

Charity no. 1123700

THE ANNETT CHARITABLE TRUST

REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

Reference and administrative details for the year ended 31st December 2021

| | |
|-----------------------------|---|
| Charity number | 1123700 |
| Principal office | 2 Queen Square Bath BA1 2HQ |
| Trustees | The Trustees who served during the year and up to the date of this report were as follows: J J Thring, DL (Chairman) A M S Young Mrs E M Evans |
| Secretary | Mrs N Fox |
| Bankers | CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent, ME19 4TA |
| Solicitors | Thrings LLP 2 Queen Square Bath BA1 2HQ |
| Investment Managers | Rathbone Investment Management Ltd 10 Queen Square Bristol BS1 4NT |
| Independent Examiner | G Speirs FCA Haines Watts Chartered Accountants Bath House Bath Street Bristol BS1 6HL |

Report of the Trustees for the year ended 31st December 2021

The Trustees present their report with the financial statements of the charity for the year ended 31st December 2021. 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).

Structure, governance and management

The Annett Charitable Trust was constituted under a trust deed dated 23rd May 2003 under direction of the Will of Margaret Dorothy Annett who died on the 28th March 2003. The Trust does not actively fundraise and seeks to continue the charitable work as desired by the Trustees through the investment of its existing resources.

The Trustees who have served throughout the year and since the year end are set out on page 1. Trustees are appointed by the board of Trustees and may serve without limitation other than as imposed by law. New Trustees are inducted by the existing Trustees and the procedure includes imparting knowledge of the history of the charity, its constitution including an understanding of its trust deed and other deeds and documents, the charity's objects and the Trustees' current policies. The Trustees meet twice per annum, and the day to day administration of the charity is delegated to the Secretary. All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of any trustee expenses and related party transactions are disclosed within the notes to the accounts. Trustees are required to disclose all relevant interests and register them with the Secretary and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Current related party transactions are disclosed in Note 7 to the accounts.

The Trustees have considered the major risks which the charity faces and confirm that systems have been established to manage those risks. The Trustees consider that the variability of investment return on the portfolio constitutes the charity's major financial risk and volatility in the global stock market has demonstrated this over recent years. However, the Trustees regularly review the performance of the portfolio and that of the investment manager to ensure that the total return of the portfolio is in line with comparable indices.

Objectives and activities

The objects of the charity are to pay or apply the income and capital of the trust fund to such charitable organisations or for such other general charitable purposes as the Trustees in their discretion think fit but having particular regards for charities involved in health care.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

The charity carries out its objects by inviting applications for funding from both individuals and charitable organisations. Support is focussed on the local area, South West of England, for general purposes but the Trustees would consider, for medical research purposes, the whole nation. The Trustees were pleased to support charitable institutions and individuals during the year in line with the charity's objectives.

Report of the Trustees for the year ended 31st December 2021

Achievements and performance

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustees for a period of three years and takes account of recent demand for funds and the quality of the grant applications. The Trustees consider the income requirements, capital grant funding requirements, the risk profile and the investment manager's view of the market prospects in the medium term. This strategy is set within an overall policy which states that the trust fund is to be invested to obtain an annual increase in the value of the fund which, as a minimum, matches inflation, and to produce a reasonable income yield in line with the yield on the FTSE-100 Share Index. The Trustees review their investment strategy with their investment manager at each half yearly meeting and also receive quarterly reports.

During the period the charity's investments increased in value by £178,226 [2020 a decrease of £162,368].

Financial review

The trust receives income from its investments. The results for the year are shown on page 5. The Trustees consider the results to be satisfactory given the current market conditions.

The trust fund is entirely unrestricted, and produced an income of £70,454 [2020 £62,519]. Grants and related management expenses funded out of both capital and income totalled £67,038 [2020 £52,433].

During the year, the Trustees awarded grants totalling £42,000 divided between the following activity areas:-

| | £ | | £ |
|--------------------|--------|------------------------------|-------|
| Medical Research | 22,000 | Youth | - |
| Healthcare Welfare | 13,500 | Arts | - |
| Social Welfare | 5,500 | Conservation and Environment | 1,000 |

The Trustees ensure that their grant making policy accords with their available resources each year and as they can make distributions from both capital and income, the Trustees consider that there is no need for a specific reserve.

Plans for future periods

The Trustees consider that the trust fund is sufficient to ensure the future of this trust, and for it to carry out its charitable objectives, for the foreseeable future.

Independent examiners

The Trustees have asked G Speirs FCA of Haines Watts Chartered Accountants to undertake the independent examination of the Trust.

Approved by the Trustees and signed on their behalf by:

.....
Jeremy John Thring
Chairman

26th October **2022**
Date

Independent examiner's report to the Trustees of The Annett Charitable Trust

I report on the accounts of the Trust for the year ended 31 December 2021, which are set out on pages 5 to 12.

Responsibilities and basis of report

As the charity's Trustees 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 charity's accounts carried out under section 145 of the 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 charity 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 order to enable a proper understanding of the accounts to be reached.

.....

.....2022

G Speirs FCA
for and on behalf of
Haines Watts Chartered Accountants
Bath House
Bath Street
Bristol BS1 6HL

The Annett Charitable Trust

Statement of financial activities for the year ended 31st December 2021

| | Note | 2021 £ Unrestricted Funds | 2020 £ Unrestricted Funds |
|---|------|---------------------------------|---------------------------------|
| Income from: | | | |
| Investments | 2 | 70,454 | 62,519 |
| Total income | | 70,454 | 62,519 |
| Expenditure on: | | | |
| Raising funds: | | | |
| Investment management | 3 | 12,360 | 11,074 |
| Charitable activities | 3 | 54,678 | 41,359 |
| Total expenditure | 3 | 67,038 | 52,433 |
| Net gains/(losses) on investments | | 178,226 | (162,368) |
| Net income/(expenditure) & net movement in funds | | 181,642 | (152,282) |
| Reconciliation of funds: | | | |
| Total funds brought forward | | 2,008,132 | 2,160,414 |
| Total funds carried forward | | 2,189,774 | 2,008,132 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The Annett Charitable Trust

Balance sheet as at 31st December 2021

| | Note | 2021 £ Unrestricted Funds | 2020 £ Unrestricted Funds |
|--|------|---------------------------------|---------------------------------|
| <u>Fixed Assets</u> | | | |
| Investments | 5 | 2,091,358 | 1,869,506 |
| | | <u>2,091,358</u> | <u>1,869,506</u> |
| <u>Current Assets</u> | | | |
| Cash at bank and in hand | | 106,616 | 142,054 |
| Dividends due | | 226 | 590 |
| | | <u>106,842</u> | <u>142,644</u> |
| <u>Current Liabilities</u> | | | |
| Creditors: amounts falling due within one year | 6 | 8,426 | 4,018 |
| Net current assets | | <u>98,416</u> | <u>138,626</u> |
| Net assets | | <u>2,189,774</u> | <u>2,008,132</u> |
| Funds | | | |
| General funds | | <u>2,189,774</u> | <u>2,008,132</u> |
| Total charity funds | | <u>2,189,774</u> | <u>2,008,132</u> |

Approved by Jeremy J Thring on behalf of the Trustees:

.....
Jeremy J Thring
Trustee

Date 26th October
..... 2022

Notes to the financial statements for the year ended 31st December 2021

1 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 except for the revaluation of investments.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their 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 2015 which has since been withdrawn.

The financial statements are prepared in sterling which is the functional currency of the charity and are rounded to the nearest £.

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

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.

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 offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Investments

Listed investments held at the year end are valued at fair value being current market value at that date. Investment income from dividends is included in incoming resources while realised and unrealised losses and gains on investments are shown separately on the statement of financial activities (SOFA). Realised and unrealised gains are shown as one figure being net gains/(losses) in the SOFA on page 5.

Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

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.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects 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.

Financial Instruments

The charity only has financial assets and 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.

Short term liquid investments and cash

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Notes to the financial statements for the year ended 31st December 2021

| 2 Investment income | 2021 £ | 2020 £ |
|--------------------------------------|---------------|---------------|
| Investment income | 70,454 | 62,515 |
| Interest | - | 4 |
| | <hr/> | |
| Total income from investments | 70,454 | 62,519 |

Notes to the financial statements for the year ended 31st December 2021

3 Total expenditure

| | Investment management £ | Charitable activities £ | Support and governance costs £ | 2021 Total £ | 2020 Total £ |
|-------------------------------------|-------------------------------|-------------------------------|--------------------------------------|-----------------|-----------------|
| Grants payable (note 4) | | 42,000 | | 42,000 | 29,500 |
| Investment management fees | 12,360 | | | 12,360 | 11,074 |
| Independent examination fees | | | 1,072 | 1,072 | 1,100 |
| Administration and secretarial fees | | | 11,485 | 11,485 | 10,699 |
| Trustees' meeting expenses | | | - | - | - |
| Bank charges | | | 121 | 121 | 60 |
| Sub-total | 12,360 | 42,000 | 12,678 | 67,037 | 52,433 |
| Allocation of support costs | | 12,678 | (12,678) | | - |
| Total expenditure | 12,360 | 54,678 | - | 67,037 | 52,433 |

Notes to the financial statements for the year ended 31st December 2021

4 Grants payable

| | 2021 | | 2020 | |
|-----------------------------------|-----------|---------------|-----------|---------------|
| | No. | Amount | No. | Amount |
| Grants to charitable institutions | 45 | 42,000 | 39 | 29,500 |
| Grants to individuals | - | - | - | - |
| | 45 | 42,000 | 39 | 29,500 |

Grants payable to institutions

| | 2021 | | 2020 | |
|---|-----------|---------------|-----------|---------------|
| | No. | £ | No. | £ |
| Bowel Disease Research Foundation | | | 1 | 2,000 |
| RICE | 1 | 10,000 | | |
| Other institutional grants (under £2,000) | 44 | 32,000 | 38 | 27,500 |
| | 45 | 42,000 | 39 | 29,500 |

5 Investments - pooled investment vehicles

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Market value at 1st January 2021 | 1,869,506 | 2,060,580 |
| Additions | 241,752 | 57,729 |
| Disposal proceeds | (198,126) | (86,435) |
| Revaluations | 178,226 | (162,368) |
| Market value at 31st December 2021 | 2,091,358 | 1,869,506 |
| Historical cost: | | |
| At 31st December 2021 | 1,595,155 | 1,533,116 |

6 Creditors : amounts due within 1 year

| | 2021 | 2020 |
|---------------------------|--------------|--------------|
| | £ | £ |
| Accruals | 8,426 | 4,018 |
| Grants awarded yet unpaid | - | - |
| | 8,426 | 4,018 |

Notes to the financial statements for the year ended 31st December 2021

7 Related party transactions

Both Jeremy Thring and Michael Young, of The Annett Charitable Trust, are also on the staff list (as consultants and Director respectively) for Thrings LLP. Thrings carry out all of the administration and accounts preparation for the trust. The fee charged for this service in 2021 was £11,485 including VAT (2020: £10,699).

8 Trustees remuneration and receipts

There was no Trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

There was no Trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.