

THE CAZENOVE CHARITABLE TRUST

Registered Charity No. 1086899

Annual report and financial statements
Year ended 31 December 2020

THE CAZENOVE CHARITABLE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2020

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Trustees' annual report for the year ended 31 December 2020

The Trustees present their report and the audited financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Trust Deed, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

Charitable Trust's office

The Trust's operating address and address registered with the Charity Commission is at 1 London Wall Place, London EC2Y 5AU.

Constitution

The Deed of Settlement contains the provisions for the purpose and administration of the charity. Its Charity Commission registration number is 1086899.

Structure, governance and management

Organisation structure

The Trust is an unincorporated registered charity, which was created by a Deed of Settlement in 1969.

Governance and management

The Deed of Settlement provides for the existing Trustees to appoint new Trustees as they deem appropriate. The Trustees are responsible for the running of the Trust with some administrative support, principally from the Cazenove Association (see note 11).

No Trustee had any interests in the Trust.

Trustees

The Trustees who served throughout the year ended 31 December 2020 and up to the date of this report were:

James Barker
David L Mayhew CBE
John Mayne
Lucinda Napier (Chairperson)
Michael R P Power
Michael Wentworth-Stanley
Damian Robinson
Nicholas Hall

Related parties

The Trust is closely associated with Cazenove Capital, which is a trading name of Schroder & Co. Limited. The Trust maintains deposits and invests in funds managed by Cazenove Capital. The cost of insurance for those assets owned by the Trust has been met by Cazenove Capital. Fund management fees are described in note 10.

Trustees' transactions

James Barker, Lucinda Napier and Damian Robinson (three of the Trustees) are employees of Cazenove Capital.

Trustees' annual report for the year ended 31 December 2020 (continued)

Objects and activities

The objects of the Trust, as set out in the Trust Deed, are “for such exclusively charitable objects and purposes as the Trustees shall in their absolute discretion from time to time determine”.

The policy adopted is to provide grants to other registered charities and charitable causes, at the Trustees' discretion, in accordance with these objects.

The major source of income during the year comprised investment income of £76,157 (2019: £95,016).

Grants policy

The Cazenove Charitable Trust was set up by the Cazenove & Co. partnership in 1969 with wide charitable aims. However, donations are only made to charitable organisations, all of whom have charitable purposes as defined in the Charities Act 2011 as organisations which perform equivalent charitable activities, or other organisations to perform activities of a charitable nature. The Trustees continue to review the ways by which the Trust achieves its wide charitable aims.

The Cazenove Charitable Trust encourages members of the Cazenove Association, and their close relations, to put forward proposals to the Trustees to support charitable activities which they themselves are supporting. Membership of the Cazenove Association is open to all current (including those joined from firms that are now part of Cazenove Capital) and former employees of Cazenove group companies and J.P. Morgan Cazenove group.

In addition, the Trustees will, from time to time, support other registered charities – most particularly where there is a historic or close link to Cazenove & Co.

The Charitable Trust therefore provides incentives to a large number of people to engage in charitable activities and has also been able to give additional financial support to these charities during the year. In this way the Charitable Trust has operated for the public benefit.

The Trust has supported charitable fundraising by funding a Matched Giving scheme whereby money raised for charity is matched with an equal donation from the Trust (usually up to £750 per individual endeavour). This scheme encourages and supports participation in charitable giving.

The Trustees have had regard to Charity Commission guidance on public benefit in section 4 of the Charities Act 2011 2008 Reg 40 (2) (c) (ii)/ 2008 Reg 41 (2) (f). All grants in 2020 have been made to registered charities. The Trustees aim to encourage others to give time and money to registered charities. These charities work for the public good and all grants are for the public benefit.

Investment powers

The Trust Deed permits the Trustees to invest in any investment, securities or property, as it thinks fit.

Investment policy and performance

The Trustees have set the investment objective for their investment manager, Cazenove Capital, to maximise total returns over the long term. From 1 January 2007, the benchmark to outperform is the total return achieved by a composite benchmark of 70% FTSE All Share Index, 10% FTSE All Stocks Index, 15% Absolute Return (7-day LIBID will be used as the comparator) and 5% IPD Balanced Property Unit Trust Index. The investment manager is permitted to make tactical asset allocation moves within a range of +/-10% against the benchmark.

The investment manager aims to outperform the benchmark through actively managing the investment funds that the Trust holds and through tactical asset allocation. The Trustees continue to review performance against the benchmark.

The investment manager is reviewed on a regular basis and the Trustees are satisfied with the performance.

Trustees' annual report for the year ended 31 December 2020 (continued)

Reserves policy and risk management

There is no minimum level of reserves which the Trustees seek to maintain. However, the Trustees expect the charity to spend in line with the income generated during the year to manage reserves appropriately and support the long term strategy of the charity.

Major risks to which the Trust is exposed have been identified by the Trustees. These mainly relate to market risk on investments, which the Trustees seek to minimise, subject to seeking a return on the Trust's investments, mainly through diversification. Further detail on investment risk is outlined in note 4 to the financial statements.

Going concern

In the absence of any significant liabilities or ongoing commitments, the Trustees have satisfied themselves that the Trust continues to be a going concern.

The impact of COVID-19 on the economy and equity markets will be likely to have an impact on the investment valuations and the income the charitable trust earns in the near future. The Trustees have historically paid out grants from the income generated but are not restricted from spending capital should circumstances dictate. As a result the financial statements continue to be prepared on a going concern basis

Legal advisers

Withers LLP
16 Old Bailey, London EC4M 7EG

Independent auditor

Ernst & Young LLP
25 Churchill Place, London, E14 5EY

Bankers

C Hoare & Co.
37 Fleet Street, London EC4P 4SQ

Financial review

The Trustees have continued to donate money in accordance with the objects of the Trust and are satisfied with the conduct of the Trust's activities during the year. Incoming resources and resources expended during the year are set out on page 7. The Trustees award grants to support charities which have a close connection with the Cazenove group and, more importantly, to employees and past employees of Cazenove group companies. The Trustees have actively encouraged people to come forward and apply for grants. A wide range of charities have been the beneficiaries of grants given by the Trust and grants totalling £65,574 have been made in 2020 (2019: £60,251). The Trustees have no plans to change either the charitable objectives or the grant making policy in 2021.

Trustees' annual report for the year ended 31 December 2020 (continued)

Statement of Trustees' responsibilities in respect of the Annual report and financial statements

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

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

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

Approved by the Trustees on 22 September 2021 and signed on their behalf by:



Lucinda Napier
Trustee
22 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CAZENOVE CHARITABLE TRUST

Opinion

We have audited the financial statements of the Cazenove Charitable Trust for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes 1 to 12 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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".

In our opinion the financial statements:

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

Basis 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 below. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern up to 31 August 2022, which is at least 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report.

Our opinion on the financial statements does not cover the other information and 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the Trustees of The Cazenove Charitable Trust (continued)

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees 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 charity'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 management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Explanation as to what extent 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 irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

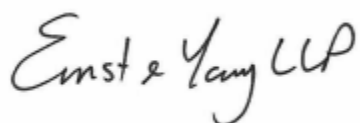
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those that relate to the reporting framework (United Kingdom Generally Accepted Accounting Practice) and with the requirements of the Charities Act 2011 and Charities (Accounts and Reports) Regulations 2008.
- We understood how the Cazenove Charitable Trust is complying with those frameworks by making enquiries of senior management. We corroborated our understanding through our review of board and committee meeting minutes.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We considered the controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud, including in a remote-working environment; and how senior management monitors these controls.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved: journal entry testing, with a focus on manual journals; enquiries of senior management and focused testing.

Independent auditor's report to the Trustees of The Cazenove Charitable Trust (continued)

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

Use of our report

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

A handwritten signature in black ink that reads "Ernst & Young LLP". The signature is written in a cursive, flowing style.

Statutory auditor
London
22 September 2021

Ernst & Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities
Year to 31 December 2020

	Note	Year to 31 December 2020 £	Year to 31 December 2019 £
Income and Endowments from:			
<i>Incoming resources from generated funds</i>			
Donations		100	2,800
Investments	5	76,157	95,016
TOTAL		76,257	97,816
Expenditure on:			
Charitable activities	2	(65,574)	(60,251)
Governance costs	2	(4,284)	(4,050)
Other resources expended	2	-	(150)
TOTAL		(69,858)	(64,451)
NET INCOME AND NET MOVEMENT IN FUNDS BEFORE GAINS AND LOSSES ON INVESTMENTS		6,399	33,365
Net gain/(loss) on heritage assets		15,875	-
Net gain/(loss) on investments	4	(64,037)	306,991
NET MOVEMENT IN FUNDS		(41,763)	340,356
TOTAL FUNDS BROUGHT FORWARD AT 1 JANUARY		3,207,772	2,867,416
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER		3,166,009	3,207,772

All funds are unrestricted. There are no other recognised gains or losses apart from those shown in the Statement of financial activities above. All income and expenditure derives from continuing activities.

There is no material difference between net incoming resources on ordinary activities before other recognised gains and losses for the financial year stated above and their historical cost equivalents.

The notes on pages 11 to 18 form part of these financial statements.

Balance sheet
31 December 2020

Registered Charity No. 1086899

	Note	31 December 2020 £	31 December 2019 £
FIXED ASSETS			
Heritage assets	3	22,625	6,750
Investments	4	2,998,244	3,060,382
Total fixed assets		3,020,869	3,067,132
CURRENT ASSETS			
Debtors		-	-
Investments	6	48,239	50,049
Cash at bank and in hand		124,035	110,251
Total current assets		172,274	160,300
CREDITORS: Amounts falling due within one year	7	(27,134)	(19,660)
NET CURRENT ASSETS		145,140	140,640
TOTAL ASSETS LESS CURRENT LIABILITIES		3,166,009	3,207,772
THE FUNDS OF THE CHARITY			
Unrestricted income funds		3,166,009	3,207,772
Total charity funds		3,166,009	3,207,772

The notes on pages 11 to 18 form part of these financial statements.

The financial statements on pages 8 to 18 were approved by the Trustees on 22 September 2021 and signed on their behalf by:

Lucinda Napier

Lucinda Napier
Trustee

22 September 2021

Statement of cash flows
Year to 31 December 2020

	Note	31 December 2020 £	31 December 2019 £
CASH USED IN OPERATING ACTIVITIES	8	(62,284)	(49,916)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income	5	76,157	95,016
Purchase of investment assets	4	(772,521)	(720,696)
Sale of investment assets	4	770,623	731,593
CASH GENERATED FROM INVESTING ACTIVITIES		74,259	105,913
Increase/(decrease) in cash and cash equivalents in the year		11,975	55,997
Cash and cash equivalents at the beginning of the year		160,300	104,303
CASH AND CASH EQUIVALENTS CARRIED FORWARD		172,275	160,300

Notes to the financial statements

Year ended 31 December 2020

I. Accounting policies

The financial statements are prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

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

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments to market value. As stated in the Trustees' annual report, the financial statements are prepared on a going concern basis.

Valuation of investments

Quoted investments, which are those for which an established market exists, are stated at mid-market value. Investments in fund units are stated at mid-market prices.

Heritage assets

Heritage assets are valued periodically based upon an independent valuer's report, and they may be revalued or impaired accordingly.

Gains and losses on investments

Gains and losses on investments represent movements in quoted prices and are charged to the Statement of financial activities.

Income recognition

Income (including interest income) is recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with reliable certainty.

All distributions from accumulation holdings are treated as income. Equalisation on distributions received is treated as capital.

Governance costs

Governance costs are recognised on an accruals basis.

Grants payable

Grants made are accounted for when a constructive obligation exists.

Notes to the financial statements

Year ended 31 December 2020

1. Accounting policies (continued)

Taxation

The Trust qualifies as a charitable trust within the definition of Section 519 Income Tax Act 2007 by the Inland Revenue. Surplus income generated for the foundation is exempt from taxation.

Reserves

There is no minimum level of reserves which the Trustees seek to maintain. This policy is reviewed by the Trustees from time to time.

Funds

The Trust has a general unrestricted income fund which is available to the Trustees to apply for the general purposes of the charity as set out in the Trust Deed.

2. Resources expended

	Grants made	Support costs	Year ended 31 December 2020	Year ended 31 December 2019
	£	£	£	£
Charitable activities	65,394	-	65,394	60,251
Bank charges and fees	180	-	180	-
Total charitable activities	65,574	-	65,574	60,251
Governance costs: audit fees	-	4,284	4,284	4,050
Other resources expended: disposal of heritage assets	-	-	-	150
Total resources expended	65,574	4,284	69,858	64,451

Grants have been made in accordance with the Trust's policy of funding matched giving as described in the Trustees' annual report. Accordingly breaking down categories of activity is not considered meaningful.

The Trustees have not been reimbursed by the Trust for services and expenses provided to the Trust (2019: £nil).

The Trust has no employees and therefore incurs no staff costs (2019: £nil). Cazenove Capital insures the chattels as consideration for use.

Notes to the financial statements

Year ended 31 December 2020

2. Resources expended (continued)

Grants are recognised when payment has been agreed by the Trustees and a constructive liability created. During 2020, 85 grants were made (2019: 79). Grants £1,000 and over in the year are listed below.

Recipient	Year ended 31 December 2020	Year ended 31 December 2019
	£	£
Duchenne UK	5,000	2,000
St Joseph's School Parents Association	3,000	-
The National Institute for Conductive Education	3,000	-
Carers UK	3,000	-
Charity (Adventure) Links	3,000	-
Combat Stress	2,250	-
The Burma Star Memorial Fund	2,000	-
The Hygiene Bank	2,000	-
The Royal Marsden Cancer Charity	2,000	-
Crisis UK	2,000	-
Alzheimers Research UK	2,000	4,000
The Charlie Sumption Memorial Fund	2,000	-
First Step	2,000	-
The Lily Foundation	1,500	-
Sick Childrens Trust	1,500	-
Happy Paws Puppy Rescue	1,500	-
Myeloma UK	1,500	-
Kidney Research UK	1,500	-
Fulham FC Foundation	1,125	-
Different Strokes - Colchester	1,125	-
Avasara Foundation	1,000	-
St Margaret's, Lothbury	1,000	1,000
Medecins Sans Frontieres	1,000	-
The Oli Hilsdon Foundation	1,000	-
Blood Cancer UK	1,000	-
North Liverpool Foodbank	1,000	-
National Autistic Society	1,000	-
GOSH	-	12,000
Alzheimers Society	-	6,756
Villers Park Educational Trust	-	4,000
St Wilfred's Hospice	-	2,500
The Stroke Association	-	2,000
The Passage 2000	-	1,770
Cancer Research UK	-	1,026
Macmillan Cancer Support	-	1,006
EDP Drug and Alcohol Services	-	1,000
Motor Neurone Disease Assoc.	-	1,000
Children with Cancer UK	-	1,000
St George's Hospital Charity	-	1,000
Linc & Notts Air Ambulance	-	1,000
Long Ridings School PTA	-	1,000
The Felix Project	-	1,000
RNLI	-	1,000
Total of other grants (less than £1,000 each)	15,394	14,193
	65,394	60,251

Notes to the financial statements
Year ended 31 December 2020

3. Heritage assets

	2020	2019
	£	£
Balance as at 1 January and 31 December	22,625	6,750

The heritage assets comprise tangible valuables associated with Cazenove & Co. and its successor companies and Cazenove Capital. The assets were gifted to the Trust by the former partners of Cazenove & Co.

In April 2021, the Trustees obtained an independent formal insurance valuation of the heritage assets, carried out by Bonhams. During 2020 no assets were returned to former partners of Cazenove & Co. with the residual indicative insurance valuation for the remaining assets being £60,700 (2019: £92,250).

As at 31 December 2020, the assets are shown at the market value as stated in the latest valuation carried out by Bonhams in June 2021 (previous valuation was conducted in November 2009 and totalled £6,750). No depreciation is charged on the assets. There are no restrictions on the Trustees' use of these assets.

Notes to the financial statements

Year ended 31 December 2020

4. Investments

	31 December 2020 £	31 December 2019 £
As at 1 January	3,060,382	2,764,288
Additions	772,521	720,696
Disposals	(770,623)	(731,593)
Gain / (Loss) in the year	(64,036)	306,991
As at 31 December	2,998,244	3,060,382

Disposals include capital redemptions. Investments are held at market value and comprise the following:

Shareholding	31 December 2020 £	31 December 2019 £
550,000 Charity Equity Income Fund	247,225	538,100
4,500 Vanguard S&P 500 UCITS ETF	232,841	184,308
150,000 LF Majedie UK Equity Fund	210,945	340,120
112,000 Trojan Income Fund	201,466	229,891
1,500 Schroder Diversified Alternative	154,231	54,060
45,000 Trojan Investment Funds-Trojan Fund	128,687	160,254
102,039 M&G Global Dividend Fund	113,090	106,247
218,000 Charity Equity Value Fund	112,750	184,350
45,000 Fidelity Global Dividend Fund	92,606	90,356
787 Findlay Park American Fund	91,572	81,515
800 Robeco BP Global Premium Equities	90,328	-
4,210 T.Rowe Global Technology Equity Fd	85,679	-
97,521 Property Income Trust for Charities	78,533	-
2,000 BlackRock Asian Dragon Fund	78,260	55,242
435 Capital Gearing Portfolio Fund	76,643	72,075
400 Vanguard Japan Stock Index Fund	68,758	63,111
250 Schroder Global Sustainable Growth	68,692	-
105,000 Schroder Sterling Corporate	68,093	93,120
54,457 Charities Property Fund	67,500	70,021
2,500 iShares Physical Metals PLC	67,275	-
80,000 Schroder Asian Income Fund	66,704	60,848
5,000 Wellington Global Health Care	66,305	54,748
400 William Blair U.S. Small Mid Cap	64,244	-
500 Atlas Global Infrastructure Fund	61,313	-
48,000 UK Government 0.125% Index Linked 2024	53,424	35,955
40,000 TM Tellworth UK Smaller Companies	51,380	50,280
500 Schroder Strategic Credit Fund	49,583	83,030
19,000 BlackRock European Dynamic Fund	46,455	34,713
25 Allianz China Equity	46,097	-
340 RWC Global Emerging Markets Fund	40,381	45,470
280 MU Lyxor Core US TIPS (DR) UCITS ETF	31,598	-
3,500 Polar Capital European Ex UK Income	29,505	-
7,208 iShares China CNY Bond UCITS ETF	28,188	-
5,000 iShares USD Treasury Bond 20+yr	27,893	-

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- Janus Henderson UK Absolute Return Fund	108,018
- Mayfair Capital Property Income Trust for Charities	86,550
- HICL Infrastructure Plc	45,209
- Vanguard FTSE 250 UCITS ETF	45,110
- Schroder European Alpha Income Fund	33,800
- CG Portfolio Funds Plc -Dollar Fund	30,479
- 3I Infrastructure PLC	23,402
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	2,998,244
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	3,060,382
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Notes to the financial statements
Year ended 31 December 2020

4. Investments (continued)

The Trustees annually review the risks faced by the Charity and have established an investment policy to identify and monitor the financial risks in the investment portfolio. Consideration is given to the inroads of inflation over time, currencies, volatility and liquidity and discretionary investment managers have been appointed. The investments are diversified across asset classes, regions and manager.

The portfolio is managed to maximise capital growth and income. As a consequence a degree of volatility is anticipated and tolerated. The portfolio contributes the significant majority of the charity's assets and income. Income is paid to the Charity when requested.

5. Investment income

	31 December 2020	31 December 2019
	£	£
Investment income	76,130	94,892
Interest income	27	124
	<u>76,157</u>	<u>95,016</u>

6. Current assets: Investments

This amount refers to deposits held with Cazenove Capital (2020: £48,239, 2019: £50,049).

7. Creditors: amounts falling due within one year

	31 December 2020	31 December 2019
	£	£
Grants	14,750	11,500
Audit fees	12,324	8,100
Bank fees	60	60
	<u>27,134</u>	<u>19,660</u>

8. Reconciliation of net movement in funds to net cash flow from operating activities

	31 December 2020	31 December 2019
	£	£
Net movement in funds	(41,762)	340,356
Add disposal of heritage assets	-	150
(Deduct gain) / add loss on heritage assets	(15,875)	-
(Deduct gain) / add loss on investments	64,036	(306,991)
Deduct investment income	(76,157)	(95,016)
Decrease in debtors	-	50
Increase / (decrease) in creditors	7,474	11,535
	<u>(62,284)</u>	<u>(49,916)</u>

Notes to the financial statements
Year ended 31 December 2020

9. Subsequent events

The impact of Covid-19 on the economy and equity markets will be likely to have an impact on the investment valuations and the income the charitable trust earns in the near future.

The Trustees have historically paid out grants from the cash income generated but are not restricted from spending capital should circumstances dictate. However, the trustees will not pay out grants if there are not sufficient cash reserves in the Trust. There are no pre-existing long term legal commitments to pay grants if the Trust does not have sufficient cash reserves. As a result the financial statements continue to be prepared on a going concern basis.

The Trustees consider Covid-19 to be an immaterial non-adjusting event given the entity's accounts are prepared to the year-ended 31 December 2020.

10. Related party transactions

As at 31 December 2020, the Trust held deposits of £48,239 (2019: £50,049) and investments of £2,998,244 (2019: £3,060,382) managed by Cazenove Capital.

Cazenove capital is remunerated by way of a portfolio management fee of 0.4% per annum plus VAT. Administrative support to the Trust is provided by the Cazenove Association.

11. Ultimate parent undertaking

The Trustees are the Trust's ultimate controlling party.