

THE CAZENOVE CHARITABLE TRUST

Registered Charity No. 1086899

Annual report and financial statements
Year ended 31 December 2021

THE CAZENOVE CHARITABLE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2021

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Trustees' annual report for the year ended 31 December 2021

The Trustees present their report and the audited financial statements for the year ended 31 December 2021.

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and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.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 Cazenove Charitable Trust (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 2021 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. Investment 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 2021 (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 £56,394 (2020: £76,157).

Grants policy

The Cazenove Charitable Trust was set up by Cazenove Capital (a trading name of Schroder & Co. Limited) 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 (Cazenove & Co.) and J.P. Morgan Cazenove (a marketing name of JPM UK activities, which are carried out through J.P. Morgan Securities PLC).

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 2021 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. Performance is measured against a composite benchmark made up of a number of market indices and is reviewed regularly. The portfolio achieved a total return of 12.7% during 2021, behind the benchmark which rose by 14.1%.

Trustees' annual report for the year ended 31 December 2021 (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 2-3% per annum of the capital and income combined 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 there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for 12 months from the date the annual report and accounts is signed. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

The Trust remained resilient throughout the pandemic and there has been no significant impact on business operations. While the longer-term effects of the pandemic and more recent geopolitical shifts on the world economy and central policy may cause more volatility in financial markets, the Trust remains well placed to weather future challenges.

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 4DQ

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 8. 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 £60,398 have been made in 2021 (2020: £65,574). The Trustees have no plans to change either the charitable objectives or the grant making policy in 2022.

Trustees' annual report for the year ended 31 December 2021 (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) including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland.

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 2022 and signed on their behalf by:



Lucinda Napier
Trustee
22 September 2022

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

Opinion

We have audited the financial statements of Cazenove Charitable Trust (the 'Charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes 1 to 11 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 2021 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 for a period of 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 Charity'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 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 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 trustee 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.

Ernst & Young LLP

Sarah Langston (Statutory auditor)
London
22 September 2022

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 2021

	Note	Year to 31 December 2021 £	Year to 31 December 2020 £
Income and Endowments from:			
<i>Incoming resources from generated funds</i>			
Donations		485	100
Investments	5	56,394	76,157
TOTAL		56,879	76,257
Expenditure on:			
Charitable activities	2	(60,758)	(65,574)
Governance costs	2	(4,223)	(4,284)
TOTAL		(64,981)	(69,858)
NET INCOME AND NET MOVEMENT IN FUNDS BEFORE GAINS AND LOSSES ON INVESTMENTS		(8,102)	6,399
Net gain on heritage assets		-	15,875
Net gain/(loss) on investments	4	327,889	(64,037)
NET MOVEMENT IN FUNDS		319,787	(41,763)
TOTAL FUNDS BROUGHT FORWARD AT 1 JANUARY		3,166,009	3,207,772
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER		3,485,796	3,166,009

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 19 form part of these financial statements.

Balance sheet
As at 31 December 2021

Registered Charity No. 1086899

	Note	31 December 2021 £	31 December 2020 £
FIXED ASSETS			
Heritage assets	3	22,625	22,625
Investments	4	3,336,019	2,998,244
Total fixed assets		3,358,644	3,020,869
CURRENT ASSETS			
Cash and cash equivalents	6	144,449	172,274
Total current assets		144,449	172,274
CREDITORS: Amounts falling due within one year	7	(17,297)	(27,134)
NET CURRENT ASSETS		127,152	145,140
TOTAL ASSETS LESS CURRENT LIABILITIES		3,485,796	3,166,009
THE FUNDS OF THE CHARITY			
Unrestricted income funds		3,485,796	3,166,009
Total charity funds		3,485,796	3,166,009

The notes on pages 11 to 19 form part of these financial statements.

The financial statements on pages 8 to 19 were approved by the Trustees on 22 September 2022 and signed on their behalf by:

Lucinda Napier

Lucinda Napier
Trustee
22 September 2022

Statement of cash flows
Year to 31 December 2021

	Note	31 December 2021 £	31 December 2020 £
CASH USED IN OPERATING ACTIVITIES	8	(74,334)	(62,284)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income	5	56,394	76,157
Purchase of investment assets	4	(1,014,825)	(772,521)
Sale of investment assets	4	1,004,940	770,623
CASH GENERATED FROM INVESTING ACTIVITIES		46,509	74,259
Cash and cash equivalents at the beginning of the year		172,275	160,300
Increase/(decrease) in cash and cash equivalents in the year		(27,825)	11,975
CASH AND CASH EQUIVALENTS CARRIED FORWARD		144,449	172,275

Notes to the financial statements

Year ended 31 December 2021

I. Accounting policies

The financial statements are prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (UK Generally Accepted Accounting Practice) including FRS 102 and the Charities Act 2011. The financial statements follow the guidance of the Accounting and Reporting by Charities: Statement of Recommended Practice.

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. In the absence of any significant liabilities or ongoing commitments, the Trustees have satisfied themselves that there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for 12 months from the date the annual report and accounts is signed. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

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.

The functional and presentational currency of the Trust is Pound Sterling, because that is the currency of the primary economic environment in which the Trust operates.

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 assessed annually for any indicators of impairment. On a periodic basis or if an impairment is indicated, these assets will be revalued or impaired based upon an independent valuer's report.

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 2021

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 2021	Year ended 31 December 2020
	£	£	£	£
Charitable activities	60,398	-	60,398	65,394
Bank charges and fees	360	-	360	180
Total charitable activities	60,758	-	60,758	65,574
Governance costs: audit fees	-	4,223	4,223	4,284
Other resources expended: disposal of heritage assets	-	-	-	-
Total resources expended	60,758	4,223	64,981	69,858

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 (2020: £nil).

The Trust has no employees and therefore incurs no staff costs (2020: £nil). Cazenove Capital insures the chattels as consideration for use.

Notes to the financial statements

Year ended 31 December 2021

2. Resources expended (continued)

Grants are recognised when payment has been agreed by the Trustees and a constructive liability created. During 2021, 60 grants were made (2020: 85). Grants £1,000 and over in the year are listed below.

Recipient	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Cancer Research UK	7,572	-
Duchenne	3,000	5,000
St Mary's Parents Association	3,000	-
Great Ormond Street Charity	2,410	-
Walking With The Wounded	2,000	-
St Nicholas CofE School PTA	1,500	-
PMGY Foundation	1,500	-
Myeloma UK	1,500	1,500
Happy Paws Puppy Rescue	1,500	1,500
Macmillan Cancer Support	1,500	-
Royal Hospital for Neuro Disability	1,500	-
St Margaret's Lothbury	1,000	1,000
Reach Hippotherapy	1,000	-
The Willow Foundation	1,000	-
CALM (Campaign Against Living Miserably)	1,000	-
Sacred Heart of Mary Girls School PTFA	1,000	-
The Simon Rivett-Carnac Trust	1,000	-
Abbie's Fund	1,000	-
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
The Charlie Sumption Memorial Fund	-	2,000
First Step	-	2,000
The Lily Foundation	-	1,500
Sick Childrens Trust	-	1,500
Kidney Research UK	-	1,500
Fulham FC Foundation	-	1,125
Different Strokes - Colchester	-	1,125
Avasara Foundation	-	1,000
Medicins Sans Frontieres (UK)	-	1,000
The Oli Hilsdon Foundation	-	1,000
Blood Cancer UK	-	1,000
North Liverpool Foodbank	-	1,000
National Autistic Society	-	1,000
Total of other grants (less than £1,000 each)	26,416	15,394
	60,398	65,394

Notes to the financial statements
Year ended 31 December 2021

3. Heritage assets

	2021	2020
	£	£
Balance as at 1 January and 31 December	22,625	22,625

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

As at 31 December 2021, the assets are shown at the market value as stated in the latest valuation carried out by Bonhams in June 2021. No depreciation is charged on the assets. There are no restrictions on the Trustees' use of these assets.

Management are satisfied that the valuation of the heritage assets in December 2021 are based on the valuation provided in June 2021 as there have been no significant movements in the specific art and historic assets market.

Notes to the financial statements
Year ended 31 December 2021

4. Investments

	31 December 2021	31 December 2020
	£	£
As at 1 January	2,998,244	3,060,382
Additions	1,014,826	772,521
Disposals	(1,004,940)	(770,623)
Gain / (Loss) in the year	327,889	(64,036)
As at 31 December	3,336,019	2,998,244

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

THE CAZENOVE CHARITABLE TRUST

Shareholding	31 December 2021 £	31 December 2020 £
4,500 Vanguard S&P 500 UCITS ETF	300,709	232,841
1,500 Schroder Diversified Alternative	173,845	154,231
279,448 Schroder Global Sustainable Growth	164,176	68,692
100,000 LF Majedie UK Equity Fund	163,490	210,945
270,000 Charity Equity Income Fund	133,785	247,225
35,000 Trojan Investment Funds	112,326	128,687
38,000 BlackRock European Dynamic Fund	110,124	46,455
800 Robeco BP Global Premium Equities	108,376	90,328
700 Findlay Park American Fund	103,222	91,572
56,934 Ninety One III Global	102,971	-
82,039 M&G Global Dividend Fund	100,940	113,090
150,000 Charity Equity Value Fund	97,455	112,750
87,506 Fidelity Global Dividend Fund	90,409	92,606
44,000 Trojan Income Fund	89,316	201,466
97,521 Property Income Trust for Charities	89,300	78,533
500 Vanguard Japan Stock Index Fund	86,626	68,758
130,000 Schroder Global Recovery Fund	86,255	-
435 Capital Gearing Portfolio Fund	83,690	76,643
10,742 BlackRock iShares China CNY Bond	81,751	-
54,457 Charities Property Fund	74,571	67,500
400 William Blair US Small Mid Cap	70,596	64,244
80,000 Schroder Asian Income Fund	69,024	66,704
6,881 Wellington Global Health Care	68,657	66,305
68,602 Federated Hermes Unconstrained	68,615	-
3,010 T.Rowe Global Technology Equity Fund	66,979	85,679
500 Atlas Global Infrastructure Fund	65,954	61,313
52,000 Schroder Asian Alpha Plus Fund	65,832	-
2,500 iShares Physical Metals PLC	65,788	67,275
40,000 TM Tellworth UK Smaller Companies	64,840	51,380
10,000 Polar Global Insurance Fund	63,497	-
500 MU Lyxor Core US TIPS UCITS ETF	59,458	31,598
35 Allianz China Equity	57,236	46,097
3,500 Spyglass US Growth Fund UCITS	53,841	-
500 Schroder Strategic Credit Fund	49,521	49,583
461 Brevan Howard Absolute Return	47,977	-
400 RWC Global Emerging Markets Fund	44,867	40,381
- BlackRock Asian Dragon Fund	-	78,260
- Schroder Sterling Corporate	-	68,093
- UK Government 0.125% Index Linked 2024	-	53,424
- Polar Capital European Ex UK Income	-	29,505
- iShares China CNY Bond UCITS ETF	-	28,188
- iShares USD Treasury Bond 20+yr	-	27,893
	3,336,019	2,998,244

Notes to the financial statements

Year ended 31 December 2021

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 2021	31 December 2020
	£	£
Investment income	56,094	76,130
Interest income	300	27
	<hr/>	<hr/>
	56,394	76,157
	<hr/>	<hr/>

6. Current assets: cash and cash equivalents

	31 December 2021	31 December 2020
	£	£
Cash	104,308	124,035
Deposits	40,141	48,239
	<hr/>	<hr/>
	144,449	172,274
	<hr/>	<hr/>

This amount refers to cash held at bank totalling £104,308 (2020: £124,035) and deposits held within Cazenove Capital totalling £40,141 (2020: £48,239).

7. Creditors: amounts falling due within one year

	31 December 2021	31 December 2020
	£	£
Grants	750	14,750
Audit fees	16,547	12,324
Bank fees	-	60
	<hr/>	<hr/>
	17,297	27,134
	<hr/>	<hr/>

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

	31 December 2021	31 December 2020
	£	£
Net movement in funds	319,787	(41,762)
Add disposal of heritage assets	-	-
(Deduct gain) / add loss on heritage assets	-	(15,875)
(Deduct gain) / add loss on investments	(327,889)	64,036
Deduct investment income	(56,394)	(76,157)
Decrease in debtors	-	-
Increase / (decrease) in creditors	(9,837)	7,474
	<hr/>	<hr/>
Net cash used in operating activities	(74,334)	(62,284)
	<hr/>	<hr/>

Notes to the financial statements
Year ended 31 December 2021

9. Subsequent events

Recent geopolitical shifts on the world economy and central policy may cause more volatility in financial markets however, the Trust remains well placed to weather future challenges.

10. Related party transactions

As at 31 December 2021, the Trust held deposits of £40,141 (2020: £48,239) and investments of £3,336,019 (2020: £2,998,244) 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.