

**THE EDNA LINNELL CHARITABLE TRUST**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 28 FEBRUARY 2022**

Prepared by:

Brachers LLP  
Somerfield House  
59 London Road  
Maidstone  
Kent  
ME16 8JH

# THE EDNA LINNELL CHARITABLE TRUST

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# THE EDNA LINNELL CHARITABLE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustee</b>	Brachers Trust Corporation Limited (Christopher Eriksson-Lee representing)
<b>Charity number</b>	1092476
<b>Registered office address</b>	Somerfield House 59 London Road Maidstone Kent ME16 8JH
<b>Independent examiner</b>	M Wilkes FCA Azets Audit Services Globe House Eclipse Park Sittingbourne Road Maidstone Kent ME14 3EN
<b>Solicitors</b>	Brachers LLP Somerfield House 59 London Road Maidstone Kent ME16 8JH
<b>Investment advisors</b>	Tilney Asset Management Services Limited 6 Chesterfield Gardens Mayfair London W1J 5BQ

# THE EDNA LINNELL CHARITABLE TRUST

## TRUSTEE REPORT

### FOR THE YEAR ENDED 28 FEBRUARY 2022

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The trustee representative ("The Trustee") presents their report and the unaudited financial statements of the charity for the year ended 28 February 2022. The Trustee has adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### Trustee of the charity

The Trustee who served during the year and since the year end was as follows:

Brachers Trust Corporation Limited (Assigned director - Mr Christopher Eriksson-Lee)

Brachers Trust Corporation Limited remain the appointed trustee with Mr Christopher Eriksson-Lee taking an active role as assigned trustee representative in his capacity as director of Brachers Trust Corporation Limited. He is assisted by Angela Jarvis who is a Trust Manager of Brachers Trust Corporation Limited.

#### Objectives and activities

The Edna Linnell Charitable Trust's objectives are to apply the income and the whole or such part or parts of the capital as they in their discretion think fit, to or for the benefit of the Maharishi Foundation (GB) or to or for the benefit of such other exclusively charitable objects and purposes in the UK or in any other part of the world.

The policies adopted in furtherance of the Edna Linnell Charitable Trust's objectives are to recognise the importance of the Maharishi Foundation as the principal objective of the charity and to support other charities to whom the late Mrs Linnell wished to provide grants, in particular to charities helping the relief of suffering of animals.

The Edna Linnell Charitable Trust owns an 86.66% share of a property, 29 Abdale Road, Shepherds Bush, London, which is considered to be suitable for the programme of the Maharishi Foundation. The remaining share of the property is owned by The Surya Trust (Charity Registration No. 291854).

During the year, the Trustee continued with their programme of donations, continuing to assist the Maharishi Foundation.

The strategy is to maintain a conservative investment programme designed to achieve income along with capital growth in order to sustain a long-term grant-making programme.

On 16 September 2020, the charity provided the Maharishi Foundation with a third party legal mortgage of £130,000.

Ongoing grants are reviewed by the Trustee annually and the Trustee examines requests for funding from different parts of the Maharishi Foundation. The Trustee is also aware of other charities to whom the late Mrs Linnell wished to provide grants, in particular to charities helping the relief of suffering of animals, and is able to award grants to such charities on a case by case basis.

# THE EDNA LINNELL CHARITABLE TRUST

## TRUSTEE REPORT (CONTINUED)

### FOR THE YEAR ENDED 28 FEBRUARY 2022

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#### Public benefit statement

The Trustee confirms that they have referred to the guidance contained in the Charity Commission's General Guidance on public benefit when reviewing the aims and objectives, planning future activities, and setting the grant-making policy for the year.

#### Achievements and performance

During the year ended 28 February 2022, the Trustee approved grants totalling £24,313. The Maharishi School received £24,313 to fund Transcendental Meditation (TM) instruction for primary school and early year children.

#### Review of financial position and activities

The results for the year are set out on page 6.

Total income for the year amounted to £27,481 (2021: £27,995). Grants payable of £24,313 (2021 : £15,313) are set out in note 3. After accounting for investment management and related costs (£12,599) and other costs (£26,983) the fund incurred a net deficit of £36,414 before recognising net investment portfolio gains. Realised gains of £10,149 and unrealised gains of £21,780 on the investment portfolio were also recognised in the year.

#### Going concern

The Trustee has considered the impact of the Covid Pandemic on the charity's funds and operations. He believes adequate steps have been taken to mitigate the extent of any adverse impact and has no reason to believe that committed grant funding obligations at 28 February 2022 will not be fulfilled.

#### Plans for the future periods

The Trustee will continue to review the trust investments, in consideration of current market conditions, after receiving and considering advice of stockbrokers, and in the context of grant applications received.

#### Reserves (including Reserves Policy)

The Trustee intends to build funds which should grow in real terms in order to provide funds for future charitable use. The value of the reserves at the year end was £2,526,494 (2021: £2,530,979). The Trustee believes this to be adequate to support the charity's continued operations and to provide a fund for exceptional grants when they arise from time to time.

It is the policy of the charity to ultimately maintain 'free reserves' (being that element on the unrestricted reserves which is not funding investments) of approximately one year's running costs.

As at 28 February 2022, the free reserves of the charity amounted to £185,400 (2021: £216,303). The Trustee considers the closing level as sufficient to support their anticipated grant making expenditure in the following twelve months, including any unforeseen urgent charitable applications.

Designated funds at 28 February 2022 total £2,341,094 (2021: £2,314,676) - see note 11 for details.

#### Risk management

The Trustee has reviewed the major risks to which the charity is exposed and systems have been established to mitigate these risks. The funds invested and those held on deposit are subject to the compliance procedures of both the charity's investment advisors and Brachers LLP.

# THE EDNA LINNELL CHARITABLE TRUST

## TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2022

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### Structure, governance and management

The Edna Linnell Charitable Trust was established and is governed by a trust deed pursuant to the Will of Edna Rosemarie Linnell dated 20 February 1997. Edna Rosemarie Linnell died on 6 January 1999. The trust is a registered charity (charity number 1092476).

The trust has a straightforward structure as it exists principally for the purpose of making grants to worthy charitable causes. Details of the trustee board are outlined on Page 2. The Trustee considers the future as well as existing investment issues and donations.

On behalf of the Trustee



.....  
C Eriksson-Lee on behalf of  
Brachers Trust Corporation Limited

Dated: 19/12/2022

# THE EDNA LINNELL CHARITABLE TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEE OF THE EDNA LINNELL CHARITABLE TRUST

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I report to the trustee representative on my examination of the accounts of The Edna Linnell Charitable Trust for the year ended 28 February 2022, which are set out on pages 6 to 14.

#### **Responsibilities and basis of report**

As the charity Trustee of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the 'Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
M Wilkes FCA

Azets Audit Services  
Globe House  
Eclipse Park  
Sittingbourne Road  
Maidstone  
Kent, ME14 3EN

Date: 19 December 2022

# THE EDNA LINNELL CHARITABLE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 28 FEBRUARY 2022

		Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
	Notes		
<b>Income from:</b>			
Investment income	2	27,481	27,995
<b>Total income</b>		27,481	27,995
<b>Expenditure on:</b>			
Charitable activities (Grants payable)	3	24,313	15,313
Costs of raising funds	3	12,599	10,700
Other costs	3	26,983	26,842
<b>Total expenditure</b>		63,895	52,855
<b>Net expenditure</b>		(36,414)	(24,860)
Net gains/(losses) on investments	7	31,929	146,906
<b>Net movement in funds</b>		(4,485)	122,046
Total funds brought forward		2,530,979	2,408,933
<b>Total funds carried forward</b>		2,526,494	2,530,979



# THE EDNA LINNELL CHARITABLE TRUST

## BALANCE SHEET

AS AT 28 FEBRUARY 2022

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Investment properties	6		807,253		807,253
Listed investments	7		1,524,565		1,504,246
Programme Related Investments	8		52,078		60,478
			<u>2,383,896</u>		<u>2,371,977</u>
<b>Current assets</b>					
Debtors due within 1 year	9	-		85	
Debtors due in more than 1 year	9	139,020		133,170	
Cash at bank and in hand		7,912		28,687	
			<u>146,932</u>	<u>161,942</u>	
<b>Total current assets</b>					
<b>Creditors: amounts falling due within one year</b>	10	(4,334)		(2,940)	
			<u>142,598</u>		<u>159,002</u>
<b>Net current assets/(liabilities)</b>					
<b>Net assets</b>			<u>2,526,494</u>		<u>2,530,979</u>
<b>Charity funds</b>					
<u>Unrestricted funds</u>					
Designated funds	11		2,341,094		2,314,676
General funds			185,400		216,303
			<u>2,526,494</u>		<u>2,530,979</u>
<b>Total unrestricted funds</b>					

The accounts were approved by the Trustee on



.....  
C Eriksson-Lee on behalf of  
Brachers Trust Corporation Limited  
**Trustee**

# THE EDNA LINNELL CHARITABLE TRUST

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2022

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### 1 Accounting policies

#### 1.1 General information and basis of preparation

The Edna Linnell Charitable Trust is a charity registered with the Charity Commission in England and Wales (registered number 1092476). The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to recognise the importance of the Maharishi Foundation and to support that charitable organisation and other charities with aims and objectives with which the original Settlor (the late Mrs Linnell) would have been in agreement based on her legacy wishes.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Practice.

The charity has opted not to prepare a cash flow statement for the financial period, as permitted by the 2019 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 the Accounting and Reporting by Charities: Statement of recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in 2019.

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

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

#### 1.2 Funds

The funds held by the charity are unrestricted funds which can be used in accordance with the charitable objectives at the discretion of the Trustee.

Designated funds comprise funds which have been set aside at the discretion of the Trustee for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

#### 1.3 Income recognition

Donations, legacies and other forms of voluntary income are recognised as income when receivable, except insofar as they are incapable of financial measurement.

Income from investments is recognised when receivable.

#### 1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grant expenditure is recognised when awarded to the recipient. The expense is included on an accruals basis in the year in which a legal or constructive obligation to pay the grant arises.

Costs of raising funds are those investment management fees for both income generation and capital maintenance.

Charitable activities include expenditure associated with the making of grants and donations and include both the direct costs and indirect costs relating to these activities, on an accruals basis.

# THE EDNA LINNELL CHARITABLE TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2022

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### 1.4 Expenditure recognition (continued)

Irrecoverable VAT is charged against the category of resource expended for which it was incurred.

### 1.5 Investment Properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date and changes in fair value recognised in 'net gains/(losses) on investments' in the Statement of Financial Activities (SoFA). A Trustee opinion of fair value is provided where it is believed that the benefit of obtaining an independent valuation would be exceeded by the time and/or cost of securing such a valuation.

### 1.6 Investments

Investments are recognised at fair value which is normally the transaction price excluding transaction costs. Subsequently they are measured at fair value with changes recognised in 'net gains/losses on investments' in the SoFA if shares are publicly traded or their fair value can otherwise be measured reliably. Realised profits and losses arising on investment disposals are recognised in the SoFA when the proceeds are receivable.

Programme related investments are included at loan investment cost less planned repayments by the charitable beneficiary, less any provision for diminishing value, or impairment.

### 1.7 Debtors and creditors receivable / payable within one year

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

### 1.8 Impairment

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

### 1.90 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010.

### 1.10 Going Concern

The financial statements have been prepared on a going concern basis as the Trustee believes that no material uncertainties exist. The Trustee has considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. They believe the anticipated expenditure will be adequately funded given the existing level of reserves for the charity to be able to continue as a going concern.

### 1.11 Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Historically areas of judgement have not had a material impact on the charity's financial statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# THE EDNA LINNELL CHARITABLE TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

### 2 Investment income

	2022	2021
	£	£
Income from listed investments	21,631	24,824
Interest receivable	5,850	3,171
	<u>27,481</u>	<u>27,995</u>

### 3 Expenditure

	2022	2021
	£	£
<b>Charitable activities</b>		
Grants to institutions :		
Catching Lives	-	1,000
Maharishi Foundation	24,313	14,313
	<u>24,313</u>	<u>15,313</u>

#### Reconciliation of grants payable

Commitments at 1 March 2021	-	14,000
Commitments made in the year	24,313	15,313
Grants paid during the year	(24,313)	(29,313)

Commitments at 28 February 2022

-	-
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#### Costs of raising funds

Investment managers' fees	12,527	10,628
LEI number	72	72
	<u>12,599</u>	<u>10,700</u>

# THE EDNA LINNELL CHARITABLE TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

	2022 £	2021 £
<b>3 Expenditure (continued)</b>		
<b>Other costs</b>		
Management, administration and accounts production	14,995	23,673
Independent examination fees	2,520	2,340
Accountancy fees paid to independent examiner	480	-
Property costs	8,871	738
Withholding tax	117	91
	<u>26,983</u>	<u>26,842</u>
<b>Total</b>	<u>63,895</u>	<u>52,855</u>

## 4 Trustee and key management personal remuneration and expenses

The Trustee (or any persons connected with them) did not receive or waive any remuneration during the year.

The Trustee did not have any expenses reimbursed during the year.

During the year the trust was charged £14,995 (2021: £23,673) for legal advice, accounts production, and day to day administration by Brachers LLP, a firm of solicitors, of which Mr C Eriksson-Lee (trustee representative during the year) was a partner. At the year end the trust owed £1,814 (2021: £nil) to Brachers LLP.

## 5 Employees

There were no employees during the year.

## 6 Investment properties

	Land and buildings £
<b>Fair value</b>	
At 1 March 2021 and at 28 February 2022	807,253

The most recent open market valuation of the investment property (an 86.66% share in 29 Abdale Road, Shepherds Bush, London) was made in September 2015. The Trustee is of the opinion that the stated fair value for the property remains relevant and appropriate at 28 February 2022.

The property is used on a rent free basis by the Maharishi Foundation.

# THE EDNA LINNELL CHARITABLE TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

### 7 Listed investments

	2022 £	2021 £
Market value at 1 March 2021	1,446,945	1,532,061
Disposal proceeds	(145,532)	(724,765)
Acquisitions at cost	148,421	492,743
Realised gains on investments	10,149	150,070
Unrealised losses on investments	21,780	(3,164)
Net gains/(losses) on investments	31,929	146,906
<b>Market value at 28 February 2022</b>	<b>1,481,763</b>	<b>1,446,945</b>
Cash held for investment	42,802	57,301
<b>Market value at 28 February 2022</b>	<b>1,524,565</b>	<b>1,504,246</b>
Historical costs of investments	1,298,973	1,302,006

The portfolio was comprised as follows:

Equities	610,358	721,129
Fixed Interest Securities	172,257	199,394
Alternative Assets	699,148	526,422
Cash	42,802	57,301
	<b>1,524,565</b>	<b>1,504,246</b>

Material investments (comprising more than 5% of the charity's overall share portfolio by value) at 28 February 2022 were as follows:

Liontrust Special Situations	87,932
RIT Capital Partners	91,575
Link fund Solutions Capita Trojan X	77,118
Fundsmith LLP	77,064

# THE EDNA LINNELL CHARITABLE TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

### 8 Programme Related Investments

	£
Loan balance at 1 March 2021	60,478
Movement in year (repayments)	(8,400)
Loan balance at 28 February 2022	<u>52,078</u>

The original loan was made to the Blackthorn Trust in 2013 and was for £105,171. It was made on an interest free basis and remains repayable over 20 years. A further amount of £7,906 was added to the loan in 2016, repayable over the existing term of the loan. As of 30 November 2017, a sum of £700 is to be repaid monthly. The loan is secured over the freehold property owned by the Blackthorn Trust. The investment funding was made to further the Trust's charitable aims and to enable the advancement of the charitable purposes of the Blackthorn Trust.

The Blackthorn Trust is a registered charity (No. 1117979) providing medical care, specialist therapies and rehabilitation to people with mental and physical health difficulties or learning difficulties, aiming to assist individuals to progress towards their full potential.

9 Debtors	2022 £	2021 £
Amounts due within one year:		
Other debtors	-	85
Amounts due in more than one year:		
Other debtors	9,020	3,170
Loans receivable	130,000	130,000
	<u>139,020</u>	<u>133,255</u>

On 6 September 2019, a loan was made to the Maharishi Foundation for £130,000. The loan is due to be repaid in full on 6 September 2024. Interest is charged at a rate of 4.5% per annum, to be paid in cash on termination of the loan. The loan is secured on the following property: The Peace Palace, Gardenia Close, Rendlesham, Woodbridge, Suffolk, England.

10 Creditors: amounts falling due within one year	2022 £	2021 £
Grants payable	-	-
Other creditors	4,334	2,940
	<u>4,334</u>	<u>2,940</u>

# THE EDNA LINNELL CHARITABLE TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

### 11 Designated funds

	1 March 2021 £	New designations £	Designations released £	28 February 2022 £
Property fund	807,253	-	-	807,253
Investment fund	1,507,423	180,350	(153,932)	1,533,841
	<u>2,314,676</u>	<u>180,350</u>	<u>(153,932)</u>	<u>2,341,094</u>
	1 March 2020 £	New designations £	Designations released £	28 February 2021 £
Property fund	807,253	-	-	807,253
Investment fund	1,598,839	639,649	(731,065)	1,507,423
	<u>2,406,092</u>	<u>639,649</u>	<u>(731,065)</u>	<u>2,314,676</u>

Property fund - this fund holds the share in the investment property which is used by the Maharishi Foundation.

Investment fund - these funds are invested to maximise total return and generate net income.

### 12 Related party transactions

The charity did not enter into any related party transactions during the year (2021: £nil) other than those stipulated in note 4.