

**MUCHLOVED CHARITABLE TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# MUCHLOVED CHARITABLE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr J Davies Mr J H Lomax Mr A Daniels
<b>Charity number</b>	1118590
<b>Principal address</b>	Nash House, Repton Place White Lion Road Amersham Buckinghamshire HP7 9LP
<b>Independent examiner</b>	Chapman Worth Limited 3 The Old Estate Yard High Street East Hendred Wantage Oxfordshire OX12 8JY

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# MUCHLOVED CHARITABLE TRUST

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Statement of financial position	5
Notes to the financial statements	6 - 11

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# MUCHLOVED CHARITABLE TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 DECEMBER 2020*

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The trustees present their report and accounts for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

#### **Objectives and activities**

The charity's objects are the relief of any persons who have suffered bereavement, particularly the death of a family member or friend, by providing or assisting in the provision of bereavement support, advice and counselling.

The policies adopted in furtherance of these objects are to work with partners providing at-need bereavement services in the funeral and charity sectors as well as bereaved users directly and there has been no change in these policies during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

During the year the main activity has been the provision of a remembrance website service tailored to the specific needs of bereaved people, plus a bereavement support resource centre.

#### **Public Benefit Statement**

MuchLoved Charitable Trust has carried out its duty with regard to the public benefit and the objectives of the charity.

#### **Achievements and performance**

There has been a significant increase in demand and use of the bereavement tribute website service, particularly as a result of social distancing restrictions introduced as a result of the pandemic. During the year over 36,000 new Tribute sites have been created with over 100,000 virtual candles lit and £11million donated to good causes in memory of loved ones.

During the year we have further developed charitable in-memory giving and we now run Tribute Fund partnerships with nearly 200 UK charities. We have also looked to develop existing funereal partnerships and are now working with over 500 funeral director branches across the UK providing a personalised funeral tribute service for their families.

We also carried out training workshops, moving to online webinars due to the pandemic, including various bereavement training sessions and an annual Partner event.

We also continued to upgrade our bereavement services including a new Dedication Page offering and online GriefChat counselling, as well as introducing new features such as Virtual Gifts and upgrading the platform server infrastructure.

#### **Financial review**

The charity holds sufficient unrestricted cash funds to cover fluctuations in receipts and expenditure and has been working to increase income over the year primarily through partnerships with charities and funeral directors.

The operating costs of the charity are covered through a combination of partner subscriptions and a small fee for processing donations.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

# MUCHLOVED CHARITABLE TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Plans for the future**

The charity plans to continue to develop partnerships with leading charities, particularly hospices, hospitals and medical research charities. It also plans to increase the number of partnerships with funeral directors and other organisations that have personal contact with bereaved people. It will also improve and enhance its bereavement website service for the benefit of all users.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to these risks.

### **Structure, governance and management**

The charity was established as an unincorporated organisation by a charitable trust deed on 28 February 2007.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr J Davies

Mr J H Lomax

Mr A Daniels

Trustee selection is made through appointment by the current trustees and there have been no changes in the trustees or organisational structure during the year. All trustees give their time voluntarily and received no remuneration or other benefits.

The trustees' report was approved by the Board of Trustees.



.....  
**Mr J Davies**

Trustee

Dated: 20/5/21

# MUCHLOVED CHARITABLE TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF MUCHLOVED CHARITABLE TRUST

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I report to the trustees on my examination of the financial statements of Muchloved Charitable Trust (the charity) for the year ended 31 December 2020.

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

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



Anna Chapman FCA  
Chapman Worth Limited  
3 The Old Estate Yard  
High Street  
East Hendred  
Wantage  
Oxfordshire  
OX12 8JY

Dated: 11/6/2021

# MUCHLOVED CHARITABLE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b><u>Income from:</u></b>			
Donations and legacies	3	58,119	58,000
Charitable activities	4	765,510	459,856
		<hr/>	<hr/>
<b>Total income</b>		823,629	517,856
		<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	645,232	500,696
		<hr/>	<hr/>
<b>Net income for the year/ Net movement in funds</b>		178,397	17,160
Fund balances at 1 January 2020		13,798	(3,362)
		<hr/>	<hr/>
<b>Fund balances at 31 December 2020</b>		192,195	13,798
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# MUCHLOVED CHARITABLE TRUST

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	9		5,206		7,751
<b>Current assets</b>					
Debtors	10	100,250		111,099	
Cash at bank and in hand		1,975,898		531,517	
		<u>2,076,148</u>		<u>642,616</u>	
<b>Creditors: amounts falling due within one year</b>	11	(1,889,159)		(636,569)	
Net current assets			186,989		6,047
<b>Total assets less current liabilities</b>			<u>192,195</u>		<u>13,798</u>
<b>Income funds</b>					
Unrestricted funds			192,195		13,798
			<u>192,195</u>		<u>13,798</u>

The financial statements were approved by the Trustees on 20/5/21.

  
 .....  
 Mr J Davies  
 Trustee



# MUCHLOVED CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

Muchloved Charitable Trust is an unincorporated charity registered with the Charities Commission for England and Wales.

#### 1.1 Accounting convention

The accounts have been prepared in accordance 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# MUCHLOVED CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

All expenditure is recognised on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured. Expenditure is categorised under the following headings:

- Expenditure on charitable activities includes the costs of activities undertaken to further the purpose of the charity.
- Support costs are those costs incurred during activities that are not directly associated with the purpose of the charity.
- Governance costs are the costs associated with the governance arrangements of the charity.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33.3% straight line
Computers	

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# MUCHLOVED CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are 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.

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.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	58,119	58,000

# MUCHLOVED CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Charitable activities

	Partner subscriptions	Donation Processing fees	Tribute storage space	Total 2020	Total 2019
	£	£	£	£	£
Sales within charitable activities	321,994	-	2,288	324,282	276,114
Services provided	-	441,228	-	441,228	183,742
	<u>321,994</u>	<u>441,228</u>	<u>2,288</u>	<u>765,510</u>	<u>459,856</u>

### 5

	2020 £	2019 £
Staff costs	150,364	38,696
Charitable expenditure	438,008	397,881
	<u>588,372</u>	<u>436,577</u>
Share of support costs (see note 6)	55,260	62,219
Share of governance costs (see note 6)	1,600	1,900
	<u>645,232</u>	<u>500,696</u>

# MUCHLOVED CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 6 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Depreciation	7,625	-	7,625	6,846
Marketing and exhibitions	8,832	-	8,832	23,586
Office consumables	4,586	-	4,586	4,088
Rent	14,963	-	14,963	15,080
Telephone and utilities	3,804	-	3,804	3,900
Insurance	1,202	-	1,202	1,794
Repairs	5,071	-	5,071	-
Professional fees	4,791	-	4,791	-
Bank charges	1,960	-	1,960	1,793
Miscellaneous	2,426	-	2,426	5,132
Accountancy fees	-	1,600	1,600	1,900
	<u>55,260</u>	<u>1,600</u>	<u>56,860</u>	<u>64,119</u>
Analysed between				
Charitable activities	<u>55,260</u>	<u>1,600</u>	<u>56,860</u>	<u>64,119</u>

Governance costs includes payments to the independent examiner of £1,600 (2019 £1,560).

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year and expenses reimbursed, for travel and office costs, to trustees totalled £6,405 for the year ended 31 December 2020(2019- one trustee was reimbursed £2,942).

### 8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	<u>7</u>	<u>2</u>
<b>Employment costs</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	141,103	38,035
Social security costs	6,933	-
Other pension costs	2,328	661
	<u>150,364</u>	<u>38,696</u>

# MUCHLOVED CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Employees

(Continued)

### 9 Tangible fixed assets

	Fixtures, fittings & equipment £	Computers £	Total £
<b>Cost</b>			
At 1 January 2020	3,458	17,101	20,559
Additions	2,508	2,571	5,079
At 31 December 2020	5,966	19,672	25,638
<b>Depreciation and impairment</b>			
At 1 January 2020	1,910	10,897	12,807
Depreciation charged in the year	1,661	5,964	7,625
At 31 December 2020	3,571	16,861	20,432
<b>Carrying amount</b>			
At 31 December 2020	2,395	2,811	5,206
At 31 December 2019	1,547	6,204	7,751

### 10 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Debtors	55,724	36,612
Other debtors	44,526	74,487
	100,250	111,099

### 11 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	18,069	11,365
Creditors	17,216	4,066
Other creditors	1,835,338	544,047
Accruals and deferred income	18,536	77,091
	1,889,159	636,569

### 12 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).