

REGISTERED CHARITY NUMBER: 1124777

Report of the Trustees and  
Financial Statements for the year ended 31 December 2021  
for  
The Serth and Gates Charity

The Serth and Gates Charity

Contents of the Financial Statements  
for the year ended 31 December 2021

	Page
Report of the Trustees	1 to 3
Report of the Independent Auditors	4 to 5
Statement of Financial Activities	6
Statement of Financial Position	7
Notes to the Financial Statements	8 to 14
Detailed Statement of Financial Activities	15

## The Serth and Gates Charity

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

The trustees present their report with the financial statements of the unincorporated charity for the year ended 31 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 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

Under the terms of the Declaration of Trust, the Charitable Fund shall be applicable both as to capital and income for general charitable purposes with a preference for the field of veterinary education, study and research.

Section 4 of the Charities Act 2011 requires the Charity Trustees to comply with their duty to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties.

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 the grant making and donation policy for the current and future periods.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The Trustees have identified several potential charitable beneficiaries and donations totalling £487,200 (2020: £205,491) have been made or funding committed during the year ended 31 December 2021. These donations have been allocated in accordance with the objectives of the charity.

Among these donations paid in the year are £120,500 (2020: £102,500) to further the education of veterinary students at the universities of Bristol and Surrey.

#### **FINANCIAL REVIEW**

##### **Reserves policy**

Gross investment income of £335,284 (2020: £302,072) was received during the year. At 31 December 2021 the market value of the Charity's investments had increased to £11,878,638 (2020 - £10,738,611).

However, since the year end investment values have fallen. At 24 June 2022 the value of the investments held by the charity had fallen to £10,232,201. No adjustment has been made in these financial statements as a result of this fall in value in accordance with Sections 32.6 and 32.7 of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The trustees have included this note to draw users' attention to this fall in value however there is no going concern issue to be noted with regard to the charity's operations.

After charitable activities and investment management costs, total unrestricted funds at 31 December 2021 amounted to £12,291,669 (2020: £11,230,951). During subsequent years it will be the Trustees' intention to identify further appropriate charitable institutions to which to make donations.

After providing for all longer-term commitments entered into as 31 December 2021, the Charity had total funds of £12,291,669 (2020: £11,230,951).

The Trustees have reviewed the need for reserves and have concluded that reserves of between £40,000 and £60,000 should be maintained. The present intention of the Trustees is to make annual grants each year and to the extent that any of these relate to multi-year commitments an additional reserve will be considered necessary.

#### **FUTURE PLANS**

It is the Trustees policy to exercise their discretion to distribute the funds as they see fit but with a target of benefitting equally veterinary research, veterinary education and currently working charities in the veterinary/animal fields, after making distributions to other specific charities, not necessarily operating in the veterinary field, as known to the Trustees.

**The Serth and Gates Charity**

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

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Charity is a registered Charity. It was established by an endowment provided by the Will of Geoffrey Serth and subsequently by a declaration of Trust dated 9 May 2008.

The Serth and Gates Charity was formerly known as The Geoffrey Serth Charitable Trust. On 6 April 2012, the capital (and any accumulated and unspent income) of the Mrs I J Gates Charity Fund (Charity No. 1098436) was accepted by the Trustees of the formerly known Geoffrey Serth Charitable Trust to be held by the Trustees of that charity upon the charitable trusts thereby declared. Subsequent to this event the name of the Charity was changed to The Serth and Gates Charity.

Under the terms of the Declaration of Trust the Trustees have full powers to invest trust money in any property of whatever description or location as if they were a sole beneficial owner of such monies. In compliance with the 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 2015) the Trustees seek proper advice on investments. They have delegated investment powers to Brewin Dolphin and have provided the company with a written policy statement and benchmark. Regular meetings are held to review the portfolio managers' performance.

**Recruitment and appointment of new trustees**

Trustees are appointed by a resolution of a meeting of the Trustees. New Trustees may be appointed at any time, but the total number of Trustees shall at no time exceed seven. When a new Trustee is appointed, appropriate induction and training is arranged.

**Risk management**

The major risk to which the Charity is exposed relates financial risk in the form of investment values and dividend yields. The Trustees have put in place procedures to mitigate this risk and are confident that the procedures in place are sufficient in the event of a serious fall in investment value or reduction in the level of dividends distributed by those investments.

**GOING CONCERN**

The trustees have considered all relevant factors and see no reason as to why the charity cannot continue to operate as a going concern. The financial statements have been prepared on this basis.

The Serth and Gates Charity

Report of the Trustees  
for the year ended 31 December 2021

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**  
1124777

**Principal address**  
c/o Wedlake Bell LLP  
71 Queen Victoria Street  
London  
EC4V 4AY

**Trustees**  
J A H West – Resigned 13 September 2021  
R McLeod  
J A Cutts – Appointed 13 September 2021

**Auditors**  
Villars Hayward LLP  
Chartered Accountants,  
Chartered Tax Advisers and Statutory Auditors  
Boston House  
Henley-on-Thames  
RG9 1DY

**Lawyers**  
Wedlake Bell LLP  
71 Queen Victoria Street  
London  
EC4V 4AY

**Bankers**  
National Westminster Bank Plc  
PO Box No. 159  
322 High Holborn  
London  
WC1V 7PS

**Investment Managers**  
Brewin Dolphin  
12 Smithfield Street  
London  
EC1A 9BD

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

Approved by order of the board of trustees on ..... *14 September 2022* ..... and signed on its behalf by:

.....  
R McLeod - Trustee

**Report of the Independent Auditors to the Trustees of**  
**The Serth and Gates Charity**

**Opinion**

We have audited the financial statements of The Serth and Gates Charity (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant section of this report.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Report of the Independent Auditors to the Trustees of**  
**The Serth and Gates Charity (continued)**

**Responsibilities of trustees (continued)**

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of charity staff in finance and compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing audit work to assess the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of charitable activities and reviewing accounting estimates for bias.
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing areas of the financial statements which may indicate greater risk, testing to supporting documentation as necessary.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Nicholas Smith ACA, CTA*

Villars Hayward LLP  
Chartered Accountants,  
Chartered Tax Advisers and Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Boston House  
Henley-on-Thames  
RG9 1DY

Date: 15 September 2022

Nicholas Smith ACA, CTA (Senior Statutory Auditor)

**The Serth and Gates Charity**  
**Statement of Financial Activities**  
**for the year ended 31 December 2021**

		31.12.21 Unrestricted funds £	31.12.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM:</b>	<b><u>Note</u></b>		
Investment income	2	335,284	302,072
<b>Total</b>		<hr/> 335,284 <hr/>	<hr/> 302,072 <hr/>
<b>EXPENDITURE ON:</b>			
<b>Raising funds</b>			
Investment management costs	3	61,727	53,207
		<hr/> 61,727 <hr/>	<hr/> 53,207 <hr/>
<b>Charitable activities</b>			
Donations	4	487,200	205,491
Other	4	39,677	36,745
<b>Total</b>		<hr/> 588,604 <hr/>	<hr/> 295,443 <hr/>
Net gains on investments		1,314,038	10,468
Impairment of investments to fair value		-	1,261,886
<b>NET INCOME</b>		<hr/> 1,060,718 <hr/>	<hr/> 1,278,983 <hr/>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		11,230,951	9,951,968
<b>TOTAL FUNDS CARRIED FORWARD</b>		<hr/> 12,291,669 <hr/> =====	<hr/> 11,230,951 <hr/> =====

The notes form part of these financial statements



The Serth and Gates Charity

Balance Sheet

as at

31 December 2021

	<u>Note</u>	<u>31.12.21</u> £	<u>31.12.20</u> £
<b>FIXED ASSETS</b>			
Investments	6	11,878,638 =====	10,738,611 =====
<b>CURRENT ASSETS</b>			
Cash at bank		437,008	327,585
Other Debtors		327,973	331,983
		764,981	659,568
<b>CREDITORS</b>			
Amounts falling due within one year	7	(227,950)	(167,228)
<b>NET CURRENT ASSETS</b>		537,031	492,340
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		12,415,669	11,230,951
<b>CREDITORS</b>			
Amounts falling due after more than one year	8	(124,000)	-
<b>NET ASSETS</b>		12,291,669 =====	11,230,951 =====
<b>FUNDS</b>			
Unrestricted funds:			
Income Fund		262,393	434,148
Designated Capital Fund		12,029,276	10,796,803
<b>TOTAL FUNDS</b>	9	12,291,669 =====	11,230,951 =====

The financial statements were approved by the Board of Trustees on 14 September 2022 and were signed on its behalf by:

.....  
R McLeod - Trustee

.....  
J A Cutts - Trustee