US Internal Revenue Service. If it is considered that a donor’s suggestion is not

in accordance with issued guidance, steps are taken to ensure the funds are paid to an organisation with similar charitable objects.

All beneficiary charities are required to report to the Trustees on the actual use of grants given, and the achievements made, to monitor the effective use of grants made.

Funds received to support donor-advised grantmaking are held as designated funds pending distribution to beneficiary charities. Grants are only awarded up to a level equal to the funds already contributed and received from donors. No grants are awarded in anticipation of future income.

RESERVES POLICY

The charity’s policy is to maintain, but not exceed, an appropriate level of reserves to support the activities of the charity, taking into account the risks to which it is exposed and existing and projected future levels of income and expenditure.

The policy and determination of the required level of reserves are set in accordance with Charity Commission guidelines and are reviewed annually by Trustees.

In determining the appropriate level of reserves, Trustees consider the risks inherent in the charity’s activities, including the risks inherent in its financially based activities, such as credit risk, liquidity risk, interest rate risk and other risks to which it may be exposed. They also consider the charity’s operating environment, including regulatory changes that may impact the required level of reserves.

Although, as a result of the significant level of liquid assets held, the rapid increase in interest rates has been beneficial for the charity, the Trustees are mindful of factors that may affect the charity negatively in the future. In the current context of the UK economy, a rapid significant decline in short-term interest rates is not currently anticipated. However, if it were to arise, it

would have a negative impact in the medium- to longer-term, once deposit rates, which have already been locked in for shorter periods, have matured.

Past experience of the economic crises that have arisen since 2008, however, provides evidence that individual donors who choose to give to the charity are resilient and giving remains broadly protected from economic changes. Therefore, the Trustees continue to closely monitor these matters and identify actions that would mitigate the impact if such pressures were to arise.

The free reserves of the charity are determined as its unrestricted funds less funds that have been designated for future grantmaking. Funds received to support future grantmaking are classified as designated funds upon receipt. At 30 April 2024, £172.9m (2023: £132.5m) of the charity’s unrestricted funds were designated for future grantmaking and, consequently, the charity’s free reserves were £2.07m (2023: £1.24m).

This level of free reserves is considered by the Trustees to be sufficient to support the ongoing activities and development of the charity.

GOING CONCERN

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity’s financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future, taking into account the principal risks to which the charity is exposed. The Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable

expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least 12 months from the date of signing this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

INVESTMENT POWERS AND POLICY

The Trustees have the power to invest in such investments, securities or property as they see fit.

The charity adopts investment policies appropriate to the nature of the funds for which the investments are held. The policies set out the risk appetite for investments including liquidity, credit, large exposures, and interest rate risks.

Investment policies are approved by the Trustees. They are monitored by CAF’s IFIC.

The charity’s funds principally comprise unrestricted designated funds held pending onward donor-advised grantmaking. The charity assesses liquidity requirements to ensure funds are available to meet suggestions received for donor-advised grantmaking and may invest funds with a range of counterparties within approved credit, liquidity, interest rate and large exposure risk appetites. The charity may invest these funds in Gilts supranational and investment grade bonds, and cash deposits/ certificates of deposit. The charity’s policy is to hold investments to maturity.

The investment policy allows for PDAFs to be invested to meet the longer-term donor-advised philanthropic objectives. The investment risk appetite is appropriate for the charitable purposes of the funds. The portfolio consists of investments often held over the longer term, comprising UK and global investment funds, equities, bonds, and cash deposits. PDAF investments are held and managed directly or are managed by third-party investment managers.

During the year, the charity updated its investment policies and risk appetite, allowing it to benefit further from the increase in market interest rates in all major markets. The revised policies allowed investments to be diversified across a wider range of counterparties within approved risk appetites. The result is an increase in the charity’s total investment income from £2.5m to £7.0m for 2023/24.

RELATED PARTIES

CAF America, the charity’s immediate controlling party, provides administrative support services to the charity. CAF, the charity’s ultimate parent, provides the charity with administrative and managerial services. Details of the related parties and the transactions with these entities during the year are included in notes 15 and 16.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and governed by its Memorandum and Articles of association. It is registered with the Charity Commission for England and Wales. The charity’s company and charity registration numbers and address of its registered office are shown on page 1.

Throughout the year, the charity was wholly owned by Charities Aid Foundation of America (CAF America), a US public charity recognised by the US Internal Revenue Service as an organisation of the kind described in section 501(c)(3) of the US Internal Revenue Code of 1986.

The charity has made a US tax election to be treated as part of CAF America, so that a donation to the charity is treated as a gift to CAF America for US tax purposes. Given the charity’s UK charitable status, a donation to it is also eligible for relief under UK tax

legislation relating to gifts to charities.

Charities Aid Foundation (CAF), UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity’s ultimate controlling entity.

Both CAF and CAF America are charitable entities and provide a range of services to donors and to other charities.

The charity’s Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. The Trustees meet at least twice a year. Newly appointed Trustees undertake an induction process to ensure they gain a full understanding of the charity and their responsibilities. They are then required to complete training at regular intervals throughout their trusteeship.

The Trustees have appointed CAF to operate the day to day activities of the charity. The provision of these support services is regularly reviewed through reporting to the Trustees.

The charity’s Trustees are committed to high standards of governance. In addition to approving donor grant suggestions and assessing charity eligibility to receive grants, the Trustees also have responsibilities in relation to the financial statements and internal control.

None of the Trustees has an interest in the shares of the company or in any associated entity in either the current or the prior financial year.

During the year, the Trustees took out trustees’, directors’ and officers’ indemnity cover under the umbrella of the CAF group.

In carrying out their duties under s172(1) (a) to (f) of the Companies Act 2006, the Trustees have regard to both the short- and long-term impact of their decisions, the interests of the charity’s donors and beneficiaries, and the

impact of its activities on the communities in which it operates and the environment.

The charity is conscious of its impact on the environment. The entity shares premises with its ultimate parent and participates in recycling schemes, paper saving initiatives and a range of energy efficiency measures. The charity itself has a limited direct impact on the environment, other than staff commuting to work, energy and consumables use and a relatively modest travel footprint.

POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events.

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The Trustees (who are also directors of Southampton Row Trust Limited for the purposes of company law) are responsible for preparing the Trustees’ Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”, and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each person who is a Trustee in office at the date the report is approved confirms that:

- (a) so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- (b) they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to appoint the auditors of the charity and to agree their remuneration will be submitted to the Trustees.

The Trustees' report on pages 8 to 16 was approved by the Trustees and signed on their behalf on 19 July 2024.

NEIL HESLOP, OBE
Chair



Independent Auditors’ report to the members of Southampton Row Trust Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, Southampton Row Trust Limited’s financial statements (the “financial statements”):

- give a true and fair view of the state of the charitable company’s affairs as at 30 April 2024 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Trustees’ Report and Financial Statements (the “Annual Report”), which comprise: the balance sheet as at 30 April 2024; the statement of financial activities (incorporating an income and expenditure account), and the cash flow statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities for the audit of the financial statements

section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC’s Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

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 charitable company’s ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company’s ability to continue as a going concern.

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

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors’ report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Trustees’ Report and the Strategic Report included within it, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees’ Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees’ Report which includes the strategic report and the directors’ report for the purposes of company law, for the period ended 30 April 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the strategic report or the directors’ report included within the Trustees’ Report.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees’ Responsibilities in respect of the Trustees’ Report and the Financial Statements, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors’ report to the members of Southampton Row Trust Limited

In preparing the financial statements, the trustees are responsible for assessing the charitable company’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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors’ responsibilities for the audit of the financial statements

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 auditors’ 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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charitable company and its sector, we identified that the principal risks of non-compliance with laws and regulations related to provisions of relevant tax legislation, and we considered the extent

to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries and bias through manipulation of key accounting estimates. Audit procedures performed by the engagement team included:

- Enquiring of management and those charged with governance in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Assessing matters reported on the charitable company’s whistleblowing helpline and the results of management’s investigation of such matters;
- Reviewing key correspondence with regulatory authorities;
- Gaining an understanding of period end controls around the preparation of the financial statements, including controls around posting of journals;
- Testing the appropriateness of journal entries using risk based sampling procedures, also making use of data analytics to identify journals with high risk characteristics;
- Assessing for bias in key accounting estimates; and
- Incorporating unpredictability into the nature, timing and/or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors’ report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company’s members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

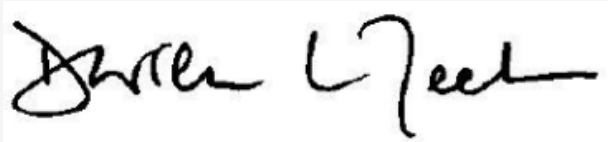
OTHER REQUIRED REPORTING

COMPANIES ACT 2006 EXCEPTION REPORTING

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees’ remuneration specified by law are not made; or
- the charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



DARREN L MEEK Senior Statutory Auditor

for and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
London
19 July 2024

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an Income and Expenditure Account)
for the year ended 30 April 2024

	Notes	Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
		2024	2023	2024	2023	2024	2023	2024	2023
		£000	£000	£000	£000	£000	£000	£000	£000
Income from:									
Donations		1,126	970	72,632	71,861	80,922	30,713	154,680	103,544
Legacies		-	-	739	573	-	-	739	573
Investments	2	3,973	1,156	-	-	3,004	1,318	6,977	2,474
Total income		5,099	2,126	73,371	72,434	83,926	32,031	162,396	106,591
Expenditure on:									
Charitable activities:									
Grants payable to charities	3	2,500	881	68,867	68,699	52,116	17,515	123,483	87,095
Cost of charitable activities	4	1,789	1,637	5	4	174	87	1,968	1,728
Loan loss provision		-	-	-	-	-	(33)	-	(33)
Total expenditure		4,289	2,518	68,872	68,703	52,290	17,569	125,451	88,790
Net income/(expenditure) before net gains on investments									
		810	(392)	4,499	3,731	31,636	14,462	36,945	17,801
Net gains/(losses) on financial investments	7	-	-	532	(144)	3,490	(1,474)	4,022	(1,618)
Net gains/(losses) on other investments	8	-	-	(30)	-	-	-	(30)	-
Net income/(expenditure)		810	(392)	5,001	3,587	35,126	12,988	40,937	16,183
Transfers between funds	12	-	-	(2,564)	457	2,564	(457)	-	-
Net movement in funds before other recognised gains/(losses)		810	(392)	2,437	4,044	37,690	12,531	40,937	16,183
Other recognised gains/(losses)									
Foreign exchange gains/(losses)		28	(23)	(147)	(66)	417	463	298	374
Net movement in funds		838	(415)	2,290	3,978	38,107	12,994	41,235	16,557
Reconciliation of funds									
Total funds brought forward		1,236	1,651	27,425	23,447	105,034	92,040	133,695	117,138
Total funds carried forward	12	2,074	1,236	29,715	27,425	143,141	105,034	174,930	133,695

The results are derived from ongoing operations, and all gains and losses arising in the current and preceding year are included in the above Statement of Financial Activities.

The notes on pages 25 to 34 form part of these financial statements.

BALANCE SHEET

As at 30 April 2024

	Notes	Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
		2024	2023	2024	2023	2024	2023	2024	2023
		£000	£000	£000	£000	£000	£000	£000	£000
Assets									
Loans and advances to banks:									
On demand and short-term deposits	6	1,443	1,302	25,132	21,275	49,353	51,372	75,928	73,949
Other	6	-	-	-	-	48,506	22,957	48,506	22,957
Financial investments	7	-	-	160	-	41,546	30,981	41,706	30,981
Other investments	8	-	-	-	3,750	-	-	-	3,750
Loans to charities	9	-	-	-	-	803	796	803	796
Debtors	10	808	109	5,904	2,400	2,933	206	9,645	2,715
Total assets		2,251	1,411	31,196	27,425	143,141	106,312	176,588	135,148
Liabilities									
Amounts falling due within one year:									
Creditors	11	177	175	1,481	-	-	1,278	1,658	1,453
Total Liabilities		177	175	1,481	-	-	1,278	1,658	1,453
Funds									
Charitable funds		2,074	1,236	29,715	27,425	143,141	105,034	174,930	133,695
Called up share capital (£100, 2023: £100)	13	-	-	-	-	-	-	-	-
		2,074	1,236	29,715	27,425	143,141	105,034	174,930	133,695
Total liabilities, funds and capital		2,251	1,411	31,196	27,425	143,141	106,312	176,588	135,148

The financial statements on pages 22 to 34 were approved by the Board of Trustees on 19 July 2024 and signed on its behalf by

NEIL HESLOP, OBE
Chairman

LIZ RYLATT
Trustee

Charity Registration No: 1079020

Company Registration No: 03900842

The notes on pages 25 to 34 form part of these financial statements.

CASH FLOW STATEMENT

for the year ended 30 April 2024

	2024		2023	
	£000	£000	£000	£000
Cash flows from operating activities				
Net cash generated from operating activities		8,169		6,129
Cash flows from investing activities				
Proceeds from sale of financial investments	30,321		20,520	
Proceeds from sale of other investments	3,720		-	
Purchases of investments	(16,775)		(5,019)	
Net movement in other term and money market deposits	(25,549)		(22,957)	
Donor Advised Funds:				
investment income receivable	2,985		1,292	
(Increase)/Decrease in investment portfolio cash	(472)		139	
Net cash used in investing activities		(5,770)		(6,025)
Change in cash and cash equivalents in the year		2,399		104
Cash and cash equivalents as at 1 May		73,949		73,482
Change in cash and cash equivalents due to exchange rate movements		(420)		363
Cash and cash equivalents as at 30 April		75,928		73,949
Reconciliation of net income to cash flows from operating activities				
Net income for the year		41,235		16,557
Non-cash donations received		(19,778)		(9,829)
(Gains)/losses on financial investments		(4,022)		1,618
Losses on other investments		30		-
Increase in loans to charity		(7)		(761)
Decrease in loan loss provision		-		(33)
Increase in other debtors		(6,910)		(1,064)
Increase in creditors		205		1,322
Donor Advised Funds:				
investment income receivable		(3,004)		(1,318)
Unrealised loss/(gain) on foreign currencies		420		(363)
Net cash generated from operating activities		8,169		6,129

The notes on pages 25 to 34 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2024

1. ACCOUNTING POLICIES

The principal accounting policies and judgements used in the preparation of the financial statements are:

1.1. Basis of preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS102') and the Statement of Recommended Practice: Accounting and Reporting by Charities (Charity SORP (FRS102)), except for the adoption of a balance sheet format that the Trustees believe more clearly represents the charity's financial assets and liabilities.

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and registered with the Charity Commission for England and Wales.

The charity meets the definition of a public benefit entity under FRS 102.

The principal activities and the nature of the charity's operations are set out in the strategic report on pages 8 to 16.

The functional currency is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the charity operates.

1.2. Going concern basis

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future, taking into account the principal risks to which the charity is exposed. The Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least 12

months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3. Fund accounting

The classification of funds between unrestricted general funds and unrestricted designated funds and restricted funds is an area of significant judgement and is dealt with in note 1.11.

Further details of the charity's funds and the disclosure policy are set out in note 12.

1.4. Income recognition

a) Donations and legacies

Donations received and Gift Aid on eligible donations are recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Non-cash donations principally comprise share gift donations that are recognised as donations received at the market value on the date of gift.

In the event that a donation or grant is subject to conditions, 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.

Legacy donations are recognised on a case-by-case basis where there has been a grant of probate or notification that a distribution will be made. 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 of the asset having been transferred to the charity. Where legacies have been notified with an estimated value but the criteria for income recognition have not been met, then the legacies are treated as contingent assets and disclosed if material (see note 17).

b) Investment income

Interest receivable on term and money market deposits with banks is recognised using the effective interest method over the term of the deposit. Dividends are recognised once the dividend has been declared and notification has been received of the value of the dividend due.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2024

1.5. Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Grants payable are charged to the Statement of Financial Activities (SOFA) when they have been approved by the Trustees and the beneficiary charity has been formally notified in writing of the award. This notification gives the recipient a reasonable expectation that they will receive the donor-advised grant. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award, or once the grant has been paid, whichever is the earlier. Grant awards that are subject to the recipient fulfilling performance conditions are accrued when any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Governance costs comprise costs involving the public accountability of the charity and its compliance with regulation and good practice, and are included within support costs.

Irrecoverable VAT is charged as a cost.

1.6. Allocation of support costs

All expenses are allocated or apportioned to the applicable expenditure headings. Support costs, unless directly attributable, are charged to the general fund. Support costs comprise costs of certain central functions that underpin the delivery of our services, such as information systems, finance, executive management and governance.

1.7. Pension costs

There were no employees of the charity in the current or the previous year. All administrative services are provided by employees of Charities Aid Foundation (CAF), the charity's ultimate parent (see note 16). The charity paid a management charge and fees to CAF for these services that included an element in respect of the cost of defined contribution pension arrangements.

1.8. Foreign currencies

Sterling is the functional and reporting currency. Transactions in foreign currencies are translated to Sterling at the exchange rate ruling at the date

of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to Sterling at the exchange rate ruling at that date.

Exchange differences arising are taken to the SOFA.

1.9. Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10. Basic financial instruments

a) Balances with banks

On-demand balances and short-term deposits represent "cash and cash equivalents" and include the charity's cleared and uncleared balances held at clearing banks that are available on demand or have an original maturity date of three months or less.

Other represents balances with an original maturity of more than three months and less than five years. These are shown at the lower of cost or estimated realisable value.

b) Financial investments

A pool of investments may be held for Premier Donor Advised Funds (PDAFs) to achieve an investment return to fund future grants to charitable causes. The value of the investments determines the funds available for grantmaking at any point in time.

Basic financial instruments held as 'Financial investments' are, therefore, measured initially at fair value, which is normally the transaction price. Transaction costs are expensed in the SOFA if the investments are subsequently measured at fair value through profit or loss. Subsequent to initial recognition, all types of investments, including debt securities, that can be measured reliably are measured at fair value with changes recognised in the SOFA. Where the fair value of such investments cannot be reliably measured because, for example,

they are not publicly traded, the investments are measured at cost less impairment.

c) Other investments

Investment properties are measured initially at fair value, which is typically probate value. They are subsequently reviewed at each balance sheet date for any changes in fair value, which is typically open market value.

d) Debtors and creditors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid.

Creditors are recognised where there is a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

e) Concessionary loans receivable

Concessionary loans may be receivable from other charities as a result of loans advanced by the charity. Such loans are advanced at concessionary (non-market) rates of interest, which may include interest-free loans. These are initially recognised at the amount advanced to the borrower and are subsequently measured at the amount advanced less amounts received less any impairment.

Loans are assessed at each reporting date to determine whether there is objective evidence of impairment. Objective evidence can include default or delinquency by a borrower, restructuring of a loan or advance on terms the charity would otherwise not consider, or indications that a borrower may become insolvent.

If there is evidence of impairment leading to an impairment loss, the amount of the loss is determined as the difference between the carrying amount of the loan, including accrued interest, and the estimated recoverable amount. The carrying amount of the loan is reduced by the use of an allowance account and the amount of the loss is recognised in the SOFA.

1.11. Critical accounting judgements and significant estimates

a) Critical accounting judgements

Classification of funds

Judgement has been applied in whether certain funds held should be classified as unrestricted general funds, unrestricted designated funds or restricted funds under the SORP.

The Trustees consider that the unrestricted general funds comprise those funds that the Trustees are free to use for any purpose in furtherance of the charitable objects of the charity.

Whereas, the Trustees consider that funds held pending suggestions by the original donors for the onward donation to charitable organisations, or for investment pending onward donation, are more appropriately classified as unrestricted designated funds. Subject to the Trustees being satisfied that these funds will be applied for charitable purposes, and in accordance with relevant regulations, there is no expectation that they will be applied for any purposes other than in accordance with suggestions received from the original donors.

Legacies

Judgement has been applied in recognising income from legacies gifted to the charity. Legacies are recognised as income where receipt is probable, which is determined from a review of a number of criteria including grant of probate, sufficiency of assets and the existence of any conditions to be met.

b) Significant estimates

There are no sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2024

2. INVESTMENT INCOME

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2024	2023	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000	£000	£000
Dividends	-	-	-	-	876	877	876	877
Interest on balances with banks	3,973	1,156	-	-	2,128	441	6,101	1,597
	3,973	1,156	-	-	3,004	1,318	6,977	2,474

3. GRANTS AWARDED

	2024		2023	
	No. of Grants	£000	No. of Grants	£000
Charitable sector:				
Animal welfare	25	118	9	212
Arts, culture, heritage or science	211	35,932	191	6,705
Citizenship or community development	79	2,394	69	1,830
Education	518	39,074	406	24,279
Environmental protection or improvement	62	1,264	47	2,774
Health	151	19,796	126	37,653
Human rights or conflict resolution	57	3,472	45	2,770
Armed forces and the emergency services	9	213	8	227
Relief of poverty	68	2,727	60	1,754
Relief of those in need	89	2,505	157	4,590
Religion	147	2,410	111	906
Amateur sport	10	179	5	67
Other charitable purposes	56	2,091	22	1,058
	1,482	112,175	1,256	84,825
Other group charities:				
Charities Aid Foundation (See note 16)	5	11,151	8	981
Charities Aid Foundation America (See note 16)	1	157	2	1,290
	6	11,308	10	2,271
	1,488	123,483	1,266	87,096

No grants were paid to individuals (2023: none).

4. COST OF CHARITABLE ACTIVITIES

Cost of charitable activities includes the following:	2024 £000	2023 £000
Allocated support costs paid to:		
CAF (see notes 15 and 16)	1,532	1,607
CAF America (see notes 15 and 16)	150	14
Other direct costs	286	107
	1,968	1,728

Other support costs consisting of governance costs:		
Fees payable to the charity's auditor for the audit of the charity's annual accounts (excluding irrecoverable VAT)	40	43
Legal and professional expenses	21	22

5. STAFF COSTS AND TRUSTEES

There were no employees in the current or the previous year. All administrative services were provided by employees of CAF. The charity pays a management charge and fees for these services (see note 4).

None of the Trustees received any remuneration or reimbursement of expenses during the current or the previous year, nor were any expenses paid on their behalf. None of the Trustees had an interest in the shares of the company or in any associated entity during the current or the previous year.

6. LOANS AND ADVANCES TO BANKS

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2024	2023	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000	£000	£000
On-demand and short-term deposits	1,443	1,302	25,132	21,275	49,353	51,372	75,928	73,949
Remaining maturity of other loans and advances:								
Less than 6 months	-	-	-	-	28,506	22,957	28,506	22,957
Over 6 months to 1 year	-	-	-	-	20,000	-	20,000	-
	1,443	1,302	25,132	21,275	97,859	74,329	124,434	96,906

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2024

7. FINANCIAL INVESTMENTS

The following tables show the carrying amounts of financial investments held at fair value in respect of Premier Donor Advised Funds (PDAFs), which form part of the charity’s unrestricted designated funds.

PDAF funds are held pending the receipt of suggestions for onward donations from the original donor. Until such suggestions are received and grants are subsequently approved by the Trustees, there is no constructive obligation or liability to pay a defined amount within a set time period to a beneficiary.

A portion of the funds contributed by donors to their PDAF is typically held in cash in order to meet short-term giving expectations, with the balance invested to meet medium-to long-term philanthropic objectives. The approval by the Trustees of grants from PDAF funds is planned by reference to the market values and liquidity profile of the assets held for a PDAF.

	2024	2023
	£000	£000
Held at fair value for unrestricted designated funds:		
At 1 May	30,700	41,743
Additions	36,552	11,095
Disposal proceeds	(30,321)	(20,520)
Realised gains/(losses)	1,185	(2,101)
Unrealised gains	2,837	483
	40,953	30,700
Investment portfolio cash	753	281
At 30 April	41,706	30,981
Historical cost of investments held at fair value	35,069	28,016

The following hierarchy is used to estimate the fair value of investments:

Level 1 - The quoted price for an identical asset in an active market.

Level 2 - When quoted prices are unavailable, the fair value is taken as the price of a recent transaction for an identical asset (derived from market data).

Level 3 - If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, a valuation technique is used to estimate the fair value. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arms-length exchange motivated by normal business considerations. If the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the assets are valued at cost less impairment until a reliable measure of fair value becomes available.

No level 2 or level 3 assets were held at 30 April 2024 or 2023.

	2024		2023	
	Level 1	Total	Level 1	Total
	£000	£000	£000	£000
Represented by:				
Listed Securities:				
UK Government fixed interest	803	803	-	-
Overseas Government fixed interest	857	857	548	548
UK equities	530	530	473	473
Overseas equities	12,668	12,668	10,379	10,379
IFSL CAF Funds	184	184	-	-
Unit trusts and other pooled investments	25,317	25,317	18,859	18,859
Investment trusts	594	594	441	441
	40,953	40,953	30,700	30,700
Investment portfolio cash	753	753	281	281
	41,706	41,706	30,981	30,981

8. OTHER INVESTMENTS

	2024	2023
	£000	£000
Held at fair value for unrestricted designated funds:		
At 1 May	3,750	-
Additions	-	3,750
Disposals	(3,720)	-
Realised losses	(30)	-
	-	3,750

	Unrestricted designated funds							
	Unrestricted general funds		Donor advised funds and gifts		Premier donor advised funds		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000	£000	£000
Investment properties	-	-	-	3,750	-	-	-	3,750
	-	-	-	3,750	-	-	-	3,750

9. LOANS TO CHARITIES

	Unrestricted designated funds					
	Donor advised funds and gifts		Premier donor advised funds		Total	
	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000
Concessionary loans:						
Amounts receivable in less than one year	-	-	-	-	-	-
Amounts receivable in one to five years	-	-	803	796	803	796
Less: Provisions	-	-	-	-	-	-
	-	-	803	796	803	796

Concessionary loans may be receivable from other charitable organisations as a result of loans advanced by the charity at concessionary (non-market) rates of interest. There were no concessionary loans committed but not taken up at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2024

10. DEBTORS

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2024	2023	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000	£000	£000
Interest and dividends receivable	784	81	-	-	92	72	876	153
UK income tax recoverable	-	-	4,780	1,827	2,290	134	7,070	1,961
Other debtors	24	28	1,124	-	551	-	1,699	28
Prepayments and accrued income	-	-		573	-	-	-	573
	808	109	5,904	2,400	2,933	206	9,645	2,715

11. CREDITORS

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2024	2023	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000	£000	£000
Amounts due to:								
CAF	131	115	-	-	-	-	131	115
Other creditors	46	60	1,481	-	-	1,278	1,527	1,338
	177	175	1,481	-	-	1,278	1,658	1,453

The intercompany balances, none of which represent loan arrangements, are interest free and payable on demand.

12.CHARITABLE FUNDS

All of the charity’s funds constitute unrestricted funds as follows:

General funds

General funds are credited with surpluses arising from operations and are expendable at the discretion of the Trustees in the furtherance of the charity’s objectives.

Designated Donor Advised Funds and Gifts

The assets representing these funds have been gifted to the charity by donors. Donors may make suggestions (they may not direct) to the charity’s Trustees regarding the distribution of their donations to charitable organisations based across the world.

Designated Premier Donor Advised Funds

The assets representing these funds have been gifted to the charity by donors and are invested to generate an income that may be distributed to charities in addition to any capital distribution. Donors may make suggestions (they may not direct) to the charity’s Trustees regarding the distribution of the income and capital to charitable organisations based across the world.

Transfers between funds

Transfers between funds arise upon original donors requesting that their donations are held under one of the charity’s other giving funds.

13. CALLED UP SHARE CAPITAL

	2024	2023
	£	£
Authorised, allotted, issued and fully paid:		
100 ordinary shares of £1 each	100	100

The charity’s regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

14. RECONCILIATION OF SHAREHOLDERS’ FUNDS

	2024	2023
	£	£
Opening shareholders’ funds	100	100
Result for the year and net additions to shareholders’ funds	-	-
Closing shareholders’ funds	100	100

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2024

15. PARENT AND ULTIMATE PARENT ENTITY

All of the charity’s issued share capital is owned by Charities Aid Foundation of America (CAF America). The charity’s Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. CAF America is the charity’s controlling entity and the smallest group into which the charity is consolidated. CAF America is a US 501(c)(3) public charity recognised by the US Internal Revenue Service. CAF America is incorporated in the State of Delaware. CAF America’s headquarters are located at: 225 Reinekers Lane, Suite 375, Alexandria, VA 22314 USA.

Charities Aid Foundation (CAF), UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity’s ultimate controlling entity and the largest group into which the charity is consolidated. The accounts of CAF can be obtained from CAF at: 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA.

16. RELATED PARTY TRANSACTIONS

CAF America

During the year, no grants were awarded (2023: £81,214) from the general fund for CAF America’s general purposes.

During 2023/24, £156,876 (2023: £1,208,339) was awarded and paid to CAF America from the charity’s Donor Advised Funds and was for the credit of similar Donor Advised Funds held by CAF America.

During 2023/24, £280,104 (2023: £461,591) was received from CAF America for the credit of Donor Advised Funds from similar funds held by CAF America.

In addition, the charity was charged £150,061 (2023: £13,515) by CAF America for the provision of support services for the year. This was fully paid at 30 April 2024.

Charities Aid Foundation (CAF)

During the year, the charity awarded a grant of £2,500,000 (2023: £800,000) from the general fund for CAF’s general purposes. This grant was fully paid by the charity at 30 April 2024.

In addition, the charity awarded grants of £8,650,700 (2023: £181,046) to CAF. These were awarded and paid from the charity’s Donor Advised Funds and was for the credit of similar Donor Advised Funds held by CAF.

The charity was awarded grants of £18,763 (2023: £10,240) from CAF for the credit of Donor Advised Funds awarded from similar Donor Advised Funds held by CAF.

The charity was charged £1,531,684 (2023: £1,441,632) by CAF for the provision of support services for the year. At the balance sheet date, £130,076 (2023: £113,597) was unpaid by the charity.

17. CONTINGENT ASSETS

At the balance sheet date, the charity had not been notified of any legacy for which probate was not yet granted or other factors that indicated the legacy should not be recognised as income (2023: one legacy with an estimated value of £100,000).

18. POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events.

The CAF American Donor Fund is the operating name of Southampton Row Trust Ltd, a company registered in England and Wales with the company number 03900842 and with the Charity Commission registered charity number 1079020. Southampton Row Trust Ltd is a wholly owned subsidiary of CAF America, a US 501 (c) (3) public charity.



Visit www.cafonline.org
to find out more

SOUTHAMPTON ROW TRUST LIMITED

England & Wales - Charity number 1079020

Accounts



SOUTHAMPTON ROW TRUST LIMITED

Registered Company Number 03900842, Registered Charity Number 1079020

Giving more in tough times

Trustees' report and financial statements for the year ended 30 April 2023



About Southampton Row Trust Limited

The CAF American Donor Fund is the operating name of Southampton Row Trust Limited. It is a dual-qualified Donor Advised Fund for US and UK taxpayers. With more than 20 years' experience, we offer smart, tax-effective philanthropy services for clients to maximise the impact of their giving by claiming eligible tax relief in both countries. Since 2000, we have received more than \$1 billion (USD) in charitable contributions from our clients to support charities around the world.

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Notes to the financial statements	17

CHARITY INFORMATION, TRUSTEES AND ADVISORS

Registered office 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4TA Telephone: +44 (0)3000 123 150 Email: cadf@cafonline.org	Principal banker National Westminster Bank plc 332 High Holborn London WC1V 7PS Trustees Neil Heslop OBE, Chairman Mark Greer Ted Hart Liz Rylatt
Registered charity number 1079020	
Company number 03900842	Company Secretary Kate Mayor
Auditor PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT	

Chair's report



The generosity of our donors with connections to both the United States and the United Kingdom has once again been demonstrated in driving forward impactful change for the causes they care about.

It has unfortunately been a year when the generosity of our donors has been required to meet significant humanitarian need around the world. From natural disasters such as the floods in Pakistan and the earthquakes in Turkey and Syria, to the ongoing conflicts in Ukraine and Sudan, it has been crucial to ensure financial support gets to where it is needed.

Our donors have responded with compassion and determination to help. Through the dedicated expertise we offer clients, we have increased the amount of donations reaching charities around the world. The grants distributed to charities was our highest ever this year, with £86.2 million sent to causes around the world from our American Donor Fund, an increase from £67.8 million last year.

The causes reflected in those numbers are as diverse as our clients themselves, ranging across the arts, culture, support for social, gender and racial justice, climate

change research and innovation and global health and education. Grants made to charities in the past year include food banks in the United Kingdom, programmes to stop human trafficking in Eastern Europe, education projects in Brazil, and medical research programmes in the United States. Another charity that we are proud to support is The Mark Foundation for Cancer Research for ground-breaking cancer research initiatives headquartered in New York, as shown in this report.

Our committed experts bring a deep understanding of the challenges and opportunities of those with tax obligations in both countries. It is thanks to them that the amount of funds entrusted to our stewardship reached a record £132.5 million, building on last year's £115.5 million, which will go on to support an incredible range of global causes.

It has been an extremely busy year for our growing team of dedicated experts. Our office in New York has now been open for over a year to ensure the growing needs of dual US/UK taxpayers can be met in a timely and effective manner. The team have met with more than 120 advisers and attended more than 70 conferences and events to speak to clients and prospective partners. This expansion

“In October, the Fund celebrated a significant milestone, surpassing \$1 billion donated into our stewardship since 2000.”

of our international offering will ultimately ensure more dollars and pounds go to worthy causes.

In October, the Fund celebrated a significant milestone, surpassing \$1 billion donated into our stewardship since 2000. To mark the occasion, we held a reception at a venue famed for transatlantic co-operation - the Churchill War Rooms in London. This event allowed us to thank our clients and their advisors for their unwavering generosity and show our appreciation to some of our key charity partners for their valuable work.

Our deep expertise in the regulatory and tax environment around cross-border giving means that dual UK-US taxpayers turn to the CAF American Donor Fund for knowledgeable, safe and efficient ways to grant money to causes and realise greater impact through their giving. CADF's ability to receive non-cash gifts, including complex shares, property and art works has been especially welcomed by an increasing number of donors. These donations can take a bit more time, regulatory oversight and administrative support, but they are worth that extra effort for the charities they support.

This year, we were very pleased to complete the Fund's first ever residential property gift. The contribution of a three-bedroom house in London, valued at £3.75m, was the culmination of eight months' work between the team and the donor. The proceeds of the property sale will be granted to support charities in the United States.

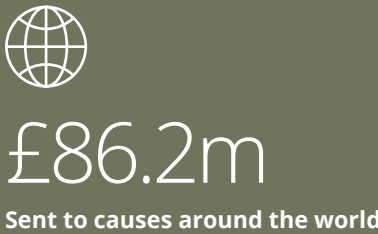
Looking ahead, there is always more to do and we remain committed to expanding our work in this area and to continuously improve the experience for our valued clients. To achieve this, we are listening and responding to their evolving needs so we may make sure that our technology, workforce training and expertise are at every turn multiplying the impact of their generosity. We plan to expand the capabilities of our transatlantic team to better service our clients, especially for those wishing to donate to high-risk and sanctioned areas of the world.

We are proud that our American Donor Fund has had a remarkable year, and plans are underway to build on the momentum and grow the philanthropic funds to support charities around the world.

Our purpose as an organisation is to further donations to charities around the world in the coming years and our experience with CADF clients has taught us that those fortunate enough to be able to give are eager to deepen their relationships with the charities they support, to learn from them and to ensure their giving choices deliver lasting impact. We applaud such a sentiment as it shows not just generosity, but commitment to long term sustainability.

I extend my sincere appreciation to those who continue to place their trust in us and we commit all our effort to delivering the giving experience service that our donors deserve. At CAF, we are committed to growing philanthropic giving to achieve the greatest possible impact, and drive forward progress towards a fair and sustainable future for all.

Neil Heslop OBE
Chairman



Trustees' report

Including the strategic report

The charity's objectives and activities contribute to public benefit through a grantmaking programme exclusively for charitable purposes (as described in the Charities Act 2011).

The charity carries out its objectives by enabling donors liable for tax in both the UK and the US to enhance their charitable giving by obtaining tax relief on their donations in both countries. Donors may suggest to the Trustees how their donation might be distributed to organisations carrying out charitable activities across the world.

To facilitate and grow such charitable giving the charity provides donors with access to sector- leading online services, which allow donors to track their donations and grant suggestions. The charity carries out ongoing detailed due diligence on all grant recipients, providing assurance to donors that the funds they contributed are applied for charitable purposes.

There are no plans to alter the charity's objectives and operations in the foreseeable future.

The Trustees' objective is to achieve long-term growth in the average value of funds received and granted by the charity.

Achievements and performance

In line with the Trustees objective to achieve long-term growth, during the year under review income from donations grew to a record £103.5m, up from £94.8m in the previous year. The charity's donors continued to give generously despite the range of economic uncertainties which prevailed throughout the year.

This generosity enabled the charity to award a record value of grants. Although the number of grants awarded fell slightly from 1,343 to 1,266, the aggregate value awarded to charities in the UK, USA and elsewhere around the world reached £87.1m, compared with £67.8m in 2021/22.

Charities benefiting from grant awards in the past year have included food banks in the UK, programmes to stop human trafficking in Eastern Europe, education projects in Brazil, and medical research programmes in the USA. A charity that we are proud to support is The Mark Foundation for Cancer Research for ground-breaking cancer research initiatives headquartered in New York. We have been working with The Foundation for more than five years helping to grant tens of millions of US dollars annually to accelerate the prevention, diagnosis, and treatment of cancer. The Foundation supports ground-breaking science by funding individual scientists and multi-disciplinary teams, as well as venture investment in early-stage companies.

The Foundation's CEO, Ryan Schoenfeld, says: "The Mark Foundation actively partners with scientists, research institutions, and philanthropic organizations worldwide to fund high-impact cancer research that holds the potential to transform the lives of patients. We are thankful for the opportunity to work with the CAF American Donor Fund in a way that helps us achieve that mission. Since 2017, The Mark Foundation has awarded more than \$200 million in grants to enable innovative basic, translational, and clinical cancer research, including drug discovery."

In April 2022, the charity launched a new office in New York, to better support clients and other stakeholders based in the Northeast of the United States. This represents a further opportunity for continued growth as Trustees remain committed to increase and expand the support offered to donors and charities around the world.

Financial review

Principally as a result of the generosity of donors, total income for the year increased to £106.6m (2022: £95.7m).

There was significant growth in donations received and credited to Donor Advised Funds (DAFs) and Donor Advised Gifts (DAGs), which reached £72.4m (2022: 50.4m). However, donors who would usually have contributed share gifts were less inclined to gift non-cash assets whilst investment performance and valuations were impacted negatively. Consequently, donations to Premier Donor Advised Funds (PDAF), which are held to support longer-term grantmaking, fell to £30.7m (2022: £43.5m).

Largely as a result of the significant increase in interest rates paid on US dollar and sterling cash balances, investment income grew to £2.5m (2022: £0.9m). This was mitigated by net losses on investments held of £1.6m (2022: £1.2m).

Grants awarded from of DAFs and DAGs grew to £68.7m (2022: £53.6m) and those from PDAFs were £17.5m (2022: £14.2m). A record level of grantmaking by the charity.

A significant proportion of the charity's funds are received, held and paid away in US dollars. This results in foreign exchange gains and losses arising upon their translation to sterling (the charity's reporting currency). During 2022/23 sterling weakened significantly against the US dollar before regaining ground to finish the year at a rate almost unchanged from the prior year-end rate. Consequently, the impact of exchange rate fluctuations has been less significant in 2022/23, with gains of £0.4m reported (2022: £2.7m).

The record levels of donations received and grants awarded are in line with the Trustees' objective to achieve ongoing growth and resulted in designated funds held to support future grantmaking increasing to £132.5m at 30 April 2023 (2022: £115.5m).

Our aims for next year

The Trustees' objective for the coming year is to sustain the long-term growth in the average value of funds received and granted by the charity.

Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified in the plan
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The main risks identified are credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of loss as a result of a failure of a counterparty to meet obligations as they fall due. The charity's principal financial assets are bank balances and financial investments. Cash balances are deposited with major UK banks as approved by the Investment Advisory Committee of the Charities Aid Foundation (CAF), the charity's ultimate parent.

Financial investments held in respect of PDAFs are invested in accordance with policies approved by the Investment Advisory Committee of CAF. Original donors plan grant suggestions by reference to the market values and liquidity profile of the assets held for their PDAF.

The exposure of PDAFs to credit risk is mitigated by investing primarily in pooled investment funds.

Liquidity risk

Liquidity risk is the risk that the charity does not have sufficient financial resources to meet obligations as they fall due.

The charity's principal obligations relate to grants payable. The charity does not award grants out of anticipated future income.

"The Mark Foundation actively partners with scientists, research institutions, and philanthropic organizations worldwide to fund high-impact cancer research that holds the potential to transform the lives of patients," said Ryan Schoenfeld, CEO, The Mark Foundation. "We are thankful for the opportunity to work with CAF in a way that helps us achieve that mission. Since 2017, The Mark Foundation has awarded more than \$200 million in grants to enable innovative basic, translational, and clinical cancer research, including drug discovery."

PDAF funds are invested in accordance with investment policies which require investments to be highly liquid. Investments take into account anticipated liquidity requirements to fund grants. Should additional liquidity be required to fund donations, investments are disposed of. In the event of a shortfall in anticipated proceeds, the value of the grant would be reduced.

Market risk

Market risk is the risk from adverse movements in external markets including changes in investment values and foreign currency exchange rates that will reduce the value of assets.

PDAFs are invested to fund long-term philanthropic goals of donors. The value of investments determines the value of funds available to make grants. Accordingly, a movement in equity markets or interest rates may affect the value of PDAF funds held by the charity, but does not impact the level of reserves.

The charity holds bank balances principally in sterling and US dollars. The US dollars held principally arise as a result of donations received in that currency and are primarily intended to fund grants which are also awarded and paid in US dollars, thus mitigating the risk to fluctuations in foreign currency exchange rates.

Share capital and dividends

The charity’s authorised share capital of 100 ordinary shares of £1 each was issued at par upon incorporation and is held by CAF America.

The charity’s regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

Public benefit

The aim of the charity is to encourage, support and develop the work of charities in the UK, the USA and elsewhere in the world by providing a range of services which ensure the most effective handling and distribution of charity funds. The activities provide public benefit by creating value for other charities and organisations around the world in carrying out exclusively charitable activities.

When reviewing the charity’s aims and objectives and in planning future activities and setting the grantmaking policy, the Trustees paid due regard to the guidance issued by the Charity Commission, HM Revenue & Customs and the US Internal Revenue Services.

Fundraising

There have been no UK fundraising activities undertaken in the current or preceding year.

Grantmaking policy

The charity supports cross-border tax-effective giving by enabling donors liable for tax in both the UK and the USA to obtain tax relief in both countries on their charitable giving. Donors suggest, but they may not direct, how the Trustees might distribute their donation. This may be to organisations carrying out charitable activities across the world.

Each grant suggestion is reviewed having regard for grantmaking guidance issued by the Charity Commission, HM Revenue & Customs and the US Department of the Treasury and Internal Revenue Service. If it is considered that a donor’s suggestion is not in accordance with issued guidance, then steps are taken to ensure that the funds are paid to an organisation with similar charitable objects.

The Trustees always seek feedback from the beneficiary charities on the actual use of grants given, and the achievements made, to monitor the effective use of grants made.

Funds received to support grantmaking are held as designated funds pending distribution to beneficiary charities. Grants are only awarded up to a level equal to the funds already contributed and received from donors. No grants are awarded in anticipation of future income.

Reserves policy

The charity’s policy is to maintain, but not exceed, an appropriate level of reserves to support the activities of the charity, taking into account the risks to which it is exposed and existing and projected future levels of income and expenditure.

The policy and determination of the required level of reserves are set in accordance with Charity Commission guidelines and are reviewed annually by Trustees.

In determining the appropriate level of reserves, Trustees consider the risks inherent in the charity’s activities including operating risk, credit risk, liquidity risk and other risks to which it may be exposed. They also consider the charity’s operating environment, including regulatory changes that may impact the required level of reserves.

The free reserves of the charity are determined as its unrestricted funds less funds which have been designated for future grantmaking. Funds received to support future grantmaking are classified as designated funds upon receipt. At 30 April 2023, £132.5m (2022: £115.5m) of the charity’s unrestricted funds were designated for future grantmaking and consequently the charity’s free reserves were £1.24m (2022: £1.65m).

This level of free reserves is considered by the Trustees to be adequate to meet their plans for the coming year.

Going concern

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity’s financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed and the ongoing cost of living rises and geo-political uncertainties. The Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue. After taking into account the current level of the charity’s cash and reserves and the financial performance since 30 April 2023, the Trustees have concluded that the risk of this situation occurring is remote.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least twelve months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Investment powers and policy

The Trustees have the power to invest in such investments, securities or property as they see fit.

We continue to be cautious in the current financial climate, placing funds primarily on deposit with UK banks.

Investments held for Premier Donor Advised Funds (PDAFs) are aligned with the charitable objectives advised by each donor. As a result, this portfolio consists of a range of investments which may be held over the longer term, comprising pooled investment funds, equities and bonds. Funds held for PDAFs may also be managed on a discretionary basis by an investment manager in portfolios attributable to donations received from individual donors.

Related parties

CAF America, the charity’s immediate controlling party, provides administrative support services to the charity.

CAF, the charity’s ultimate parent, provides the charity with administrative and managerial services.

Details of the related parties and the transactions with these entities during the year are included in notes 14 and 15.

Structure, Governance and Management

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and governed by its Memorandum and Articles of association. It is registered with the Charity Commission for England and Wales. The charity’s company and charity registration numbers and address of its registered office are shown on page 3.

Throughout the year the charity was wholly owned by Charities Aid Foundation of America (CAF America), a US public charity recognised by the US Internal Revenue Service as an organisation of the kind described in section 501(c)(3) of the US Internal Revenue Code of 1986.

The charity has made a US tax election to be treated as a part of CAF America so that a donation to the charity is treated as a gift to CAF America for US tax purposes. Given the charity’s UK charitable status, a donation to it is also eligible for relief under UK tax legislation relating to gifts to charities.

Charities Aid Foundation (CAF), UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity’s ultimate controlling entity.

Both CAF and CAF America are charitable entities and provide a range of services to donors and to other charities.

The charity’s Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. The charity’s Trustees meet at least twice a year. Newly appointed Trustees undertake an induction process to ensure that they gain a full understanding of the charity and their responsibilities. They are then required to complete training at regular intervals throughout their trusteeship.

The Trustees delegate management responsibilities to CAF. This delegation is controlled by requiring regular reporting to the Board of Trustees.

The charity’s Trustees are committed to high standards of governance. In addition to approving donor grant suggestions and assessing charity eligibility to receive grants, the Trustees also have responsibilities in relation to the financial statements and internal control.

None of the Trustees has an interest in the shares of the company or in any associated entity in either the current or the prior financial year.

During the year the Trustees took out trustees’, directors’ and officers’ indemnity cover under the umbrella of the CAF group.

In carrying out their duties under s172(1) (a) to (f) of the Companies Act 2006, the Trustees have regard to both the short- and long-term impact of their decisions, the interests of the charity’s donors, its beneficiaries, and the impact of its activities on the communities in which it operates and the environment.

The charity is conscious of its impact on the environment. The entity shares premises with its ultimate parent and participates in recycling schemes, paper saving initiatives and a range of energy efficiency measures. The charity itself has a limited direct impact on the environment, other than staff commuting to work, energy and

consumables use and a relatively modest travel footprint.

Post balance sheet events

There have been no significant post balance sheet events.

Statement of Trustees’ responsibilities in respect of the Trustees’ report and the financial statements

The Trustees (who are also directors of Southampton Row Trust Limited for the purposes of company law) are responsible for preparing the Trustees’ Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’.

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company’s transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for making reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each person who is a Trustee at the date of approval of this report confirms that:

1. so far as the Trustees are aware, there is no relevant audit information of which the charity’s auditor is unaware; and
2. the Trustees have taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity’s auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to appoint the auditors of the charity and to agree their remuneration will be submitted to the Trustees.

The Trustees’ report on pages 6-10 was approved by the Trustees and signed on their behalf on 26 July 2023.



Neil Heslop OBE
Chairman

Independent auditors’ report to the members of Southampton Row Trust Limited

Report on the audit of the financial statements

Opinion

In our opinion, Southampton Row Trust Limited’s financial statements (the “financial statements”):

- give a true and fair view of the state of the charitable company’s affairs as at 30 April 2023 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Trustees’ Report and Financial Statements (the “Annual Report”), which comprise: the balance sheet as at 30 April 2023; the statement of financial activities (incorporating an income and expenditure account), and the cash flow statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC’s Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 charitable company’s ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company’s ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors’ report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Trustees’ Report and the Strategic Report included within it, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees’ Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees’ Report, which includes the strategic report and the directors’ report for the purposes of company law, for the period ended 30 April 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the strategic report or the directors’ report included within the Trustees’ Report.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements
As explained more fully in the Statement of Trustees’ Responsibilities in respect of the Trustees’ Report and the Financial Statements, the trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 charitable company’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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors’ responsibilities for the audit of the financial statements

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 auditors’ 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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charitable company and its industry/environment, we identified that the principal risks of non-compliance with laws and regulations related to provisions of relevant tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries and bias through manipulation of key accounting estimates. Audit procedures performed by the engagement team included:

- Enquiring of management and those charged with governance in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Assessing matters reported on the company’s whistle-blowing helpline and the results of management’s investigation of such matters;
- Reviewing key correspondence with regulatory authorities;
- Gaining an understanding of period end controls around the preparation of the financial statements, including controls around posting of manual journals;
- Testing the appropriateness of journal entries using risk based sampling procedures, also making use of data analytics to identify journals with high risk characteristics;
- Assessing for bias in significant estimates and the assumptions used; and
- Incorporating unpredictability into the nature, timing and/or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors’ report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company’s members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

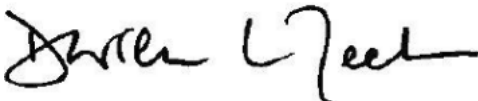
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees’ remuneration specified by law are not made; or
- the charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Darren L Meek (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
31 July 2023

Statement of financial activities

(incorporating an Income and Expenditure Account)

FOR THE YEAR ENDED 30 APRIL 2023

		Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
		2023	2022	2023	2022	2023	2022	2023	2022
	Notes	£000	£000	£000	£000	£000	£000	£000	£000
Income from:									
Donations		970	935	71,861	50,362	30,713	43,520	103,544	94,817
Legacies		-	-	573	-	-	-	573	-
Investments	2	1,156	92	-	5	1,318	833	2,474	930
Total income		2,126	1,027	72,434	50,367	32,031	44,353	106,591	95,747
Expenditure on:									
Charitable activities:									
Grants payable to charities	3	881	75	68,699	53,599	17,515	14,156	87,095	67,830
Cost of charitable activities	4	1,637	558	4	5	87	85	1,728	648
Loan loss provision	8	-	-	-	-	(33)	(35)	(33)	(35)
Total expenditure		2,518	633	68,703	53,604	17,569	14,206	88,790	68,443
Net income/(expenditure) before net gains on investments		(392)	394	3,731	(3,237)	14,462	30,147	17,801	27,304
Net losses on investments	6	-	-	(144)	(40)	(1,474)	(1,122)	(1,618)	(1,162)
Net income/(expenditure)		(392)	394	3,587	(3,277)	12,988	29,025	16,183	26,142
Transfers between funds									
	11	-	-	457	(736)	(457)	736	-	-
Net movement in funds before other recognised gains/(losses)		(392)	394	4,044	(4,013)	12,531	29,761	16,183	26,142
Other recognised gains/(losses)									
Foreign exchange gains/(losses)		(23)	2	(66)	1,173	463	1,479	374	2,654
Net movement in funds		(415)	396	3,978	(2,840)	12,994	31,240	16,557	28,796
Reconciliation of funds									
Total funds brought forward		1,651	1,255	23,447	26,287	92,040	60,800	117,138	88,342
Total funds carried forward	11	1,236	1,651	27,425	23,447	105,034	92,040	133,695	117,138

The results are derived from ongoing operations, and all gains and losses arising in the current and preceding year are included in the above Statement of Financial Activities.

The notes on pages 17 to 25 form part of these financial statements.

Balance sheet

AS AT 30 APRIL 2023

		Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
		2023	2022	2023	2022	2023	2022	2023	2022
	Notes	£000	£000	£000	£000	£000	£000	£000	£000
Assets									
Balances with banks:									
On demand and short-term deposits		1,302	1,770	21,275	22,600	51,372	49,112	73,949	73,482
Other term and money market deposits		-	-	-	-	22,957	-	22,957	-
Financial investments	6	-	-	-	373	30,981	41,790	30,981	42,163
Other investments	7	-	-	3,750	-	-	-	3,750	-
Loans to charities	8	-	-	-	-	796	-	796	-
Other debtors	9	109	8	2,400	478	206	1,138	2,715	1,624
Total assets		1,411	1,778	27,425	23,451	106,312	92,040	135,148	117,269
Liabilities									
Amounts falling due within one year:									
Creditors	10	175	127	-	4	1,278	-	1,453	131
		175	127	-	4	1,278	-	1,453	131
Net assets		1,236	1,651	27,425	23,447	105,034	92,040	133,695	117,138
Funds									
Charitable funds		1,236	1,651	27,425	23,447	105,034	92,040	133,695	117,138
Called up share capital (£100, 2022: £100)	12	-	-	-	-	-	-	-	-
Total funds	11	1,236	1,651	27,425	23,447	105,034	92,040	133,695	117,138

Approved and authorised for issue by the Trustees and signed on their behalf on 26 July 2023.

Neil Heslop, OBE
Chairman

Liz Rylatt
Trustee

Charity Registration No: 1079020
Company Registration No: 03900842

The notes on pages 17 to 25 form part of these financial statements.

Cash flow statement

FOR THE YEAR ENDED 30 APRIL 2023

	2023		2022	
	£000	£000	£000	£000
Cash flows from operating activities				
Net cash generated from operating activities		6,129		4,808
Cash flows from investing activities				
Proceeds from sale of investments	20,520		13,204	
Purchases of investments	(5,019)		(4,644)	
Net movement in other term and money market deposits	(22,957)		-	
Donor Advised Funds investment income receivable	1,292		802	
Decrease in investment portfolio cash	139		1,677	
Net cash generated from investing activities		(6,025)		11,039
Change in cash and cash equivalents in the year		104		15,847
Cash and cash equivalents as at 1 May		73,482		54,977
Change in cash and cash equivalents due to exchange rate movements		363		2,658
Cash and cash equivalents as at 30 April		73,949		73,482
Reconciliation of net income to cash flows from operating activities				
Net income for the year	16,557		28,796	
Non-cash donations received	(9,829)		(23,960)	
Non-cash grants paid	-		2,729	
Losses on investments	1,618		1,162	
(Increase)/Decrease in loans to charity	(761)		31	
Decrease in loan loss provision	(33)		(31)	
Increase in other debtors	(1,064)		(374)	
Decrease in grants payable	-		(72)	
Increase in creditors	1,322		23	
Donor Advised Funds				
investment income receivable	(1,318)		(838)	
Unrealised gain on foreign currencies	(363)		(2,658)	
Net cash generated from operating activities		6,129		4,808

The notes on pages 17 to 25 form part of these financial statements.

Notes to the financial statements

1. Accounting policies

The principal accounting policies and judgements used in the preparation of the financial statements are:

1.1. Basis of preparation

These financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the Charities SORP (FRS 102).

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and registered with the Charity Commission for England and Wales.

The charity meets the definition of a public benefit entity under FRS 102.

The principal activities and the nature of the charity's operations are set out in the strategic report on pages 6 to 10.

The functional currency is considered to be pounds sterling because that is the currency of the primary economic environment in which the charity operates.

1.2. Going concern basis

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed and the ongoing cost of living rises and geo-political uncertainties. The Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue. After taking into account the current level of the charity's cash and reserves and the financial performance since 30 April 2023, the Trustees have concluded that the risk of this situation occurring is remote.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least twelve months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3. Fund accounting

The classification of funds between unrestricted general funds and unrestricted designated funds and restricted funds is an area of significant judgement and is dealt with in note 1.11.

Further details of the charity's funds and the disclosure policy are set out in note 11.

1.4. Income recognition

a) Donations and legacies

Donations received, including Gift Aid on eligible donations, are recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Non-cash donations principally comprise share gift donations which are recognised as donations received at the market value on the date of gift.

In the event that a donation or grant is subject to conditions, 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.

Legacy donations are recognised on a case-by-case basis where there has been a grant of probate or notification that a distribution will be made. 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 accurate and the title of the asset having been transferred to the charity. Where legacies have been notified with an estimated value but the criteria for income recognition have not been met, then the legacies are treated as contingent assets and disclosed if material (see note 16).

b) Investment income

Interest receivable on term and money market deposits with banks is recognised using the effective interest method over the term of the deposit. Dividends are recognised once the dividend has been declared and notification has been received of the value of the dividend due.

1.5. Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable are payments where the grant has been approved by the Trustees and the beneficiary charity has been formally notified in writing of the award. This notification gives the recipient a reasonable expectation that they will receive the grant. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award, or once the grant has been paid, whichever is the earlier. Grant awards that are subject to the recipient fulfilling performance conditions are accrued when any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Governance costs comprise costs involving the public accountability of the charity and its compliance with regulation and good practice, and are included within support costs.

Irrecoverable VAT is charged as a cost.

1.6. Allocation of support costs

All expenses are allocated or apportioned to the applicable fund. Support costs, unless directly attributable, are charged to the general fund. Support costs comprise costs of certain central functions which underpin the delivery of our services such as information systems, finance, executive management and governance.

1.7. Pension costs

There were no employees of the charity in the current or the previous year. All administrative services are provided by employees of Charities Aid Foundation (CAF), the charity’s ultimate parent (see note 14). The charity paid a management charge and fees to CAF for these services which included an element in respect of the cost of defined contribution pension arrangements.

1.8. Foreign currencies

Sterling is the functional and reporting currency. Transactions in foreign currencies are translated to sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to sterling at the exchange rate ruling at that date.

Exchange differences arising are taken to the Statement of Financial Activities (SOFA).

1.9. Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10. Basic financial instruments

a) Balances with banks

On demand balances and short-term deposits represent “cash and cash equivalents” and include the charity’s cleared and uncleared balances held at clearing banks which are available on demand or have an original maturity date of three months or less.

Other term and money market deposits represent balances with an original maturity of more than three months and less than five years. These are shown at the lower of cost or estimated realisable value.

b) Financial investments

A pool of investments may be held for Premier Donor Advised Funds (PDAF) to achieve an investment return to fund future grants to charitable causes. The value of the investments determines the funds available for grantmaking at any point in time.

Basic financial instruments held as ‘Financial investments’ are, therefore, measured initially at fair value, which is normally the transaction price. Transaction costs are expensed in the SOFA (where material) if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition all types of investments, including debt securities, which can be measured reliably are measured at fair value with changes recognised in the SOFA. Where the fair value of such investments cannot be reliably measured because, for example they are not publicly traded, the investments are measured at cost less impairment.

c) Other investments

Investment properties are measured initially at fair value which is typically probate value. They are subsequently reviewed at each balance sheet date for any changes in fair value which is typically open market value.

d) Debtors and creditors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid.

Creditors are recognised where there is a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

e) Concessionary loans receivable

Concessionary loans may be receivable from other charities as a result of loans advanced by the charity. Such loans are advanced at concessionary (non-market) rates of interest, which may include interest-free loans. These are initially recognised at the amount advanced to the borrower and are subsequently measured at the amount advanced less amounts received less any impairment.

Loans are assessed at each reporting date to determine whether there is objective evidence of impairment. Objective evidence can include default or delinquency by a borrower, restructuring of a loan or advance on terms the charity would otherwise not consider, or indications that a borrower may become insolvent.

If there is evidence of impairment leading to an impairment loss then the amount of the loss is determined as the difference between the carrying amount of the loan, including accrued interest, and the estimated recoverable amount. The carrying amount of the loan is reduced by the use of an allowance account and the amount of the loss is recognised in the SOFA.

1.11. Critical accounting judgements and significant estimates

a) Critical accounting judgements

Classification of funds

Judgement has been applied in whether certain funds held should be classified as unrestricted general funds, unrestricted designated funds or restricted funds under the SORP.

The Trustees consider the unrestricted general funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects of the charity.

Whereas, the Trustees consider that funds held pending suggestions by the original donors for the onward donation to charitable organisations or for investment pending onward donation, are more appropriately classified as unrestricted designated funds. Subject to the Trustees being satisfied that these funds will be applied for charitable purposes, and in accordance with relevant regulations, there is no expectation that they will be applied for any purposes other than in accordance with suggestions received from the original donors.

Legacies

Judgement has been applied in recognising income from legacies gifted to the charity. Legacies are recognised as income where receipt is probable, which is determined from a review of a number of criteria including grant of probate, sufficiency of assets and the existence of any conditions to be met.

b) Significant estimates

There are no sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Investment income

	Unrestricted general funds		Unrestricted designated funds				Total	
	2023 £000	2022 £000	Donor advised funds and gifts		Premier donor advised funds		2023 £000	2022 £000
Dividends received	-	-	-	5	877	832	877	837
Interest on balances with banks	1,156	92	-	-	441	1	1,597	93
	1,156	92	-	5	1,318	833	2,474	930

3. Grants awarded

Charitable sector	2023		2022	
	No. of Grants	£000	No. of Grants	£000
Charitable sector				
Animal welfare	9	212	6	19
Arts, culture, heritage or science	191	6,705	209	3,766
Citizenship or community development	69	1,830	72	23,655
Education	406	24,279	448	21,590
Environmental protection or improvement	47	2,774	90	2,484
Health	126	37,653	112	2,182
Human rights or conflict resolution	45	2,770	51	1,750
Armed forces and the emergency services	8	227	3	108
Relief of poverty	60	1,754	53	1,149
Relief of those in need	157	4,590	152	4,403
Religion	111	906	108	1,754
Amateur sport	5	67	8	88
Other charitable purpose	32	3,329	31	4,882
	1,266	87,095	1,343	67,830

No grants were paid to individuals (2022: none).

4. Cost of charitable activities

	2023 £000	2022 £000
Cost of charitable activities includes the following:		
Allocated support costs paid to:		
CAF (see notes 13 and 14)	1,607	517
CAF America (see notes 13 and 14)	14	14
Other direct costs	107	117
	1,728	648
Other support costs consisting of governance costs:		
Fees payable to the charity's auditor for the audit of the charity's annual accounts (excluding irrecoverable VAT)	43	33
Legal and professional expenses	22	27

5. Staff costs and Trustees

There were no employees in the current or the previous year. All administrative services were provided by employees of CAF. The charity paid a management charge and fees for these services (see note 4).

None of the Trustees received any remuneration or reimbursement of expenses during the current or the previous year, nor were any expenses paid on their behalf. None of the Trustees had an interest in the shares of the company or in any associated entity during the current or the previous year.

6. Financial investments

The following tables show the carrying amounts of financial investments held at fair value in respect of Premier Donor Advised Funds (PDAFs), which form part of the charity's unrestricted designated funds.

PDAF funds are held pending the receipt of suggestions for onward donations from the original donor. Until such suggestions are received and grants are subsequently approved by the Trustees, there is no constructive obligation or liability to pay a defined amount within a set time period to a beneficiary. A portion of the funds contributed by donors to their PDAF is typically held in cash in order to meet short-term giving expectations, with the balance invested to meet medium to long-term philanthropic objectives. The approval by the Trustees of grants from PDAF funds is planned by reference to the market values and liquidity profile of the assets held for a PDAF.

	2023 £000	2022 £000
Held at fair value for unrestricted designated funds:		
At 1 May	41,743	30,234
Additions	11,095	28,605
Disposal proceeds	(20,520)	(15,933)
Realised gains (losses) / gains	(2,101)	1,992
Unrealised gains / (losses)	483	(3,154)
	30,700	41,743
Investment portfolio cash	281	419
At 30 April	30,981	42,163
Historical cost of investments held at fair value	28,016	39,527

The following hierarchy is used to estimate the fair value of investments:

Level 1 - The quoted price for an identical asset in an active market.

Level 2 - When quoted prices are unavailable, the fair value is taken as the price of a recent transaction for an identical asset (derived from market data).

6. Financial investments (continued)

Level 3 - If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, a valuation technique is used to estimate the fair value. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arms length exchange motivated by normal business considerations. If the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the assets are valued at cost less impairment until a reliable measure of fair value becomes available.

No level 2 or level 3 assets were held at 30 April 2023 or 2022.

Represented by:	2023		2022	
	Level 1 £000	Total £000	Level 1 £000	Total £000
Listed Securities:				
Overseas Government fixed interest	548	548	409	409
UK equities	473	473	495	495
Overseas equities	10,379	10,379	16,011	16,011
Unit trusts and other pooled investments	18,859	18,859	24,378	24,378
Investment trusts	441	441	451	451
	30,700	30,700	41,744	41,744
Investment portfolio cash	281	281	419	419
	30,981	30,981	42,163	42,163

7. Other investments

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Investment properties	-	-	3,750	-	-	-	-	-
At 30 April	-	-	3,750	-	-	-	-	-

8. Loans to charities

Concessionary loans:	Unrestricted designated funds				Total	
	Donor advised funds and gifts		Premier donor advised funds			
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Amounts receivable in less than one year	-	-	-	33	-	33
Amounts receivable in one to five years	-	-	796	-	796	-
Less: Provisions	-	-	-	(33)	-	(33)
	-	-	796	-	796	-

Concessionary loans may be receivable from other charitable organisations as a result of loans advanced by the charity at concessionary (non-market) rates of interest. There were no concessionary loans committed but not taken up at the reporting date.

9. Debtors

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Interest and dividends receivable	81	7	-	-	72	45	153	52
UK income tax recoverable	-	-	1,827	454	134	1,093	1,961	1,547
Other debtors	28	1	-	24	-	-	28	25
Accrued income		-	573	-	-	-	573	-
	109	8	2,400	478	206	1,138	2,715	1,624

10. Creditors

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Amounts due to:								
CAF	115	52	-	-	-	-	115	52
Other creditors	60	75	-	4	1,278	-	1,338	79
	175	127	-	4	1,278	-	1,453	131

The intercompany balances, none of which represent loan arrangements, are interest free and payable on demand.

11. Charitable funds

All of the charities funds constitute unrestricted funds as follows:

General funds

General funds are credited with surpluses arising from operations and are expendable at the discretion of the Trustees in the furtherance of the charity's objectives.

Designated Donor Advised Funds and Gifts

The assets representing these funds have been gifted to the charity by donors. Donors may make suggestions (they may not direct) to the charity's Trustees regarding the distribution of their donations to charitable organisations based across the world.

Designated Premier Donor Advised Funds

The assets representing these funds have been gifted to the charity by donors and are invested to generate an income which may be distributed to charities in addition to any capital distribution. Donors may make suggestions (they may not direct) to the charity's Trustees regarding the distribution of the income and capital to charitable organisations based across the world.

Transfers between funds

Transfers between funds arise upon original donors requesting that their donations are held under one of the charity's other giving funds.

12. Called up share capital

	2023 £	2022 £
Authorised, allotted, issued and fully paid:		
100 ordinary shares of £1 each	100	100

The charity's regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

13. Reconciliation of shareholders' funds

	2023 £	2022 £
Opening shareholders' funds	100	100
Result for the year and net additions to shareholders' funds	-	-
Closing shareholders' funds	100	100

14. Parent and ultimate parent entity

All of the charity's issued share capital is owned by Charities Aid Foundation of America (CAF America). The charity's Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. CAF America is the charity's controlling entity and the smallest group into which the charity is consolidated. CAF America is a US 501(c)(3) public charity recognised by the US Internal Revenue Service. CAF America is incorporated in the State of Delaware. CAF America's headquarters are located at: 225 Reinekers Lane, Suite 375, Alexandria, VA 22314 USA.

Charities Aid Foundation (CAF), UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity's ultimate controlling entity and the largest group into which the charity is consolidated. The accounts of CAF can be obtained from CAF at: 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA.

15. Related party transactions

CAF America

During the year the charity awarded a grant of £81,214 (2022: £74,521) from the general fund for CAF America's general purposes. This general fund grant was fully paid by the charity at 30 April 2023.

During 2022/23 £1,208,339 (2022: nil) was awarded and paid to CAF America from the charity's donor advised funds and was for the credit of similar donor advised funds held by CAF America.

During 2022/23 £461,591 (2022: £950,008) was received from CAF America for the credit of donor advised funds from similar funds held by CAF America.

In addition, the charity was charged £13,515 (2022: £13,608) by CAF America for the provision of administration support services for the year. This was fully paid at 30 April 2023.

Charities Aid Foundation (CAF)

During the year the charity awarded a grant of £800,000 (2022: nil) from the General Fund for CAF's general purposes. This grant was fully paid by the charity at 30 April 2023.

In addition, the charity awarded grants of £181,046 (2022: £3,740,440) to CAF. The entire amount was awarded and paid from the charity's donor advised funds and was for the credit of similar donor advised funds held by CAF.

The charity was charged £1,441,632 (2022: £517,352) by CAF for the provision of administration services for the year. At the balance sheet date, £113,597 (2022: £52,013) was unpaid by the charity.

16. Contingent assets

At the balance sheet date, the charity had been notified of a single legacy for which probate was not yet granted or other factors indicated that the legacy should not be recognised as income. The value of the legacy is estimated as £100,000 (2022: one legacy with an estimated value of £425,000).

17. Post balance sheet events

There have been no significant post balance sheet events.



CONTACT US

Visit www.cafonline.org to find out more

The CAF American Donor Fund is the operating name of Southampton Row Trust Ltd, a company registered in England and Wales with the company number 03900842 and with the Charity Commission registered charity number 1079020. Southampton Row Trust Ltd is a wholly owned subsidiary of CAF America, a US 501 (c) (3) public charity.



SOUTHAMPTON ROW TRUST LIMITED

England & Wales - Charity number 1079020

Accounts

CAF AMERICAN DONOR FUND TRUSTEES' REPORT

and financial statements for the
year ended 30 April 2022



Making A Difference

Where it matters, when it matters.

CHARITY INFORMATION, TRUSTEES AND ADVISORS

Registered office

25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA

Telephone: +44 (0)3000 123 150

Email: cadf@cafonline.org

Registered charity number

1079020

Company number

03900842

Auditor

Deloitte LLP
1 New Street Square
London
EC4A 3HQ

Principal banker

National Westminster Bank plc
214 High Holborn
London
WC1V 7BX

Trustees

Neil Heslop OBE, Chairman
Mike Dixon (resigned 1 February 2022)
Mark Greer (appointed 25 June 2021)
Ted Hart
Liz Rylatt (appointed 1 February 2022)

Company Secretary

Kate Mayor

Southampton Row Trust Limited is a UK charitable company incorporated in the UK and registered with the Charity Commission for England and Wales. The charity operates under the name of CAF American Donor Fund.

The charity is wholly owned by Charities Aid Foundation of America (CAF America), a s501(c)(3) US public charity, registered in the State of Delaware, United States of America.

In this report

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CHAIR'S REPORT

"The Fund passed a significant milestone recently when the cumulative amount donated into our stewardship surpassed \$1 billion."



Our valued donors with a strong connection to both the United States and the United Kingdom have once again signalled their unwavering commitment to the causes they care most about – with their willingness to respond at speed to sudden crises.

We entered last year with hope on the horizon that vaccines would deliver a safe route out of the Covid-19 pandemic and a keen awareness, shared by our donors, of the pressing need to ensure that the world's most vulnerable could access this game-changing medical advancement. That glimmer of a return to normality meant that the charities that we exist to support, having survived successive lockdowns, were adapting, bolstering their resilience and planning a future in which they could thrive. All of this was made possible thanks to the generosity of the donors who choose to work with us to affect meaningful, positive change.

Fast-forward a year and the collective crisis we now face lies in the impact of the conflict in Ukraine and its scenes of refugees in their millions fleeing across European borders – images that many of us had thought were relegated to the history books.

Once again, our donors have responded with compassion and determination to help. In the early weeks of the conflict, CAF American Donor Fund clients gave almost £900k to charities working on the ground to help, by directing their donations to the International Rescue Committee, the British Red Cross and

the Disasters Emergency Committee appeal among many others offering immediate assistance.

This is just the latest example of a record of giving that stretches back over more than 20 years since CADF was founded. Thanks to their ongoing support for an incredible range of charities, the Fund passed a significant milestone recently when the cumulative amount donated into our stewardship surpassed \$1 billion. In New York, we have opened a new office to ensure that the growing needs of dual US/UK taxpayers can be met in a timely and effective manner. The occasion was marked by a celebration with our friends at the British American Business Council, who have been stalwart in their support for our work to increase giving to charities around the world.

Thanks to our dedicated experts who bring a deep understanding of the challenges and opportunities of those with tax obligations in both countries, over the past year we have been able not only to ensure a smooth and effective giving plan for our clients, but to increase the amount of donations reaching charities around the world.

The number of clients we work with has grown from 487 to 544, while the value of their donations grew to £94.8 million from £83.4 million the previous year. In total, the Fund made 1,343 grants and just shy of half of those went to overseas charities.



£94.8m

Value of donations



1,343

Grants made



£67.8m

Grants paid out of DAF/DAG/PDAF

The causes reflected in those numbers are as diverse and imaginative as our clients themselves, ranging from the arts, culture, support for social, gender and racial justice, climate change research and innovation and global health and education. Our purpose as an organisation is to grow giving to charities around the world in the coming years and our experience with CADF clients has taught us that those fortunate enough to be in a position to give are eager to deepen their relationships with the charities they support, to learn from them and to ensure their giving choices deliver lasting impact. We applaud such a sentiment as it shows not just generosity, but commitment to long term sustainability.

The CAF American Donor Fund has stood alongside our clients, demonstrating the value of a knowledgeable team who bring a clear view of the regulatory landscape of both the Internal Revenue Service (IRS) and Her Majesty's Revenue & Customs (HMRC) by helping provide the very best service to achieve seamless, effective cross-border giving. Our dedicated team undertakes deep verification work to ensure every dollar or pound donated safely reaches the intended cause.

CADF's ability to receive non-cash gifts, including complex shares, property and art works has been especially welcomed by an increasing number of donors. These donations can take a bit more time, regulatory oversight and administrative support, but they are worth that extra effort for the charities they support. CADF received a record number of share gifts last year with more than 200 donations received in this way.

For those of us lucky enough to work in this field, there is always more to do and we remain committed to expanding our work in this area and to improving continuously the experience for our valued clients. To achieve this, we are listening and responding to their evolving needs so we may make sure that our technology, workforce training and expertise are at every turn multiplying the impact of their generosity.

I extend my sincere appreciation to those who continue to place their trust in us. Here at CAF, we are and always will be committed to delivering the giving experience service that our donors deserve so we may together accelerate progress toward a fair and sustainable future for all.



Neil Heslop, OBE
Chair



CASE STUDY



LONDON, UK

The Karshan Gift – Sharing a lifetime of collecting modern art

London's Courtauld Gallery has been graced with a distinguished collection of modern drawings thanks to a donation by Linda Karshan in memory of her late husband Howard, a prominent collector. The couple lived between London and New York in 2021 and the CAF American Donor Fund was able to facilitate the donation of a carefully chosen group of 25 works on paper by leading artists of the modern and post-war period. Linda described the Courtauld Gallery as a "natural home" for highlights of a collection that were an integral part of their lives for more than half a century.

"It's not often in one's life one can accomplish something of such lasting significance. This gift will remain a highlight of my philanthropic activities."

Linda Karshan

TRUSTEES' REPORT

INCLUDING THE STRATEGIC REPORT

"The Trustees' objective for the coming year is to sustain the long-term growth in the average value of funds received and granted by the charity."

The charity's objectives and activities contribute to public benefit through a grant making programme exclusively for charitable purposes (as described in the Charities Act 2011).

The charity carries out its objectives by enabling donors liable for tax in both the UK and the US to enhance their charitable giving by obtaining tax relief on their donations in both countries. Donors may suggest to the Trustees how their donation might be distributed to organisations carrying out charitable activities across the world.

To facilitate and grow such charitable giving the charity provides donors with access to sector-leading online services, which allow donors to track their donations and grant suggestions.

Every donor has a named contact in our specialist team to provide expert support and guidance with regard to their charitable giving. The charity carries out ongoing detailed due diligence on all grant recipients, providing assurance to donors that the funds they contributed are applied for charitable purposes.

There are no plans to alter the charity's objectives and operations in the foreseeable future.

The Trustees' objective is to achieve long-term growth in the average value of funds received and granted by the charity.

Achievements and performance

In line with the Trustees' objective to achieve long-term growth, during the year under review income from donations grew to £94.8m, up from £83.4m in the previous year. The Trustees awarded 1,343 grants to charities across the world, totalling £67.8m (2021: 1,352 grants, totalling £73.8m).

Despite the Covid-19 pandemic and the fluctuating economy globally, donors have continued to show great generosity in supporting good causes, including supporting those impacted by the conflict in Ukraine, with almost £1m of grants made for causes supporting refugees, children and healthcare.

The charity was pleased to celebrate surpassing the milestone of \$1bn of donations received since launching in 2000, again demonstrating the generosity of our donors.

Many thousands of charitable recipients have benefitted from grants made by the charity during that time.

In April 2022, the charity launched a new office in New York, to better support clients and other stakeholders based in the Northeast of the United States. This represents a further opportunity for continued growth as Trustees remain committed to increase and expand the support offered to donors and charities around the world.

Financial review

Total income for the year was £98.4m (2021: £84.0m). Of the total income, £51.5m (2021: £61.6m) was credited to Donor Advised Funds (DAFs) and Donor Advised Gifts (DAGs) designated funds. Funds designated as Premier Donor Advised Funds (PDAFs), which are held to support longer-term grant making, benefited from income of £45.8m (2021: £21.5m). The balance of total income was credited to the General Fund.

Grants paid out of DAF and DAG designated funds amounted to £53.6m (2021: £51.0m) and out of PDAF designated funds £14.2m (2021: £22.7m). Consequently and in line with the Trustees' objective to achieve ongoing growth, at 30 April 2022 designated funds held to support future grant making grew to £115.5m (2021: £87.1m), with the value held for PDAFs increasing by more than 50% from £60.8m to £92.0m.

As a result of the impact of global geopolitical and economic uncertainties on investment markets arising in the latter part of the financial year, a loss of £1.2m arose on investments held by the charity to support medium- and long-term giving. This compares with investment gains of £4.2m during 2020/21, which reflected the recovery in investment markets following the impact of the Covid-19 pandemic in early 2020.

A significant proportion of the charity's funds are received, held and paid away in US dollars. This results in foreign exchange gains and losses arising upon their translation to sterling (the charity's reporting currency). In 2021/22 sterling weakened against the US dollar and coupled with large sums held, the charity has reported a gain of £2.6m upon translation. This stands in contrast with 2020/21 in which the charity reported a loss of £2.0m upon translation as a result of sterling strengthening against the US dollar.

Our aims for next year

The Trustees' objective for the coming year is to sustain the long-term growth in the average value of funds received and granted by the charity.

Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified in the plan
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The main risks identified are credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of loss as a result of a failure of a counterparty to meet obligations as they fall due. The charity's principal financial assets are bank balances and financial investments. Cash balances are deposited with major UK banks as approved by the Investment Advisory Committee of the Charities Aid Foundation (CAF), the charity's ultimate parent.

Financial investments held in respect of PDAFs are invested in accordance with policies approved by the Investment Advisory Committee of CAF. Original donors plan grant suggestions by reference to the market values and liquidity profile of the assets held for their PDAF.

The exposure of PDAFs to credit risk is mitigated by investing primarily in pooled investment funds.

Liquidity risk

Liquidity risk is the risk that the charity does not have sufficient financial resources to meet obligations as they fall due.

The charity's principal obligations relate to grants payable. The charity does not award grants out of anticipated future income.

PDAF funds are invested in accordance with investment policies which require investments to be highly liquid. Investments take into account anticipated liquidity requirements to fund grants. Should additional liquidity be required to fund donations, investments are disposed of. In the event of a shortfall in anticipated proceeds, the value of the grant would be reduced.

Market risk

Market risk is the risk from adverse movements in external markets including changes in investment values and foreign currency exchange rates that will reduce the value of assets.

PDAFs are invested to fund long-term philanthropic goals of donors. The value of investments determines the value of funds available to make grants. Accordingly, a movement in equity markets or interest rates may affect the value of PDAF funds held by the charity, but does not impact the level of reserves.

The charity holds bank balances principally in sterling and US dollars. The US dollars held principally arise as a result of donations received in that currency and are primarily intended to fund grants which are also awarded and paid in US dollars, thus mitigating the risk to fluctuations in foreign currency exchange rates.

Share capital and dividends

The charity's authorised share capital of 100 ordinary shares of £1 each was issued at par upon incorporation and is held by CAF America.

The charity's regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

Public benefit

The aim of the charity is to encourage, support and develop the work of charities in the UK, the USA and elsewhere in the world by providing a range of services which ensure the most effective handling and distribution of charity funds.

The activities provide public benefit by creating value for other charities and organisations around the world in carrying out exclusively charitable activities.

When reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy, the Trustees paid due regard to the guidance issued by the Charity Commission, HM Revenue & Customs and the US Internal Revenue Services.

Fundraising

There have been no UK fundraising activities undertaken in the current or preceding year.

Grant making policy

The charity supports cross-border tax-effective giving by enabling donors liable for tax in both the UK and the USA to obtain tax relief in both countries on their charitable giving. Donors suggest, but they may not direct, how the Trustees might distribute their donation. This may be to organisations carrying out charitable activities across the world.

Each grant suggestion is reviewed having regard for grant making guidance issued by the Charity Commission, HM Revenue & Customs and the US Department of the Treasury and Internal Revenue Service. If it is considered that a donor's suggestion is not in accordance with issued guidance, then steps are taken to ensure that the funds are paid to an organisation with similar charitable objects.

The Trustees always seek feedback from the beneficiary charities on the actual use of grants given, and the achievements made, to monitor the effective use of grants made.

Funds received to support grant making are held as designated funds pending distribution to beneficiary charities. Grants are only awarded up to a level equal to the funds already contributed and received from donors. No grants are awarded in anticipation of future income.

Reserves policy

The charity's policy is to maintain, but not exceed, an appropriate level of reserves to support the activities of the charity, taking into account the risks to which it is exposed and existing and projected future levels of income and expenditure.

The policy and determination of the required level of reserves are set in accordance with Charity Commission guidelines and are reviewed annually by Trustees.

In determining the appropriate level of reserves, Trustees consider the risks inherent in the charity's activities including operating risk, credit risk, liquidity risk and other risks to which it may be exposed. They also consider the charity's operating environment, including regulatory changes that may impact the required level of reserves.

The free reserves of the charity are determined as its unrestricted funds less funds which have been designated for future grant making. Funds received to support future grant making are classified as designated funds upon receipt. At 30 April 2022, £115.5m (2021: £87.1m) of the charity's unrestricted funds were designated for future grant making and consequently the charity's free reserves were £1.65m (2021: £1.26m).

This level of free reserves is considered by the Trustees to be adequate to meet their plans for the coming year.

Going concern

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed and the ongoing cost of living rises and geo-political uncertainties. The Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue. After taking into account the current level of the charity's cash and reserves and the financial performance since 30 April 2022, the Trustees have concluded that the risk of this situation occurring is remote.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least twelve months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Investment powers and policy

The Trustees have the power to invest in such investments, securities or property as they see fit.

The investment policy relating to designated funds is to provide a high degree of security and liquidity. Financial assets are generally held in bank deposits or money market deposits with maturities between three months and one

year. Bank deposits and money market deposits are held with major UK banks, as approved by CAF's Investment Advisory Committee.

Investments held for Premier Donor Advised Funds (PDAFs) are aligned with the charitable objectives advised by each donor. As a result, this portfolio consists of a range of investments which may be held over the longer term, comprising pooled investment funds, equities and bonds. Funds held for PDAFs may also be managed on a discretionary basis by an investment manager in portfolios attributable to donations received from individual donors.

Related parties

CAF America, the charity's immediate controlling party, provides administrative support services to the charity.

CAF, the charity's ultimate parent, provides the charity with administrative and managerial services.

Details of the related parties and the transactions with these entities during the year are included in notes 13 and 14.

Structure, Governance and Management

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and governed by its Memorandum and Articles of association. It is registered with the Charity Commission for England and Wales. The charity's company and charity registration numbers and address of its registered office are shown on page 1.

Throughout the year the charity was wholly owned by Charities Aid Foundation of America (CAF America), a US public charity recognised by the US Internal Revenue Service as an organisation of the kind described in section 501(c)(3) of the US Internal Revenue Code of 1986.

The charity has made a US tax election to be treated as a part of CAF America so that a donation to the charity is treated as a gift to CAF America for US tax purposes. Given the charity's UK charitable status, a donation to it is also eligible for relief under UK tax legislation relating to gifts to charities.

Charities Aid Foundation (CAF), UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity's ultimate controlling entity.

Both CAF and CAF America are charitable entities and provide a range of services to donors and to other charities.

The charity's Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. The charity's Trustees meet at least twice a year. Newly appointed Trustees undertake an induction process to ensure that they gain a full understanding of the charity and their responsibilities. They are then required to complete training at regular intervals throughout their trusteeship.

The Trustees delegate management responsibilities to CAF. This delegation is controlled by requiring regular reporting to the Board of Trustees.

The charity's Trustees are committed to high standards of governance. In addition to approving donor grant suggestions and assessing charity eligibility to receive grants, the Trustees also have responsibilities in relation to the financial statements and internal control.

None of the Trustees has an interest in the shares of the company or in any associated entity in either the current or the prior financial year.

During the year the Trustees took out trustees', directors' and officers' indemnity cover under the umbrella of the CAF group.

In carrying out their duties under s172(1) (a) to (f) of the Companies Act 2006, the Trustees have regard to both the short- and long-term impact of their decisions, the interests of the charity's donors, its beneficiaries, and the impact of its activities on the communities in which it operates and the environment.

The charity is conscious of its impact on the environment. The entity shares premises with its ultimate parent and participates in recycling schemes, paper saving initiatives and a range of energy efficiency measures. The charity itself has a limited direct impact on the environment, other than staff commuting to work, energy and consumables use and a relatively modest travel footprint.

Investments held for Premier Donor Advised Funds (PDAFs) are aligned with the charitable objectives advised by each donor. As a result, this portfolio consists of a range of investments which may be held over the longer term, comprising pooled investment funds, equities and bonds. Funds held for PDAFs may also be managed on a discretionary basis by an investment manager in portfolios attributable to donations received from individual donors.

Post balance sheet events

There have been no significant post balance sheet events.

The Trustees (who are also directors of Southampton Row Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for making reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each person who is a Trustee at the date of approval of this report confirms that:

1. so far as the Trustees are aware, there is no relevant audit information of which the charity's auditor is unaware; and
2. the Trustees have taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to appoint the auditors of the charity and to agree their remuneration will be submitted to the Trustees.

The Trustees' report on pages 6-10 was approved by the Trustees and signed on their behalf on 26 July 2022.



Neil Heslop, OBE
Chair

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Southampton Row Trust Limited (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of financial activities;
- the balance sheet;
- the cash flow statement; and
- the related notes 1 to 16.

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).

Basis for 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 charitable company'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' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Charities Act, UK Companies Act, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations, and money laundering and bribery legislation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- income from new major donors: we obtained an understanding of controls by performing walkthroughs; we tested a sample of donations from new major donors to assess whether the income was recognised appropriately; we tested a sample of donors to confirm that validation and due diligence procedures had been performed per the Charity's policies; we tested a sample of receipts to bank statements and trade confirmations.
- grants paid to new overseas charities: we obtained an understanding of controls by performing walkthroughs; we tested a sample of grants to new overseas charities to assess whether the expenditure was recognised appropriately; we obtained source documentation for a sample of donations paid to assess whether awards had been communicated by the donor to the Charity and communicated in turn to the beneficiary; we tested a sample of beneficiaries to confirm that validation and due diligence procedures had been performed per the Charity's policies; we tested a sample of disbursements to bank statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Hobson, FCA
Senior statutory auditor

David Hobson, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK

Date: 26 July 2022

STATEMENT OF FINANCIAL ACTIVITIES

INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT

For the year ended 30 April 2022

		Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
Notes		2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Income from:									
Donations		935	797	50,362	61,557	43,520	21,050	94,817	83,404
Investments	2	92	125	5	-	833	480	930	605
Foreign exchange gains		2	-	1,173	-	1,479	-	2,654	-
Total income		1,029	922	51,540	61,557	45,832	21,530	98,401	84,009
Expenditure on:									
Charitable activities:									
Grants payable to charities	3	75	72	53,599	50,973	14,156	22,716	67,830	73,761
Cost of charitable activities	4	558	406	5	7	85	76	648	489
Loan loss provision	7	-	-	-	-	(35)	(39)	(35)	(39)
Foreign exchange losses		-	17	-	810	-	1,167	-	1,994
Total expenditure		633	495	53,604	51,790	14,206	23,920	68,443	76,205
Net income/(expenditure) before net gains on investments		396	427	(2,064)	9,767	31,626	(2,390)	29,958	7,804
Net gains/(losses) on investments	6	-	-	(40)	258	(1,122)	3,982	(1,162)	4,240
Transfers between funds	10	-	-	(736)	-	736	-	-	-
Net income/(expenditure)		396	427	(2,840)	10,025	31,240	1,592	28,796	12,044
Reconciliation of funds									
Total funds brought forward		1,255	828	26,287	16,262	60,800	59,208	88,342	76,298
Total funds carried forward	10	1,651	1,255	23,447	26,287	92,040	60,800	117,138	88,342

The results are derived from ongoing operations, and all gains and losses arising in the current and preceding year are included in the above Statement of Financial Activities.

The notes on pages 17 to 24 form part of these financial statements.

BALANCE SHEET AS AT 30 APRIL 2022

		Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
	Notes	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Assets									
Balances with banks:									
On demand and short-term deposits									
		1,770	1,428	22,600	25,901	49,112	27,648	73,482	54,977
Other term and money market deposits									
		-	-	-	-	-	-	-	-
		1,770	1,428	22,600	25,901	49,112	27,648	73,482	54,977
Financial investments	6	-	-	373	-	41,790	32,331	42,163	32,331
Loans to charities	7	-	-	-	-	-	-	-	-
Other debtors	8	8	7	478	386	1,138	821	1,624	1,214
Total assets		1,778	1,435	23,451	26,287	92,040	60,800	117,269	88,522
Liabilities									
Amounts falling due within one year:									
Grants payable									
		-	72	-	-	-	-	-	72
Creditors	9	127	108	4	-	-	-	131	108
		127	180	4	-	-	-	131	180
Net assets		1,651	1,255	23,447	26,287	92,040	60,800	117,138	88,342
Funds									
Charitable funds									
		1,651	1,255	23,447	26,287	89,824	55,430	114,922	82,972
Fair value reserve		-	-	-	-	2,216	5,370	2,216	5,370
Called up share capital (£100, 2021: £100)	11	-	-	-	-	-	-	-	-
Total funds	10	1,651	1,255	23,447	26,287	92,040	60,800	117,138	88,342

Approved and authorised for issue by the Trustees and signed on their behalf on 26 July 2022.



Neil Heslop, OBE

Chairman



Liz Rylatt

Trustee

Charity Registration No: 1079020
Company Registration No: 03900842

The notes on pages 17 to 24 form part of these financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2022

	2022		2021	
	£000	£000	£000	£000
Cash flows from operating activities				
Net cash generated from/(used in) operating activities		10,124		(2,657)
Cash flows from investing activities				
Proceeds from sale of investments	13,204		22,941	
Purchases of investments	(4,644)		(14,677)	
Net movement in other term and money market deposits	-		3,460	
Donor Advised Funds investment income received	802		526	
Decrease/(Increase) in investment portfolio cash	1,677		(1,519)	
Net cash generated from investing activities		11,039		10,731
Change in cash and cash equivalents in the year		21,163		8,074
Cash and cash equivalents as at 1 May		54,977		45,042
Change in cash and cash equivalents due to exchange rate movements		(2,658)		1,861
Cash and cash equivalents as at 30 April		73,482		54,977

Reconciliation of net income to cash flows from operating activities

Net income for the year	28,796	12,044
Non-cash donations received	(23,960)	(7,451)
Non-cash grants made	2,729	-
Losses/(gains) on investments	1,162	(4,240)
Decrease in loans to charity	31	49
Decrease in loan loss provision	(31)	(49)
(Increase)/decrease in other debtors	(374)	8
Decrease in grants payable	(72)	(709)
Increase in creditors	23	31
Donor Advised Funds investment income received	(838)	(480)
Unrealised loss/(gain) on foreign currencies	2,658	(1,861)
Net cash generated from/(used in) operating activities	10,124	(2,657)

The notes on pages 17 to 24 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

1. Accounting policies

The principal accounting policies and judgements used in the preparation of the financial statements are:

1.1. Basis of preparation

These financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the Charities SORP (FRS 102).

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and registered with the Charity Commission for England and Wales.

The charity meets the definition of a public benefit entity under FRS 102.

The principal activities and the nature of the charity's operations are set out in the strategic report on pages 2 to 12.

The functional currency is considered to be pounds sterling because that is the currency of the primary economic environment in which the charity operates.

1.2. Going concern basis

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed and the ongoing cost of living rises and geo-political uncertainties. The Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue. After taking into account the current level of the charity's cash and reserves and the financial performance since 30 April 2022, the Trustees have concluded that the risk of this situation occurring is remote.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least twelve months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3. Fund accounting

All of the charity's funds constitute unrestricted funds. Details of the nature and purpose of its funds are set out in note 10.

1.4. Income recognition

a) Donations

Donations received are recognised once the charity has entitlement to the income. It is probable that the income will be received and the amount of income receivable can be measured reliably.

Non-cash donations principally comprise share gift donations which are recognised as donations received at the market value on the date of gift.

In the event that a donation or grant is subject to conditions, 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.

b) Investment income

Interest receivable on term and money market deposits with banks is recognised using the effective interest method over the term of the deposit. Dividends are recognised once the dividend has been declared and notification has been received of the value of the dividend due.

1.5. Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party. It is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable are payments where the grant has been approved by the Trustees and the beneficiary charity has been formally notified in writing of the award. This notification gives the recipient a reasonable expectation that they will receive the grant. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award, or once the grant has been paid, whichever is the earlier. Grant awards that are subject to the recipient fulfilling performance conditions are accrued when any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Governance costs comprise costs involving the public accountability of the charity and its compliance with regulation and good practice, and are included within support costs.

Irrecoverable VAT is charged as a cost.

1.6. Allocation of support costs

All expenses are allocated or apportioned to the applicable fund. Support costs, unless directly attributable, are charged to the general fund. Support costs comprise costs of certain central functions which underpin the delivery of our services such as information systems, finance, executive management and governance.

1.7. Pension costs

There were no employees of the charity in the current or the previous year. All administrative services are provided by employees of Charities Aid Foundation (CAF), the charity's ultimate parent (see note 13). The charity paid a management charge and fees to CAF for these services which included an element in respect of the cost of defined contribution pension arrangements.

1.8. Foreign currencies

Sterling is the functional and reporting currency. Transactions in foreign currencies are translated to sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to sterling at the exchange rate ruling at that date.

Exchange differences arising are taken to the Statement of Financial Activities (SOFA).

1.9. Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10. Basic financial instruments

a) Balances with banks

On demand balances and short-term deposits represent "cash and cash equivalents" and include the charity's cleared and uncleared balances held at clearing banks which are available on demand or have an original maturity date of three months or less.

Other term and money market deposits represent balances with an original maturity of more than three months and less than five years. These are shown at the lower of cost or estimated realisable value.

b) Financial investments

A pool of investments may be held for Premier Donor Advised Funds (PDAF) to achieve an investment return to fund future grants to charitable causes. The value of the investments determines the funds available for grant making at any point in time.

Basic financial instruments held as 'Financial investments' are, therefore, measured initially at fair value, which is normally the transaction price. Transaction costs are

expensed in the SOFA (where material) if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition all types of investments, including debt securities, which can be measured reliably are measured at fair value with changes recognised in the SOFA. Where the fair value of such investments cannot be reliably measured because, for example they are not publicly traded, the investments are measured at cost less impairment.

c) Debtors and creditors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid.

Creditors are recognised where there is a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

d) Concessionary loans receivable

Concessionary loans may be receivable from other charities as a result of loans advanced by the charity. Such loans are advanced at concessionary (non-market) rates of interest, which may include interest-free loans. These are initially recognised at the amount advanced to the borrower and are subsequently measured at the amount advanced less amounts received less any impairment.

Loans are assessed at each reporting date to determine whether there is objective evidence of impairment. Objective evidence can include default or delinquency by a borrower, restructuring of a loan or advance on terms the charity would otherwise not consider, or indications that a borrower may become insolvent.

If there is evidence of impairment leading to an impairment loss then the amount of the loss is determined as the difference between the carrying amount of the loan, including accrued interest, and the estimated recoverable amount. The carrying amount of the loan is reduced by the use of an allowance account and the amount of the loss is recognised in the SOFA.

1.11. Significant estimates and judgements

There have been no significant estimates or judgements necessary in the preparation of these financial statements.

2. Investment income

	Unrestricted general funds		Unrestricted designated funds				Total	
	2022 £000	2021 £000	Donor advised funds and gifts		Premier donor advised funds		2022 £000	2021 £000
Dividends received	-	-	5	-	832	454	837	454
Interest on balances with banks	92	125	-	-	1	26	93	151
	92	125	5	-	833	480	930	605

3. Grants paid to charities

	2022		2021	
	No. of grants	£000	No. of grants	£000
Charitable sector				
Animal welfare	6	19	10	113
Arts, culture, heritage or science	209	3,766	201	5,786
Citizenship or community development	72	23,655	88	2,685
Education	448	21,590	427	25,502
Environmental protection or improvement	90	2,484	56	1,182
Health	112	2,182	130	19,545
Human rights or conflict resolution	51	1,750	60	2,099
Armed forces and the emergency services	3	108	4	155
Relief of poverty	53	1,149	57	1,178
Relief of those in need	152	4,403	132	3,699
Religion	108	1,754	135	1,301
Amateur sport	8	88	4	33
Other charitable purpose	31	4,882	48	10,483
	1,343	67,830	1,352	73,761

No grants were paid to individuals (2021: none).

4. Cost of charitable activities

Cost of charitable activities includes the following:	2022 £000	2021 £000
Allocated support costs paid to:		
CAF (see notes 13 and 14)	517	391
CAF America (see notes 13 and 14)	14	15
Other direct costs	117	83
	648	489
Other support costs consisting of governance costs:		
Fees payable to the charity's auditor for the audit of the charity's annual accounts (excluding irrecoverable VAT)	33	21
Legal and professional expenses	27	17

5. Staff costs and Trustees

There were no employees in the current or the previous year. All administrative services were provided by employees of CAF. The charity paid a management charge and fees for these services (see note 4).

None of the Trustees received any remuneration or reimbursement of expenses during the current or the previous year, nor were any expenses paid on their behalf. None of the Trustees had an interest in the shares of the company or in any associated entity during the current or the previous year.

6. Financial investments

The following tables show the carrying amounts of financial investments held at fair value in respect of Premier Donor Advised Funds (PDAFs), which form part of the charity's unrestricted designated funds.

PDAF funds are held pending the receipt of suggestions for onward donations from the original donor. Until such suggestions are received and grants are subsequently approved by the Trustees, there is no constructive obligation or liability to pay a defined amount within a set time period to a beneficiary. A proportion of the funds contributed by donors to their PDAF is typically held in cash in order to meet short-term giving expectations, with the balance invested to meet medium to long-term philanthropic objectives. The approval by the Trustees of grants from PDAF funds is planned by reference to the market values and liquidity profile of the assets held for a PDAF.

	2022 £000	2021 £000
Held at fair value for unrestricted designated funds:		
At 1 May	30,234	26,807
Additions	28,605	22,128
Disposal proceeds	(15,933)	(22,941)
Realised gains	1,992	1,653
Unrealised (losses) / gains	(3,154)	2,587
	41,744	30,234
Investment portfolio cash	419	2,097
At 30 April	42,163	32,331
Historical cost of investments held at fair value	39,527	24,874

The following hierarchy is used to estimate the fair value of investments:

Level 1 - The quoted price for an identical asset in an active market.

Level 2 - When quoted prices are unavailable, the fair value is taken as the price of a recent transaction for an identical asset (derived from market data).

Level 3 - If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, a valuation technique is used to estimate the fair value. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arms length exchange motivated by normal business considerations. If the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the assets are valued at cost less impairment until a reliable measure of fair value becomes available.

	2022		2021	
Represented by:	Level 1 £000	Total £000	Level 1 £000	Total £000
Listed Securities:				
Overseas Government fixed interest	409	409	730	730
UK equities	495	495	273	273
Overseas equities	16,011	16,011	4,819	4,819
Unit trusts and other pooled investments	24,378	24,378	23,967	23,967
Investment trusts	451	451	445	445
	41,744	41,744	30,234	30,234
Investment portfolio cash	419	419	2,097	2,097
	42,163	42,163	32,331	32,331

No level 2 or level 3 assets were held at 30 April 2022 or 2021.

7. Loans to charities

	Unrestricted designated funds				Total	
	Donor advised funds and gifts		Premier donor advised funds			
	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Concessionary loans:						
Amounts receivable in less than one year	-	-	33	57	33	57
Amounts receivable in one to five years	-	-	-	7	-	7
Less: Provisions	-	-	(33)	(64)	(33)	(64)
	-	-	-	-	-	-

Concessionary loans may be receivable from other charitable organisations as a result of loans advanced by the charity at concessionary (non-market) rates of interest. There were no concessionary loans committed but not taken up at the reporting date.

8. Debtors

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Interest and dividends receivable	7	5	-	-	45	9	52	14
UK income tax recoverable	-	-	454	386	1,093	812	1,547	1,198
Other debtors	1	2	24	-	-	-	25	2
	8	7	478	386	1,138	821	1,624	1,214

9. Creditors

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Amounts due to:								
CAF	52	44	-	-	-	-	52	44
CAF America	-	26	-	-	-	-	-	26
Other creditors	75	38	4	-	-	-	79	38
	127	108	4	-	-	-	131	108

The intercompany balances, none of which represent loan arrangements, are interest free and repayable on demand.

10. Charitable funds

All of the charities funds constitute unrestricted funds as follows:

General funds

General funds are credited with surpluses arising from operations and are expendable at the discretion of the Trustees in the furtherance of the charity's objectives.

Designated Donor Advised Funds and Gifts

The assets representing these funds have been gifted to the charity by donors. Donors may make suggestions (they may not direct) to the Charity's Trustees regarding the distribution of their donations to charitable organisations based across the world.

Designated Premier Donor Advised Funds

The assets representing these funds have been gifted to the charity by donors and are invested to generate an income which may be distributed to charities in addition to any capital distribution. Donors may make suggestions (they may not direct) to the charity's Trustees regarding the distribution of the income and capital to charitable organisations based across the world.

Transfers between funds

Transfers between funds arise upon original donors requesting that their donations are held under one of the charity's other giving funds

11. Called up share capital

	2022 £	2021 £
Authorised, allotted, issued and fully paid:		
100 ordinary shares of £1 each	100	100

The charity's regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

12. Reconciliation of shareholders' funds

	2022 £	2021 £
Opening shareholders' funds	100	100
Result for the year and net additions to shareholders' funds	-	-
Closing shareholders' funds	100	100

13. Parent and ultimate parent entity

All of the charity's issued share capital is owned by Charities Aid Foundation of America (CAF America). The charity's Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. CAF America is the charity's controlling entity and the smallest group into which the charity is consolidated. CAF America is a US 501(c)(3) public charity recognised by the US Internal Revenue Service. CAF America is incorporated in the State of Delaware. CAF America's headquarters are located at: 225 Reinekers Lane, Suite 375, Alexandria, VA 22314 USA.

Charities Aid Foundation (CAF), UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity's ultimate controlling entity and the largest group into which the charity is consolidated. The accounts of CAF can be obtained from CAF at: 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA.

14. Related party transactions

CAF America

During the year the charity awarded a grant of £74,521 (2021: £72,348) from the general fund for CAF America's general purposes. This general fund grant was fully paid by the charity at 30 April 2022. During 2020/21 £1,802,217 was awarded and paid to CAF America from the charity's donor advised funds and was for the credit of similar donor advised funds held by CAF America.

In addition, the charity was charged £13,608 (2021: £14,649) by CAF America for the provision of administration support services for the year. This was fully paid at 30 April 2022. At 30 April 2021 £25,758 was due to CAF America.

Charities Aid Foundation (CAF)

During the year the charity awarded grants of £3,740,440 (2021: £10,644,370) to CAF. The entire amount was awarded and paid from the charity's donor advised funds and was for the credit of similar donor advised funds held by CAF.

The charity was charged £517,352 (2021: £391,494) by CAF for the provision of administration services for the year. At the balance sheet date, £52,013 (2021: £44,050) was unpaid by the charity.

15. Contingent assets

At the balance sheet date, the charity had been notified of a single legacy for which probate was not yet granted or other factors indicated that the legacy should not be recognised as income. The aggregate value of the legacy is estimated as £425,000. There were no contingent assets at 30 April 2021.

16. Post balance sheet events

There have been no significant post balance sheet events.

CAF AMERICAN DONOR FUND (CADF)

Registered office

25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA

Telephone: +44 (0)3000 123 150

Email: cadf@cafonline.org

www.cafonline.org/cadf

Charity Registration No: 1079020

Company Registration No: 03900842 (England and Wales)

SOUTHAMPTON ROW TRUST LIMITED

England & Wales - Charity number 1079020

Accounts

Southampton Row Trust Limited (operating as CAF American Donor Fund)

Charity Registration No: 1079020

Company Registration No: 03900842 (England and Wales)

SOUTHAMPTON ROW TRUST LIMITED
(operating as CAF American Donor Fund)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 APRIL 2021

CHARITY INFORMATION, TRUSTEES AND ADVISORS

Registered office

25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA

Telephone: +44 (0)3000 123 150

Email: cadf@cafonline.org

www.cafonline.org/cadf

Registered charity number

1079020

Company number

03900842

Auditor

Deloitte LLP
Hill House
1 Little New Street
London
EC4A 3TR

Principal banker

National Westminster Bank plc
214 High Holborn
London
WC1V 7BX

Trustees

Neil Heslop OBE, Chair (appointed, 20 October 2020)

Sir John Low CBE, Chair (resigned 1 October 2020)

Mike Dixon

Mark Greer (appointed 25 June 2021)

Ted Hart

Bridgit Richards (appointed 28 August 2020, resigned 25 June 2021)

David Stead (resigned 31 May 2020)

Company Secretary

Kate Mayor

Southampton Row Trust Limited is a UK charitable company incorporated in the UK and registered with the Charity Commission for England and Wales. The charity operates under the name of CAF American Donor Fund.

The charity is wholly owned by Charities Aid Foundation of America (CAF America), a s501(c)(3) US public charity, registered in the State of Delaware, United States of America.

The Trustees present their report, incorporating the strategic report together with the audited financial statements of the charity for the year ended 30 April 2021

CONSTITUTION

Southampton Row Trust Limited (the charity) is a registered charity and a company with a share capital and is governed by its Memorandum and Articles of Association. The charity operates under the name of CAF American Donor Fund. The directors are collectively referred to as the Trustees in this report. The names of Trustees who served during the year, and as at the date of signing, are noted above.

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CHAIR'S REPORT

I make this report at the end of an extraordinary year for all of us and one in which our donors into the CAF American Donor Fund have demonstrated remarkable dedication to the causes close to their hearts.



With their continuing generosity, we have been able to fulfil our purpose of supporting charities across borders in what has been their time of greatest need.

In many respects the CAF American Donor Fund is a microcosm of the work of the entire Charities Aid Foundation. With clear focus on our clients, we ensure they have dedicated expertise on hand to assist in their giving journey, increasingly complemented by the digital solutions required to offer the best possible service. We have grown not only the number of clients we work with from 407 to 487, but also the amount of money that has been donated by them over the past year.

Our deep expertise in the regulatory and tax environment around cross-border giving means that dual UK-US taxpayers turn to the CAF American Donor Fund for knowledgeable, safe and efficient ways to grant money to causes and realise greater impact through their giving. This support extends to people and charities as diverse as the world itself.

As I write, world leaders are gathering in the UK for the G7 meeting of major economies. On their agenda, led by the United States and the United Kingdom, are plans to renew a collaborative, global approach to solving some of the world's most pressing challenges, with Covid-19 vaccine distribution top of their list. There is profound significance in the realisation that until we are all safe and well, regardless of our circumstances, then we all continue to face the instability of an uncertain future.

That is a sentiment that speaks to the motivation of so many of the donors who work with us at the CAF American Donor Fund. Regardless of the cause they are eager to support, be it higher education, global health, cultural institutions or tackling the climate emergency and social inequalities, they know that solutions to problems are found in coming together and that those fortunate enough to be in their position are further enriched when they contribute to the well-being of others.

It is that ethos, that commitment to others, that led the CAF American Donor Fund to deliver 1,352 grants in the past year, representing £73.8 million. Moreover, the amount of funds that donors have entrusted to us over the past year for future granting has increased to £83.4 million from £79.5 million in the previous year.

Looking ahead, and considering the Charities Aid Foundation in the United States, the United Kingdom and Canada, we are committed to further improving and refining our clients' journey with us, seeking their views on how we can improve our products and services and ensuring they are supported by committed team members at every stage in their giving.

The United States and the United Kingdom have a long shared history of great achievements and I have no doubt that our shared determination to grow philanthropic giving with the greatest possible impact will accelerate progress towards a fair and sustainable future for all.

Neil Heslop OBE
Chair

£
1,352
Grants made

£
£73.8m
Total

STRATEGIC REPORT

The charity's objectives and activities contribute to public benefit through a grantmaking programme exclusively for charitable purposes (as described in the Charities Act 2011).

The charity carries out its objectives by enabling donors liable for tax in both the UK and the US to enhance their charitable giving by obtaining tax relief on their donations in both countries. Donors may suggest to the Trustees how their donation might be distributed to organisations carrying out charitable activities across the world.

To facilitate and grow such charitable giving the charity provides donors with access to sector-leading online services, which allow donors to track their donations and grant suggestions. Every donor has a named contact in our specialist team to provide expert support and guidance with regard to their charitable giving. The charity carries out ongoing detailed due diligence on all grant recipients, providing assurance to donors that the funds they contributed are applied for charitable purposes.

There are no plans to alter the charity's objectives and operations in the foreseeable future.

The Trustees' objective is to achieve long-term growth in the average value of funds received and granted by the charity.

Achievements and performance

In line with the Trustees' objective to achieve long-term growth, during the year under review the number of donors giving to the charity grew from 407 in the preceding year to 487. The value of their donations grew to £83.4m for the year from £79.5m in the prior year. In addition, the charity awarded 1,352 grants with a value of £73.8m, compared with 1,376 grants in the preceding year, which had a value of £82.7m

In March 2020 when the Covid-19 pandemic took hold, the charity was able to adapt and continue to operate with little impact on donors and grantees, with most operations being performed remotely. At the time of signing this report the charity continues to operate effectively on this basis. The pandemic had a wide-ranging impact on the world throughout the year ended 30 April 2021 and remains still. We saw an initial response to this with an increased number of grant suggestions for the benefit of hospitals and other organisations impacted by the coronavirus.

Financial review

Total income for the year was £84.0m (2019/20: £81.9m). Of the total income, £61.6m (2019/20: £64.2m) was credited to Donor Advised Funds (DAFs) and Donor Advised Gifts (DAGs) designated funds, with £21.5m (2019/20: £16.8m) being credited to Premier Donor Advised Funds (PDAF) designated funds. The balance was credited to the General Fund. Grants paid out of DAF and DAG designated funds amounted to £51.0m (2019/20: £65.8m) and out of PDAF designated funds £22.7m (2019/20: £16.4m).

The trend of growth in activity continued during the year and this trend is expected to continue. Therefore, although the costs of charitable activities fell from £512,000 in 2020 to £489,000 in 2021, the expectation is for further investment in the charity's operational resilience to lead to an increase in costs in the year ahead.

As a result of the recovery in global investment markets from the initial negative impact of the coronavirus pandemic, gains on investments held by the charity to support medium- and long-term giving amounted to £4.2m during the year. This compares with investment losses of £0.8m during 2019/20.



£83.4m

Donations to CADF

A significant proportion of the charity's funds are received, held and paid away in US dollars. This results in foreign exchange gains and losses arising upon their translation to sterling (the charity's reporting currency). In 2019/20 the charity reported a gain of £1.2m upon translation as uncertainties regarding the UK's exit from the European Union (Brexit) resulted in a decline in the value of sterling against the US dollar. In 2020/21 sterling has strengthened against the US dollar and, coupled with large sums held, the charity reported a loss of £2.0m upon translation.

Our aims for next year

The Trustees' objective for the coming year is to sustain the long-term growth in the average value of funds received and granted by the charity.

As described earlier in this report, the charity continues to operate effectively following the Covid-19 outbreak. The situation will be continuously reviewed and controllable costs minimised as necessary. No grants are awarded by the charity in anticipation of future income.

Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified in the plan
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The main risks identified are credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of loss as a result of a failure of a counterparty to meet obligations as they fall due. The charity's principal financial assets are bank balances and financial investments. Cash balances are deposited with major UK banks as approved by the Investment Advisory Committee of the Charities Aid Foundation (CAF), the charity's ultimate parent.

Financial investments held in respect of PDAFs are invested in accordance with policies approved by the Investment Advisory Committee of CAF. Donors plan donations by reference to the market values and liquidity profile of the assets held for their PDAF.

The exposure of PDAFs to credit risk is mitigated by investing primarily in pooled investment funds.

Liquidity risk

Liquidity risk is the risk that the charity does not have sufficient financial resources to meet obligations as they fall due.

The charity's principal obligations relate to grants payable. The charity does not award grants out of anticipated future income.

PDAF funds are invested in accordance with investment policies which require investments to be highly liquid. Investments take into account anticipated liquidity requirements to fund grants. Should additional liquidity be required to fund donations, investments are disposed of. In the event of a shortfall in anticipated proceeds, the value of the grant would be reduced.

Market risk

Market risk is the risk from adverse movements in external markets including changes in investment values and foreign currency exchange rates that will reduce the value of assets.

PDAFs are invested to fund long-term philanthropic goals of donors. The value of investments determines the value of funds available to make grants. Accordingly, a movement in equity markets or interest rates may affect the value of PDAF funds held by the charity, but does not impact the level of reserves.

The charity holds bank balances principally in sterling and US dollars. The US dollars held usually arise as a result of donations received in that currency and are primarily intended to fund grants which are also awarded and paid in US dollars, thus mitigating the risk to fluctuations in foreign currency exchange rates.

Covid-19 pandemic

The charity continues to monitor the developments surrounding the global pandemic. There remain uncertainties regarding the ongoing situation which may impact upon donations received and investment income. The Trustees have considered the principal areas of uncertainty and potential mitigating actions for counteracting a worst-case scenario such as reducing the level of controllable costs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Both CAF and CAF America are charitable entities and provide a [range of services to donors and to other charities](#).

Throughout the year the charity was wholly owned by Charities Aid Foundation of America (CAF America), a US public charity recognised by the US Internal Revenue Service as an organisation of the kind described in section 501(c)(3) of the US Internal Revenue Code of 1986.

The charity has made a US tax election to be treated as a part of CAF America so that a donation to the charity is treated as a gift to CAF America for US tax purposes. Given the charity's UK charitable status, a donation to it is also eligible for relief under UK tax legislation relating to gifts to charities.

Charities Aid Foundation (CAF), UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity's ultimate controlling entity.

Both CAF and CAF America are charitable entities and provide a range of services to donors and to other charities.

The charity's Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. The charity's Trustees meet at least twice a year. Newly appointed Trustees undertake an induction process to ensure that they gain a full understanding of the charity and their responsibilities. They are then required to complete training at regular intervals throughout their trusteeship.

The Trustees delegate management responsibilities to CAF. This delegation is controlled by requiring regular reporting to the Board of Trustees.

The charity's Trustees are committed to high standards of governance. In addition to approving donor grant suggestions and assessing charity eligibility to receive grants, the Trustees also have responsibilities in relation to the financial statements and internal control.

None of the Trustees has an interest in the shares of the company or in any associated entity.

During the year the Trustees took out trustees', directors' and officers' indemnity cover under the umbrella of the CAF group.

In carrying out their duties under s172(1) (a) to (f) of the Companies Act 2006, the Trustees have regard to both the short- and long-term impact of their decisions, the interests of the charity's donors, its beneficiaries, and the impact of its activities on the communities in which it operates and the environment.

The charity is conscious of its impact on the environment. The entity shares premises with its ultimate parent and participates in recycling schemes, paper saving initiatives and a range of energy efficiency measures. The charity itself has a limited direct impact on the environment, other than staff commuting to work, energy and consumables use and a relatively modest travel footprint.

[Share capital and dividends](#)

The charity's authorised share capital of 100 ordinary shares of £1 each was issued at par upon incorporation and is held by CAF America.

The charity's regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

[Public benefit](#)

The aim of the charity is to encourage, support and develop the work of charities in the UK, the USA and elsewhere in the world by providing a range of services which ensure the most effective handling and distribution of charity funds. The activities provide public benefit by creating value for other charities and organisations around the world in carrying out exclusively charitable activities.

When reviewing the charity's aims and objectives and in planning future activities and setting the grantmaking policy, the Trustees paid due regard to the guidance issued by the Charity Commission, HM Revenue & Customs and the US Internal Revenue Services.

[Fundraising](#)

There have been no UK fundraising activities undertaken in the current or preceding year.

[Grantmaking policy](#)

The charity supports cross-border tax-effective giving by enabling donors liable for tax in both the UK and the USA to obtain tax relief in both countries on their charitable giving. Donors suggest, but they may not direct, how the Trustees might distribute their donation. This may be to organisations carrying out charitable activities across the world.

Each grant suggestion is reviewed having regard for grantmaking guidance issued by the Charity Commission, HM Revenue & Customs and the US Department of the Treasury and Internal Revenue Service. If it is considered that a donor's suggestion is not in accordance with issued guidance, then steps are taken to ensure that the funds are paid to an organisation with similar charitable objects.

The Trustees always seek feedback from the beneficiary charities on the actual use of grants given, and the achievements made, to monitor the effective use of grants made.

Funds received to support grantmaking are held as designated funds pending distribution to beneficiary charities. Grants are only awarded up to a level equal to the funds already contributed and received from donors. No grants are awarded in anticipation of future income.

Reserves policy

The charity's policy is to maintain, but not exceed, an appropriate level of reserves to support the activities of the charity, taking into account the risks to which it is exposed and existing and projected future levels of income and expenditure.

The policy and determination of the required level of reserves are set in accordance with Charity Commission guidelines and are reviewed annually by Trustees.

In determining the appropriate level of reserves, Trustees consider the risks inherent in the charity's activities including operating risk, credit risk, liquidity risk and other risks to which it may be exposed. They also consider the charity's operating environment, including regulatory changes that may impact the required level of reserves.

The free reserves of the charity are determined as its unrestricted funds less funds which have been designated for future grantmaking. Funds received to support future grantmaking are classified as designated funds upon receipt. At 30 April 2021, £87.1m (2020: £75.5m) of the charity's unrestricted funds were designated for future grantmaking and consequently the charity's free reserves were £1,255,000 (2020: £828,000).

This level of free reserves is considered by the Trustees to be adequate to meet their plans for the coming year.

Going concern

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed. Recognising the uncertainty associated with predicting the

economic impact of Covid-19, in particular, the Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue. After taking into account the current level of the charity's cash and reserves and the financial performance since 30 April 2021, the Trustees have concluded that the risk of this situation occurring is remote.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least 12 months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Investment powers and policy

The Trustees have the power to invest in such investments, securities or property as they see fit.

The investment policy relating to designated funds is to provide a high degree of security and liquidity. Financial assets are generally held in bank deposits or money market deposits with maturities between three months and one year. Bank deposits and money market deposits are held with major UK banks, as approved by CAF's Investment Advisory Committee.

Investments held for Premier Donor Advised Funds (PDAFs) are aligned with the charitable objectives advised by each donor. As a result, this portfolio consists of a range of investments which may be held over the longer term, comprising pooled investment funds, equities and bonds. Funds held for PDAFs may also be managed on a discretionary basis by an investment manager in portfolios attributable to donations received from individual donors.

Related parties

CAF America, the charity's immediate controlling party, provides administrative support services to the charity.

CAF, the charity's ultimate parent, provides the charity with administrative and managerial services.

Details of the related parties and the transactions with these entities during the year are included in notes 13 and 14.

Post balance sheet events

There have been no significant post balance sheet events.

Statement of Trustees' responsibilities in respect of the Trustees' Report and the financial statements

The Trustees (who are also directors of Southampton Row Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each person who is a Trustee at the date of approval of this report confirms that:

1. so far as the Trustees are aware, there is no relevant audit information of which the charity's auditor is unaware; and
2. the Trustees have taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to appoint the auditors of the charity and to agree their remuneration will be submitted to the Trustees.

The Trustees' report on pages 2-8 was approved by the Trustees and signed on their behalf on 9 August 2021.



Mike Dixon
Trustee

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Southampton Row Trust Limited (the 'charitable company'):

- Give a true and fair view of the state of the charitable company's affairs as at 30 April 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom generally accepted accounting practice, including financial reporting standard 102 "the financial reporting standard applicable in the UK and Republic of Ireland"; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- The statement of financial activities;
- The balance sheet;
- The cash flow statement; and
- The related notes 1 to 14.

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).

Basis for 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 charitable company'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' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- Had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Charities Act, UK Companies Act, and tax legislation; and

- Do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations, and money laundering and bribery legislation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- Income from new major donors: we obtained an understanding of controls by performing walkthroughs; we tested a sample of donations from new major donors to assess whether the income was recognised appropriately; where donations from new major donors had been received, we tested a sample of cash receipts and agreed them to bank statements; we tested completeness during the period by reference to client lists and files and testing a sample of cash receipts;
- Grants paid to new overseas charities: we obtained an understanding of controls by performing walkthroughs; we obtained source documentation for a sample of donations paid to assess whether awards had been communicated by the donor to the charity and communicated in turn to the beneficiary; we tested a sample of beneficiaries to confirm that the validation and due diligence process had been performed per the charity's policies; we tested completeness through sample testing of cheques, instructions from clients and cash disbursements; where grants were subject to the beneficiary fulfilling conditions, we tested the fulfilment of those conditions and, where relevant, the deferral of the grants.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making

accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- Reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- Reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

Matters on which we are required to report by exception

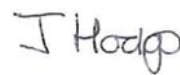
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jessica Hodges ACA

Senior statutory auditor

For and on behalf of Deloitte LLP
Statutory Auditor
London, UK

12 August, 2021

STATEMENT OF FINANCIAL ACTIVITIES

INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT

For the year ended 30 April 2021

	Notes	Unrestricted general funds		Unrestricted designated funds				Total	
				Donor advised funds and gifts		Premier donor advised funds			
		2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Income from									
Donations		797	724	61,557	63,777	21,050	14,987	83,404	79,488
Investments	2	125	234	–	–	480	999	605	1,233
Foreign exchange gains		–	–	–	394	–	822	–	1,216
Total income		922	958	61,557	64,171	21,530	16,808	84,009	81,937
Expenditure on									
Charitable activities:									
Grants payable to charities	3	72	557	50,973	65,819	22,716	16,368	73,761	82,744
Cost of charitable activities	4	406	385	7	37	76	90	489	512
Loan loss provision	7	–	–	–	–	(39)	(14)	(39)	(14)
Foreign exchange losses		17	–	810	–	1,167	–	1,994	–
Total expenditure		495	942	51,790	65,856	23,920	16,444	76,205	83,242
Net income/(expenditure) before net gains on investments		427	16	9,767	(1,685)	(2,390)	364	7,804	(1,305)
Net gains/(losses) on investments	6	–	–	258	(6)	3,982	(797)	4,240	(803)
Transfers between funds	10	–	–	–	(162)	–	162	–	–
Net income/(expenditure)		427	16	10,025	(1,853)	1,592	(271)	12,044	(2,108)
Reconciliation of funds									
Total funds brought forward		828	812	16,262	18,115	59,208	59,479	76,298	78,406
Total funds carried forward	10	1,255	828	26,287	16,262	60,800	59,208	88,342	76,298

The results are derived from ongoing operations, and all gains and losses arising in the current and preceding year are included in the above Statement of Financial Activities.

The notes on pages 15-22 form part of these financial statements.

BALANCE SHEET

As at 30 April 2021

		Unrestricted designated funds							
		Unrestricted general funds		Donor advised funds and gifts		Premier donor advised funds		Total	
Notes		2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Assets									
Balances with banks									

Approved and authorised for issue by the Trustees and signed on their behalf on 9 August 2021.



Mike Dixon
Trustee

Charity Registration No: 1079020
Company Registration No: 03900842

The notes on pages 15-22 form part of these financial statements.

CASH FLOW STATEMENT

For the year ended 30 April 2021

	2021		2020	
	£000	£000	£000	£000
Cash flows from operating activities				
Net cash used in operating activities		(2,657)		(8,539)
Cash flows from investing activities				
Proceeds from sale of investments	22,941		12,364	
Purchases of investments	(14,677)		(8,252)	
Net movement in other term and money market deposits	3,460		(49)	
Premier Donor Advised Funds investment income received	526		1,021	
(Increase)/decrease in investment portfolio cash	(1,519)		918	
Net cash generated from investing activities		10,731		6,002
Change in cash and cash equivalents in the year		8,074		(2,537)
Cash and cash equivalents as at 1 May		45,042		48,726
Change in cash and cash equivalents due to exchange rate movements		1,861		(1,148)
Cash and cash equivalents as at 30 April		54,977		45,042
Reconciliation of net income to cash flows from operating activities				
Net income/(expenditure) for the year		12,044		(2,108)
Non-cash donations received		(7,450)		(7,884)
(Gains)/losses on investments		(4,240)		803
Decrease in loans to charity		49		10
Decrease in loan loss provision		(49)		(10)
Decrease/(increase) in other debtors		8		(220)
(Decrease)/increase in grants payable		(709)		702
Increase in creditors		31		19
Premier Donor Advised Funds investment income received		(480)		(999)
Unrealised (loss)/gain on foreign currencies		(1,861)		1,148
Net cash used in operating activities		(2,657)		(8,539)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2021

1. Accounting policies

The principal accounting policies and judgements used in the preparation of the financial statements are:

1.1. Basis of preparation

These financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the Charities SORP (FRS 102).

Southampton Row Trust Limited is a UK charitable company limited by shares and incorporated in the UK under the Companies Act 2006 and registered with the Charity Commission for England and Wales. The address of the charity's registered office is shown on page 2.

The charity meets the definition of a public benefit entity under FRS 102.

The principal activities and the nature of the charity's operations are set out in the strategic report on pages 4-8.

The functional currency is considered to be pounds sterling because that is the currency of the primary economic environment in which the charity operates.

1.2. Going concern basis

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed. Recognising the uncertainty associated with predicting the economic impact of Covid-19, in particular, the Trustees have considered the impact of a severe economic outcome on the charity and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the operations of the charity would be unable to continue. After taking into account the current level of the charity's cash and reserves and the financial performance since 30 April 2021, the Trustees have concluded that the risk of this situation occurring is remote.

Accordingly and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least twelve months from the date of signing of this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3. Fund accounting

All of the charity's funds constitute unrestricted funds. Details of the nature and purpose of its funds are set out in note 10.

1.4. Income recognition

a) Donations

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

Non-cash donations principally comprise share gift donations which are recognised as donations received at the market value on the date of gift.

In the event that a donation or grant is subject to conditions, 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.

b) Investment income

Interest receivable on term and money market deposits with banks is recognised using the effective interest method over the term of the deposit. Dividends are recognised once the dividend has been declared and notification has been received of the value of the dividend due.

1.5. Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable are payments where the grant has been approved by the Trustees and the beneficiary charity has been formally notified in writing of the award. This notification gives the recipient a reasonable expectation that they will receive the grant. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award, or once the grant has been paid, whichever is the earlier. Grant awards that are subject to the recipient fulfilling performance conditions are accrued when any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Governance costs comprise costs involving the public accountability of the charity and its compliance with regulation and good practice, and are included within support costs.

Irrecoverable VAT is charged as a cost.

1.6. Allocation of support costs

All expenses are allocated or apportioned to the applicable fund. Support costs, unless directly attributable, are charged to the general fund. Support costs comprise costs of certain central functions which underpin the delivery of our services such as information systems, finance, executive management and governance.

1. Accounting policies continued

1.7. Pension costs

There were no employees of the charity in the current or the previous year. All administrative services are provided by employees of Charities Aid Foundation (CAF), the charity's ultimate parent (see note 13). The charity paid a management charge and fees to CAF for these services which included an element in respect of the cost of defined contribution pension arrangements.

1.8. Foreign currencies

Sterling is the functional and reporting currency. Transactions in foreign currencies are translated to sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to sterling at the exchange rate ruling at that date.

Exchange differences arising are taken to the Statement of Financial Activities (SOFA).

1.9. Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10. Basic financial instruments

a) Balances with banks

On demand balances and short-term deposits represent 'cash and cash equivalents' and include the charity's cleared and uncleared balances held at clearing banks which are available on demand or have an original maturity date of three months or less.

Other term and money market deposits represent balances with an original maturity of more than three months and less than five years. These are shown at the lower of cost or estimated realisable value.

b) Financial investments

A pool of investments may be held for Premier Donor Advised Funds (PDAF) to achieve an investment return to fund future grants to charitable causes. The value of the investments determines the funds available for grantmaking at any point in time.

Basic financial instruments held as 'Financial investments' are, therefore, measured initially at fair value, which is normally the transaction price. Transaction costs are expensed in the SOFA (where material) if the investments are subsequently measured at fair value through profit and

loss. Subsequent to initial recognition all types of investments, including debt securities, which can be measured reliably are measured at fair value with changes recognised in the SOFA. Where the fair value of such investments cannot be reliably measured because, for example, they are not publicly traded, the investments are measured at cost less impairment.

c) Debtors and creditors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid.

Creditors are recognised where there is a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

d) Concessionary loans receivable

Concessionary loans may be receivable from other charities as a result of loans advanced by the charity. Such loans are advanced at concessionary (non-market) rates of interest, which may include interest-free loans. These are initially recognised at the amount advanced to the borrower and are subsequently measured at the amount advanced less amounts received less any impairment.

Loans are assessed at each reporting date to determine whether there is objective evidence of impairment. Objective evidence can include default or delinquency by a borrower, restructuring of a loan or advance on terms the charity would otherwise not consider, or indications that a borrower may become insolvent.

If there is evidence of impairment leading to an impairment loss then the amount of the loss is determined as the difference between the carrying amount of the loan, including accrued interest, and the estimated recoverable amount. The carrying amount of the loan is reduced by the use of an allowance account and the amount of the loss is recognised in the SOFA.

1.11. Significant estimates and judgements

There have been no significant estimates or judgements necessary in the preparation of these financial statements.

2. Investment income

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Dividends received	-	-	-	-	454	687	454	687
Interest on balances with banks	125	234	-	-	26	312	151	546
	125	234	-	-	480	999	605	1,233

3. Grants paid to charities

	2021		2020	
	No. of grants	£000	No. of grants	£000
Charitable sector				
Animal welfare	10	113	8	175
Arts, culture, heritage or science	201	5,786	227	7,007
Citizenship or community development	88	2,685	116	2,273
Education	427	25,502	396	23,438
Environmental protection or improvement	56	1,182	50	617
Health	130	19,545	166	37,828
Human rights or conflict resolution	60	2,099	40	2,015
Armed forces and the emergency services	4	155	11	76
Relief of poverty	57	1,178	70	903
Relief of those in need	132	3,699	135	3,797
Religion	135	1,301	105	2,339
Amateur sport	4	33	8	77
Other charitable purpose	48	10,483	44	2,199
	1,352	73,761	1,376	82,744

No grants were paid to individuals (2020: none).

4. Cost of charitable activities

Cost of charitable activities includes the following	2021 £000	2020 £000
Allocated support costs paid to:		
CAF (see notes 13 and 14)	391	367
CAF America (see notes 13 and 14)	15	76
Other direct costs	83	69
	489	512
Other support costs consisting of governance costs:		
Fees payable to the charity's auditor for the audit of the charity's annual accounts (excluding irrecoverable VAT)	21	19
Legal and professional expenses	17	15

5. Staff costs and Trustees

There were no employees in the current or the previous year. All administrative services were provided by employees of CAF. The charity paid a management charge and fees for these services (see note 4).

None of the Trustees received any remuneration or reimbursement of expenses during the current or the previous year, nor were any expenses paid on their behalf. None of the Trustees had an interest in the shares of the company or in any associated entity during the current or the previous year.

6. Financial investments

The following tables show the carrying amounts of financial investments held at fair value in respect of Premier Donor Advised Funds (PDAFs), which form part of the charity's unrestricted designated funds.

PDAF funds are held pending the receipt of suggestions for onward donations from the original donor. Until such suggestions are received and grants are subsequently approved by the Trustees, there is no constructive obligation or liability to pay a defined amount within a set time period to a beneficiary. A proportion of the funds contributed by donors to their PDAF is typically held in cash in order to meet short-term giving expectations, with the balance invested to meet medium- to long-term philanthropic objectives. The approval by the Trustees of grants from PDAF funds is planned by reference to the market values and liquidity profile of the assets held for a PDAF.

	2021 £000	2020 £000
Held at fair value for unrestricted designated funds		
At 1 May	26,807	23,838
Additions	22,128	16,136
Disposal proceeds	(22,941)	(12,364)
Realised gains	1,653	608
Unrealised (gains)/losses	2,587	(1,411)
	30,234	26,807
Investment portfolio cash	2,097	578
At 30 April	32,331	27,385
Historical cost of investments held at fair value	24,874	24,023

The following hierarchy is used to estimate the fair value of investments:

Level 1 The quoted price for an identical asset in an active market.

Level 2 When quoted prices are unavailable, the fair value is taken as the price of a recent transaction for an identical asset (derived from market data).

Level 3 If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, a valuation technique is used to estimate the fair value. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations. If the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the assets are valued at cost less impairment until a reliable measure of fair value becomes available.

Represented by	2021		2020	
	Level 1 £000	Total £000	Level 1 £000	Total £000
Listed securities				
Overseas Government fixed interest	730	730	1,994	1,994
Other fixed interest	-	-	688	688
UK equities	273	273	173	173
Overseas equities	4,819	4,819	2,880	2,880
CAF investment funds:				
IFSL CAF UK Equity Fund	-	-	141	141
IFSL CAF International Equity	16	16	12	12
Unit trusts and other pooled investments	23,951	23,951	20,749	20,749
Investment trusts	445	445	170	170
	30,234	30,234	26,807	26,807
Investment portfolio cash	2,097	2,097	578	578
	32,331	32,331	27,385	27,385

No level 2 or level 3 assets were held at 30 April 2021 or 2020.

7. Loans to charities

	Unrestricted designated funds					
	Donor advised funds and gifts		Premier donor advised funds		Total	
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Concessionary loans						
Amounts receivable in less than one year	-	-	57	57	57	57
Amounts receivable in one to five years	-	-	7	56	7	56
Less: Provisions	-	-	(64)	(113)	(64)	(113)
	-	-	-	-	-	-

Concessionary loans may be receivable from other charitable organisations as a result of loans advanced by the charity at concessionary (non-market) rates of interest. There were no concessionary loans committed but not taken up at the reporting date.

8. Debtors

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Interest and dividends receivable	5	50	–	–	9	56	14	106
UK income tax recoverable	–	–	386	286	812	875	1,198	1,161
Other debtors	2	2	–	–	–	–	2	2
	7	52	386	286	821	931	1,214	1,269

9. Creditors

	Unrestricted general funds		Unrestricted designated funds				Total	
			Donor advised funds and gifts		Premier donor advised funds			
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Amounts due to:								
CAF	44	19	-	-	-	-	44	19
CAF America	26	13	-	-	-	-	26	13
Other creditors	38	45	-	-	-	-	38	45
	108	77	-	-	-	-	108	77

In addition to the amounts shown above as payable to CAF America, grants payable from the unrestricted general funds include £72k (2020: £79k) which is due to CAF America.

In addition to the amounts shown above as payable to CAF, grants payable from the unrestricted general funds include £nil (2020: £300k) which is due to CAF.

The intercompany balances, none of which represent loan arrangements, are interest free and repayable on demand.

10. Charitable funds

All of the charities funds constitute unrestricted funds as follows:

General funds

General funds are credited with surpluses arising from operations and are expendable at the discretion of the Trustees in the furtherance of the charity's objectives.

Designated Donor Advised Funds and Gifts

The assets representing these funds have been gifted to the charity by donors. Donors may make suggestions (they may not direct) to the charity's Trustees regarding the distribution of their donations to charitable organisations based across the world.

Designated Premier Donor Advised Funds

The assets representing these funds have been gifted to the charity by donors and are invested to generate an income which may be distributed to charities in addition to any capital distribution. Donors who have created a Trust Fund with the charity may make suggestions (they may not direct) to the charity's Trustees regarding the distribution of the income and capital to charitable organisations based across the world.

Transfers between funds

Transfers between funds have arisen upon donors requesting that their donations are held under one of the charity's other giving funds.

11. Called up share capital

	2021 £	2020 £
Authorised, allotted, issued and fully paid		
100 ordinary shares of £1 each	100	100

The charity's regulations state that no dividends shall be paid to shareholders. They also preclude shareholders from participating in the distribution of any remaining property should the charity be wound up or dissolved.

12. Reconciliation of shareholders' funds

	2021 £	2020 £
Opening shareholders' funds	100	100
Result for the year and net additions to shareholders' funds	–	–
Closing shareholders' funds	100	100

13. Parent and ultimate parent entity

All of the charity's issued share capital is owned by Charities Aid Foundation of America (CAF America). The charity's Trustees are appointed by its existing Trustees or by the Board of Directors of CAF America. CAF America is the charity's controlling entity and the smallest group into which the charity is consolidated. CAF America is a US 501(c)(3) public charity recognised by the US Internal Revenue Service. CAF America is incorporated in the State of Delaware. CAF America's headquarters are located at: 225 Reinekers Lane, Suite 375, Alexandria, VA 22314 USA.

Charities Aid Foundation (CAF), UK registered charity number 268369, has the power to appoint and remove the members of CAF America at any time and accordingly CAF is the charity's ultimate controlling entity and the largest group into which the charity is consolidated. The accounts of CAF can be obtained from CAF at: 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA.

14. Related party transactions

CAF America

During the year the charity awarded grants of £1,874,565 (2020: £1,025,551) to CAF America. Of this amount, £1,802,217 (2020: £946,097) was awarded and paid from the charity's Donor Advised Funds and was for the credit of similar donor advised funds held by CAF America. A grant of £72,348 (2020: £79,453) was awarded from the charity's general fund for CAF America's general purposes. This general fund grant was unpaid by the charity at 30 April 2021 and 2020.

In addition, the charity was charged £14,649 (2020: £76,098) by CAF America for the provision of administration support services for the year. At the balance sheet date £25,758 was due to CAF America (2020: £12,735).

Charities Aid Foundation (CAF)

During the year the charity awarded grants of £10,644,370 (2020: £356,354) to CAF. Of this amount, £10,644,370 (2020: £56,354) was awarded and paid from the charity's Donor Advised Funds and was for the credit of similar donor advised funds held by CAF. A grant of £nil (2020: £300,000) was awarded from the charity's general fund for CAF's general purposes.

The charity was charged £391,494 (2020: £367,436) by CAF for the provision of administration services for the year. At the balance sheet date, £44,050 (2020: £19,248) was unpaid by the charity.

CAF AMERICAN DONOR FUND (CADF)

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