

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 5 April 2023
for
The Veronica Awdry Charitable Trust

Monahans
Chartered Accountants
Hermes House
Fire Fly Avenue
Swindon
Wiltshire
SN2 2GA

The Veronica Awdry Charitable Trust

Contents of the Financial Statements
for the Year Ended 5 April 2023

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 12

The Veronica Awdry Charitable Trust

Report of the Trustees **for the Year Ended 5 April 2023**

The trustees present their report with the financial statements of the charity for the year ended 5 April 2023. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The trust's objects are stated in wide terms and are the pursuit of charitable purposes which are exclusively charitable according to the law of England and Wales. In practice the trust pursues these objects by making donations to individuals, to broaden their educational experiences, and to other charitable organisations, particularly medical and performing arts organisations. The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's aims and objectives and in planning and settling their Grant Making Policy.

As stated on the trust's webpage, it has a particular interest in broadening educational experiences for young people (with priority given to adventurous and musical activities by those resident within a 25-mile radius of Newton Abbot in Devon) and the support of heritage railway projects. The trust has a policy of not making grants for first degree courses but will consider applications for grants towards the costs arising from masters degrees.

The availability of grants for individuals is advertised on the trust's webpage. For individual applicants, an application form (available on the trust's webpage) must be completed and sent to the trust by e-mail or by post. The form requires the provision of two referees and grants are not made until a satisfactory reference has been received. In accordance with the General Data Protection Regulation ((EU) 2016/679), individual applicants are also required to complete and send a consent form (or parental consent form if the applicant is under the age of 16) consenting to the trust processing and retaining their data in order to consider the application and, if successful, to make a grant. For non-charity organisational applicants, the trustees complete a questionnaire to assess whether the applicant is a competent and reliable organisation and whether a grant will further the trust's charitable purposes. Once a grant has been made, the trustees liaise with the applicant to confirm receipt and to verify the application of the grant funds.

GRANT MAKING POLICY

Grants are considered by trustees on a biannual basis having regard to the trust's aims, objectives and investments and in accordance with the trust's Grant Making Policy. When applications are successful, the trustees obtain satisfactory references (in relation to applications by individuals) and then (in relation to all applications) the Solicitors in conjunction with one of the trustees organise the making of the grants.

A detailed register of applications and grants is maintained by the Solicitors.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year to 5 April 2023 the trust made donations to individuals totalling £9,300 and to other charitable organisations totalling £60,500, thus granting overall donations of £69,800.

Applications are considered on a case-by-case basis and repeat applications will be considered. The trust has received positive feedback from recipients as well as informative updates from individuals who have undertaken a wide range of experiences in part funded by grants from the trust.

The grants made to other charitable organisations reflected the trust's focus on medicine and the performing arts. The trust supports a number of charitable organisations on an ongoing basis but will also consider applications from organisations that it has not previously supported. As the trust's objects are wide, in principle all applications by registered charities in England and Wales will be considered, although preference is given to applications for support of specific projects in the areas previously mentioned as being within the trust's areas of interest.

FINANCIAL REVIEW

Investment policy and objectives

The trust has an Investment Policy and the Investment Managers provide written reports reviewing investment performance against Rathbones Benchmark 4.

The Veronica Awdry Charitable Trust

Report of the Trustees **for the Year Ended 5 April 2023**

FINANCIAL REVIEW

Reserves policy

At 5 April 2023, total funds were £3,415,864.

The total unrestricted funds carried forward as at 5 April 2023, were £61,638, an increase against the previous financial year. The trustees aim to continue with the level of grants made during this and the preceding financial year.

The trust has an expendable endowment fund of £3,354,226 available if required; however, the trust aims to use only income earned and any brought forward funds to make grants.

The trust does not fundraise and its income is comprised wholly of income arising on the trust's investment portfolio. That portfolio has been funded by gifts of expendable endowment from the trust's founder, Mrs Veronica Chambers.

The trust's Investment Managers have discretionary management over the trust's investment portfolio and are instructed to produce the best financial return with an acceptable level of risk. The trust's investment objective is to match or exceed the returns produced by its benchmark, Rathbones Benchmark 4, in any period under consideration. There are no ethical constraints in place with regard to investment.

The Investment Managers' report for the year to 5 April 2023 shows a satisfactory performance in the current economic climate and the trustees feel that no changes to the investment strategy are required at present.

FUTURE PLANS

The trust plans to continue to make grants to both individuals and to other charitable organisations in line with its objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trust is a registered charity number 1113328 and is constituted under a trust deed dated 8 September 2005. The trust was established by Mrs Veronica Chambers by an initial gift of expendable endowment funds and has received further gifts of expendable endowment from Mrs Chambers. The trust was established by Mrs Chambers in her maiden name in memory of her late father.

New trustees are appointed by the existing trustees by way of resolution passed at a special meeting as provided for under the 2005 trust deed. The trust deed provides for a minimum of three trustees at any time. The trustees recruit new trustees having regard to the new trustees' knowledge, skill and previous experience. There is currently no formal induction or training for new trustees; however, new trustees are provided with a copy of the trust deed, a copy of the minutes of the last trustees' meeting and a copy of the last year's annual report.

All decisions made by the trustees are via a simple majority as set out in the trust deed, with the chair having a casting vote.

The trustees hold meetings twice a year to consider strategy, review grant applications and review the trust's investments. The day-to-day administration of grants and the processing and handling of applications is carried out by the Solicitors in conjunction with one of the trustees.

In accordance with the trust's Conflict of Interests Policy, trustees are required to disclose all relevant, personal interests and to withdraw from any discussions or decisions where a conflict of interests arises or could potentially arise.

No trustee remuneration is paid.

The trust holds personal data in respect of all individual and organisational applicants for the furtherance of its charitable purposes and is committed to protecting the freedoms and rights of such applicants. The trust processes personal data only where it has a lawful basis for doing so and in accordance with the principles enumerated in the General Data Protection Regulation ((EU) 2016/679). The trust has a Data Protection Policy and provides a privacy notice to all applicants via the trust's webpage. The trust has appointed one of the trustees as data protection officer with responsibility for overseeing the processing of personal data in accordance with the trust's legal obligations.

Risk management

The trustees have a duty to identify and review the risks to which the trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees act in line with their Risk Management Policy.

The trustees have considered the main risks to which the trust is exposed and consider investment performance to constitute the trust's major risk.

Investment performance is reviewed against benchmarks twice a year at each trustees' meeting. A report from the trust's Investment Managers is requested for consideration at each meeting.

The Veronica Awdry Charitable Trust

Report of the Trustees
for the Year Ended 5 April 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1113328

Principal address

Northgate House
Northgate Street
Devizes
Wiltshire
SN10 1JX

Trustees

V Chambers
C V Chambers
R I Chambers
M R Chambers
A L Wensley Stock

Independent Examiner

James Gare FCA DChA
Monahans
Chartered Accountants
Hermes House
Fire Fly Avenue
Swindon
Wiltshire
SN2 2GA

Solicitors

Wansbroughs LLP
Northgate House
Northgate Street
Devizes
Wiltshire
SN10 1JX

Investment Managers

Rathbone Investment Management Limited
10 Queen Square
Bristol
BS1 4NT

Bankers

Lloyds Bank plc
29 High Street
Chippenham
Wiltshire
SN15 3HA

Approved by order of the board of trustees on .10th January 2024 and signed on its behalf by:

A L Wensley Stock - Trustee

Independent Examiner's Report to the Trustees of
The Veronica Awdry Charitable Trust

Independent examiner's report to the trustees of The Veronica Awdry Charitable Trust

I report to the charity trustees on my examination of the accounts of The Veronica Awdry Charitable Trust (the Trust) for the year ended 5 April 2023.

Responsibilities and basis of report

As the charity trustees 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 Act and in carrying out my examination I have followed all 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.

James Gare FCA DChA

Monahans
Chartered Accountants
Hermes House
Fire Fly Avenue
Swindon
Wiltshire
SN2 2GA

Date: 12th January 2024

The Veronica Awdry Charitable Trust

Statement of Financial Activities
for the Year Ended 5 April 2023

	Notes	Unrestricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	3	<u>87,986</u>	<u>-</u>	<u>87,986</u>	<u>79,776</u>
EXPENDITURE ON					
Raising funds	4	-	13,820	13,820	13,834
Charitable activities					
Charitable Grants		<u>80,888</u>	<u>-</u>	<u>80,888</u>	<u>95,318</u>
Total		<u>80,888</u>	<u>13,820</u>	<u>94,708</u>	<u>109,152</u>
Net gains/(losses) on investments		<u>-</u>	<u>(151,689)</u>	<u>(151,689)</u>	<u>215,750</u>
NET INCOME/(EXPENDITURE)		7,098	(165,509)	(158,411)	186,374
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>54,540</u>	<u>3,519,735</u>	<u>3,574,275</u>	<u>3,387,901</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>61,638</u></u>	<u><u>3,354,226</u></u>	<u><u>3,415,864</u></u>	<u><u>3,574,275</u></u>

The notes form part of these financial statements

The Veronica Awdry Charitable Trust

Balance Sheet
5 April 2023

	Notes	Unrestricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Investments	9	-	3,186,665	3,186,665	3,429,934
CURRENT ASSETS					
Cash at bank		66,541	171,071	237,612	151,708
CREDITORS					
Amounts falling due within one year	10	(4,903)	(3,510)	(8,413)	(7,367)
NET CURRENT ASSETS		<u>61,638</u>	<u>167,561</u>	<u>229,199</u>	<u>144,341</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>61,638</u>	<u>3,354,226</u>	<u>3,415,864</u>	<u>3,574,275</u>
NET ASSETS		<u>61,638</u>	<u>3,354,226</u>	<u>3,415,864</u>	<u>3,574,275</u>
FUNDS	11				
Unrestricted funds				61,638	54,540
Endowment funds				<u>3,354,226</u>	<u>3,519,735</u>
TOTAL FUNDS				<u>3,415,864</u>	<u>3,574,275</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 10th January 2024 and were signed on its behalf by:

A L Wensley Stock - Trustee

The Veronica Awdry Charitable Trust

Notes to the Financial Statements **for the Year Ended 5 April 2023**

1. GENERAL INFORMATION

The Veronica Awdry Charitable Trust is an unincorporated charitable trust. The registered office address can be found in the Trustees' Report.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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 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 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 prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

There are no significant areas of judgements or key sources of estimation uncertainty.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The charity is an unincorporated trust constituted by a trust deed.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The charity does not make multi-year grants and all grants are unconditional.

Taxation

The charity is exempt from tax on its charitable activities.

The Veronica Awdry Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Debtors

Other debtors are recognised at the settlement amount due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3. INVESTMENT INCOME

	2023	2022
	£	£
Dividends and interest	<u>87,986</u>	<u>79,776</u>

The Veronica Awdry Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

4. RAISING FUNDS

Investment management costs

	2023	2022
	£	£
Portfolio management	<u>13,820</u>	<u>13,834</u>

5. GRANTS PAYABLE

	2023	2022
	£	£
Charitable Grants	<u>69,800</u>	<u>86,050</u>

Grants paid to institutions:

	2023
	£
National Youth Choirs of Great Britain	750
Shelter	1,000
Sirona Therapeutic Horsemanship	2,000
Exeter Cathedral School	10,000
Brainwave	1,000
Guide Dogs for the Blind Association	1,500
YMCA Exeter	2,000
Exeter Northcott Theatre	5,000
Resolve West	1,000
Severn Valley Railway Charitable Trust	2,500
National Youth Choirs Great Britain	750
Read for Good	1,000
Hearing Dogs for Deaf People	2,000
Kings Care League of Friends	500
Westbank Community Health and Care	1,000
Whizz-Kidz	1,000
RNLI	2,000
Cancer Research UK	2,000
Devon Air Ambulance Trust	2,000
Coram	2,000
Grief Encounter South West	2,000
Breast Cancer Now	2,000
Carers' Trust	2,000
Mission Aviation Fellowship	2,000
3H Fund	2,000
National Children's Orchestra	2,000
The Helen Foundation	2,000
Farms for City Children	2,000
Book Aid International	2,000
Listening Books	2,000
Cheques written back	(500)
	<u>£60,500</u>

During the year grants were made to 16 individuals which amounted to £9,300.

The Veronica Awdry Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable Grants	<u>9,556</u>	<u>1,532</u>	<u>11,088</u>

Support costs, included in the above, are as follows:

	2023 Charitable Grants £	2022 Total activities £
Administrative expenses	9,556	7,912
Accountancy and independent examination	<u>1,532</u>	<u>1,356</u>
	<u>11,088</u>	<u>9,268</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2023 nor for the year ended 5 April 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2023 nor for the year ended 5 April 2022.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	<u>79,776</u>	<u>-</u>	<u>79,776</u>
EXPENDITURE ON			
Raising funds	-	13,834	13,834
Charitable activities			
Charitable Grants	<u>95,318</u>	<u>-</u>	<u>95,318</u>
Total	<u>95,318</u>	<u>13,834</u>	<u>109,152</u>
Net gains on investments	<u>-</u>	<u>215,750</u>	<u>215,750</u>
NET INCOME/(EXPENDITURE)	(15,542)	201,916	186,374
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>70,082</u>	<u>3,317,819</u>	<u>3,387,901</u>
TOTAL FUNDS CARRIED FORWARD	<u>54,540</u>	<u>3,519,735</u>	<u>3,574,275</u>

The Veronica Awdry Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 6 April 2022	3,429,934
Additions	220,383
Disposals	(311,963)
Revaluations	<u>(151,689)</u>
At 5 April 2023	<u>3,186,665</u>
NET BOOK VALUE	
At 5 April 2023	<u>3,186,665</u>
At 5 April 2022	<u>3,429,934</u>

There were no investment assets outside the UK.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. All investments have been valued by Rathbone Investment Management Limited and are based on the Bid price as at the close of business on the valuation date. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The charity is reliant on dividend yield in part to finance its work.

Liquidity risk is anticipated to be low as all assets are traded. The charity's investments are traded in markets with good liquidity and high trading volumes. The charity has no investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Trust does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other creditors	<u>8,413</u>	<u>7,367</u>

11. MOVEMENT IN FUNDS

	At 6.4.22 £	Net movement in funds £	At 5.4.23 £
Unrestricted funds			
General fund	54,540	7,098	61,638
Endowment funds			
Endowment	3,519,735	(165,509)	3,354,226
TOTAL FUNDS	<u>3,574,275</u>	<u>(158,411)</u>	<u>3,415,864</u>

The Veronica Awdry Charitable Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	87,986	(80,888)	-	7,098
Endowment funds				
Endowment	-	(13,820)	(151,689)	(165,509)
TOTAL FUNDS	<u>87,986</u>	<u>(94,708)</u>	<u>(151,689)</u>	<u>(158,411)</u>

Comparatives for movement in funds

	At 6.4.21 £	Net movement in funds £	At 5.4.22 £
Unrestricted funds			
General fund	70,082	(15,542)	54,540
Endowment funds			
Endowment	3,317,819	201,916	3,519,735
TOTAL FUNDS	<u>3,387,901</u>	<u>186,374</u>	<u>3,574,275</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	79,776	(95,318)	-	(15,542)
Endowment funds				
Endowment	-	(13,834)	215,750	201,916
TOTAL FUNDS	<u>79,776</u>	<u>(109,152)</u>	<u>215,750</u>	<u>186,374</u>

12. RELATED PARTY DISCLOSURES

During the year the charity incurred fees of £9,539 (2022 - £7,912) from Wansbroughs LLP in respect of administrative services provided to the charity. At the balance sheet date £3,371 was payable and is included in other creditors. Anna Wensley Stock is a trustee of the charity and a partner at Wansbroughs LLP.

There were no other related party transactions during the year nor the prior year.