

THE CARNELIAN TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

THE CARNELIAN TRUST

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 15

THE CARNELIAN TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 5 APRIL 2022

Trustees	R T Chenevix Trench A M Chenevix Trench D Fisher
Charity registered number	1123289
Principal office	Unit 4 Hill Farm Kirby Road Kirby Bedon Norwich NR14 7DU
Accountants	Larking Gowen LLP Chartered Accountants King Street House 15 Upper King Street Norwich NR3 1RB

THE CARNELIAN TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2022

The Trustees present their annual report together with the financial statements of the Charity for the year 6 April 2021 to 5 April 2022. 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

a. Policies and objectives

The Trust is a general purpose charity and the intention of the Trustees has been to develop main areas of benefit over the course of time.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Main achievements of the Charity

The Trustees keep under review how best to achieve their objectives. They have agreed that grants may be made to a particular recipient organisation for a period of up to three years, accepting that the Trustees could decide on a particular case to make a one off grant and similarly that it would be within their discretion to make further payments beyond three years if thought appropriate. In addition, as a general rule, any grant made should not be more than 12% of the recipient charity's annual income. Grants have been paid to organisations where the funds will have a high impact on the end user and during the year ended 5th April 2022 grants totalling £140,000 (2021: £122,000) were paid as detailed in note 4 to the accounts.

A transfer of £148,906 (2021: £130,385) was made from endowment funds to the unrestricted funds to cover a shortfall arising in unrestricted funds as a result of making these grants, in accordance with the Trustees' policy of releasing funds from the endowment fund, as required, to meet the operating needs of the Trust.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

In view of the fact that the Trustees are able to apply the capital of the fund as well as income, the Trustees consider they have sufficient resources to respond to applications for grants and ensure that they have adequate funds available to cover support and governance costs. The unrestricted income fund at 5th April 2022 was £nil (2021: £nil) and the endowment fund was £1,639,816 (2021: £1,771,019). The Trustees keep the level of reserves under review.

THE CARNELIAN TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

c. Material investments policy

The Trustees are holding cash while they continue to consider and develop a more detailed investment strategy for the future. The Trustees have invested 80% (2021: 73%) of the Trust Fund in a fund giving them a spread of exposure to the equity market.

d. Principal funding sources

The Trust was established by an initial grant from Mr R Chenevix Trench, with further funding from Sloane Robinson Investment Services Limited.

Structure, governance and management

a. Constitution

The Carnelian Trust is an unincorporated charity, constituted under a Trust Deed dated 27 February 2008, as amended on 5 May 2016 and is a registered charity, number 1123289.

b. Methods of appointment or election of Trustees

The power of appointing new or additional trustees is vested in Richard Chenevix Trench. The minimum number of trustees (under the terms of the Trust Deed) is three. The Trustees keep the skill requirements of the trustees under review and any new trustees will be encouraged to attend lectures or seminars intended to ensure that charity trustees maintain the necessary skills to continue the valuable work the Trust does.

c. Organisational structure and decision-making policies

The Trustees have regular contact during the year to discuss and consider the potential areas of activity for the Trust, including consideration of grant making, investment, reserves and risk management policies and performance. The day to day administration of the grants and the processing is delegated to the administrator FisherLegal LLP (who are solicitors to the Trust) of Unit 4 Hill Farm, Kirby Road, Kirby Bedon, Norwich, NR14 7DU. The Trustees decide on the grants to be paid after careful review of the applications received. This strategy will continue to be implemented for as long as the number of applications remains relatively small.

d. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The Trustees consider there to be no significant areas of concern.

THE CARNELIAN TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



D Fisher

Trustee

Date:

21st December 2022

THE CARNELIAN TRUST

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 5 APRIL 2022

Independent examiner's report to the Trustees of The Carnelian Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 5 April 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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 (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 been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the 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 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:



Dated: 21 December 2022

Joanne Fox BA FCA

Larking Gowen LLP
Chartered Accountants
Norwich

THE CARNELIAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2022

	Note	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:					
Investments	3	46	-	46	156
Total income and endowments		46	-	46	156
Expenditure on:					
Charitable activities	5	148,952	-	148,952	130,541
Total expenditure		148,952	-	148,952	130,541
Net expenditure		(148,906)	-	(148,906)	(130,385)
Transfers between funds	10	148,906	(148,906)	-	-
Net movement in funds before other recognised gains		-	(148,906)	(148,906)	(130,385)
Other recognised gains:					
Gains on revaluation of fixed assets	8	-	17,703	17,703	265,319
Net movement in funds		-	(131,203)	(131,203)	134,934
Reconciliation of funds:					
Total funds brought forward		-	1,771,019	1,771,019	1,636,085
Total funds carried forward		-	1,639,816	1,639,816	1,771,019

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

The notes on pages 8 to 15 form part of these financial statements.

THE CARNELIAN TRUST

BALANCE SHEET
AS AT 5 APRIL 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	8	1,308,895	1,291,192
		<u>1,308,895</u>	<u>1,291,192</u>
Current assets			
Cash at bank and in hand		339,873	490,168
		<u>339,873</u>	<u>490,168</u>
Creditors: amounts falling due within one year	9	(8,952)	(10,341)
		<u>330,921</u>	<u>479,827</u>
Net current assets			
		<u>1,639,816</u>	<u>1,771,019</u>
Total net assets			
		<u>1,639,816</u>	<u>1,771,019</u>
Charity funds			
Endowment funds	10	1,639,816	1,771,019
Restricted funds	10	-	-
		<u>-</u>	<u>-</u>
Unrestricted funds	10	-	-
		<u>-</u>	<u>-</u>
Total funds		<u>1,639,816</u>	<u>1,771,019</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Deborah Fisher

D Fisher

Trustee

Date: 21st December 2022

The notes on pages 8 to 15 form part of these financial statements.

THE CARNELIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

1. General information

The Carnelian Trust is a general purpose charity, established in England and Wales with Charity Reference Number 1123289. The principal address is FisherLegal LLP, Unit 4 Hill Farm, Kirby Road, Kirby Bedon, Norfolk, NR14 7DU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Carnelian Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have reviewed the level of investments held at the year end alongside movements in value since the year end and considered the level of anticipated grants. Based on this, they have a reasonable expectation that the Trust can meet its liabilities as they fall due and have therefore prepared the accounts on a going concern basis.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised on an accruals basis once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

THE CARNELIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.6 Cash at bank and in hand

Cash at bank and 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.

2.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.8 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.

2.9 Fund accounting

The expendable endowment fund represents donations received which form part of the capital fund of the Trust. The fund is expendable endowment insofar as the Trustees have discretion to expend the funds in furtherance of the objects of the Trust.

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

THE CARNELIAN TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022**

3. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	46	46	156
	<u>46</u>	<u>46</u>	<u>156</u>
<i>Total 2021</i>	<i>156</i>	<i>156</i>	
	<u>156</u>	<u>156</u>	

4. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Grants paid	140,000	140,000	122,000
	<u>140,000</u>	<u>140,000</u>	<u>122,000</u>
<i>Total 2021</i>	<i>122,000</i>	<i>122,000</i>	
	<u>122,000</u>	<u>122,000</u>	

The Charity has made the following material grants to institutions during the year:

	2022 £	2021 £
Name of institution		
African & Caribbean Diversity	-	2,000
Buglife - The Invertebrate Conservation Trust	20,000	-
Gurkha Welfare Trust	40,000	-
Prisoners Abroad	40,000	50,000
Royal Marsden Cancer Charity	10,000	-
St David's Foundation Hospice	15,000	55,000
Stump Up For Trees	15,000	15,000
	<u>140,000</u>	<u>122,000</u>
	<u>140,000</u>	<u>122,000</u>

The grants were made for general welfare, environment, health and education.

THE CARNELIAN TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022**

5. Analysis of expenditure by activities

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Grant making	140,000	8,952	148,952	130,541
	<u>122,000</u>	<u>8,541</u>	<u>130,541</u>	
<i>Total 2021</i>	<u>122,000</u>	<u>8,541</u>	<u>130,541</u>	

Analysis of support costs

	Grant making 2022 £	Total funds 2022 £	Total funds 2021 £
Independent examiner's remuneration	1,950	1,950	1,854
Accountancy and legal fees	7,002	7,002	6,687
	<u>8,952</u>	<u>8,952</u>	<u>8,541</u>
<i>Total 2021</i>	<u>8,541</u>	<u>8,541</u>	

6. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £852 (2021 - £804), and accountancy fees of £1,098 (2021 - £1,050).

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 5 April 2022, no Trustee expenses have been incurred (2021 - £NIL).

THE CARNELIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2021	1,291,192
Revaluations	17,703
At 5 April 2022	<u>1,308,895</u>

At 5 April 2022 the investment was listed outside the UK and was in Cerno Unconstrained Fund. The historical cost of the investment at 5 April 2022 and 2021 is £750,000.

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals	<u>8,952</u>	<u>10,341</u>

THE CARNELIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

10. Statement of funds

Statement of funds - current year

	Balance at 6 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2022 £
Unrestricted funds						
General Funds	-	46	(148,952)	148,906	-	-
Endowment funds						
Endowment Fund	1,771,019	-	-	(148,906)	17,703	1,639,816
Total of funds	1,771,019	46	(148,952)	-	17,703	1,639,816

The Endowment Fund consists of funds provided by way of donation to the capital of the Charity. The Unrestricted Funds holds the income from the Endowment Fund and is primarily used to meet expenditure incurred in the furtherance of the objects of the Charity but the Endowment Fund is also expendable on those objects at the discretion of the Trustees.

A transfer of £148,952 was made from the Endowment Fund to the Income Fund to cover the shortfall arising in the Income Fund as a result of making grants in accordance with the Trustees' policy of releasing funds from the Endowment Fund, as required, to meet the operating needs of the Trust.

THE CARNELIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

10. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 5 April 2021</i> £
Unrestricted funds						
General Funds	-	156	(130,541)	130,385	-	-
Endowment funds						
Endowment Fund	1,636,085	-	-	(130,385)	265,319	1,771,019
Total of funds	<u>1,636,085</u>	<u>156</u>	<u>(130,541)</u>	<u>-</u>	<u>265,319</u>	<u>1,771,019</u>

11. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Fixed asset investments	-	1,308,895	1,308,895
Current assets	8,952	330,921	339,873
Creditors due within one year	(8,952)	-	(8,952)
Total	<u>-</u>	<u>1,639,816</u>	<u>1,639,816</u>

THE CARNELIAN TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

11. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Endowment funds 2021 £</i>	<i>Total funds 2021 £</i>
Fixed asset investments	-	1,291,192	1,291,192
Current assets	10,341	479,827	490,168
Creditors due within one year	(10,341)	-	(10,341)
Total	-	1,771,019	1,771,019

12. Related party transactions

Mrs D Fisher is a Principal Member of FisherLegal LLP, a firm of solicitors which raised invoices to the Trust for legal and administrative services rendered. Professional fees amounting to £7,002 (2021: £6,687) were payable to FisherLegal LLP during the year. Creditors at the year end include £7,002 (2021: £6,687) due to FisherLegal LLP.

Subject to the above, no Trustees or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.