THE STERLING CHARITY

England & Wales · Charity number 1127454

Details

Other names	THE MCDONALD FOUNDATION
Status	Registered
Legal form	Trust
Registered	2009-01-09
Register	View on the Charity Commission register

Contact

Address	95 The Promenade Cheltenham Gloucestershire GL50 1HH
Phone	01242710200

Activities

Objects: IN FURTHERANCE OF SUCH CHARITABLE PURPOSE OR PURPOSES ACCORDING TO THE LAWS OF ENGLAND AND WALES (WHETHER WITHIN THE UNITED KINGDOM OR ELSEWHERE IN THE WORLD) AS FALL WITHIN ANY OF THE FOLLOWING DESCRIPTIONS OF PURPOSES (ALL TOGETHER 'THE OBJECTS'): RELIEF OF POVERTY; RELIEF OF THOSE IN NEED BY REASON OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP, OR OTHER DISADVANTAGE; THE ADVANCEMENT OF EDUCATION; THE ADVANCEMENT OF SCIENCE; THE ADVANCEMENT OF THE ARTS; THE ADVANCEMENT OF RELIGION; THE ADVANCEMENT OF HEALTH OR THE SAVING OF LIVES; AND THE ADVANCEMENT OF ENVIRONMENTAL PROTECTION OR IMPROVEMENT.

Activities: The relief of poverty, relief of those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage, the advancement of education, the advancement of science, the advancement of the arts, the advancement of religion, the advancement of health or the saving of lives and the advancement of environmental protection or improvement throughout the world.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL.
- United States
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£159,611	£300,860	-	-
2023-12-31	£179,021	£262,870	-	-
2022-12-31	£115,130	£260,604	-	-
2021-12-31	£78,981	£246,982	-	-
2020-12-31	£152,195	£305,578	-	-

Trustees

Name	Role	Appointed
ELTON SHANE		
Paul David Hunston		2014-01-08
Warren Matthews		2017-11-10

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THE STERLING CHARITY

England & Wales - Charity number 1127454

Accounts

THE STERLING CHARITY
(Registered Charity Number: 1127454)

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

THE STERLING CHARITY

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THE STERLING CHARITY

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees submit their annual report and the independently audited financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011, and where relevant, the Charities Act 2022, 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 in October 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Charity, registered charity number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucestershire, GL50 1HH.

Trustees:
The names of the trustees who served during the period and those who continue to serve at the date of this report's approval unless otherwise stated are:

Warren Matthews
Elton Shane
Paul David Hunston

Independent Auditor:
Rawlinson & Hunter Audit LLP
Eighth Floor,
6 New Street Square,
New Fetter Lane,
London EC4A 3AQ

Solicitors:
Wiggin Osborne Fullerlove
95 The Promenade, Cheltenham,
Gloucestershire,
GL50 1HH

Investment Managers:
Rothschild & Co Wealth Management UK Ltd,
New Court, St Swithin's Lane,
London, EC4N 8AL

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was established by a Declaration of Trust dated 8 December 2008 and registered with the Charity Commission on 9 January 2009. It is an unincorporated charitable trust governed by the proper law of England and Wales.

The entire resources of the Charity have been unrestricted throughout the year and the trustees have complete discretion for their use in furtherance of the objects of the Charity. Any money or property not immediately required for the Charity's purposes can be held or invested as the trustees determine.

THE STERLING CHARITY

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Appointment and removal of trustees

Appointment of office holders and trustees is governed by the Declaration of Trust of the Charity.

Trustee inductions and training

Should new trustees be appointed a formal induction process will be conducted by the trustees. Other trustee training is undertaken as and when appropriate. All trustees are aware of their legal obligations under Charities Act 2011, and where relevant, the Charities Act 2022.

Organisation and management

The Charity is administered on a daily basis by Timothy William Osborne who reports directly to the trustees.

The trustees formally meet at least twice a year.

Pay policy for senior staff

All trustees give their time freely and no trustee received remuneration in the year.

Related Parties Affiliation

The Charity is not associated with any other charity.

Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and 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 and 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 the incoming resources and application of resources of the Charity for that year. 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 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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, and where relevant, the Charities Act 2022, 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.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' Responsibilities Statement (continued)

The trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Reserves Policy

The trustees are concerned with maintaining sufficient levels of reserves to enable the Charity to carry out its charitable objects. The trustees believe that the reserves are sufficient for the Charity's current purposes and these are reviewed on a regular basis. These funds will be utilised for the objects of the Charity. In agreeing to any substantial funding the trustees will continue to have regard to maintaining a reasonable level of investments and reserves, thus reasonable return from the investments to safeguard the objectives of the Charity in the long term.

Risk Management

The trustees actively review the major risks which the Charity faces on a regular basis and believe that maintaining sufficient reserves, combined with regular review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems to mitigate the significant risks. A risk assessment has been undertaken which comprises:

- An annual review of the risks the Charity may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

This continuing process will identify risk areas to which the Charity is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

In addition, the trustees have taken due consideration of Good Governance - A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control;
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The trustees recognise that good governance plays an essential part in securing the future of the Charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the Charity.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Fundraising

The trustees have referred to the Code of Fundraising Practice ("the Code") which was developed by the fundraising community through the work of the Institute of Fundraising and Public Fundraising Association, and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the new Code and CC20 have no impact on the Charity as it does not engage in any public fundraising activities.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the Charity are such exclusively charitable purposes as the trustees may in their absolute discretion determine.

The Charity is established to aid the relief of poverty, relief of those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage, the advancement of education, the advancement of science, the advancement of the arts, the advancement of religion, the advancement of health or the saving of lives and the advancement of environmental protection or improvement throughout the world.

Statement of Public Benefit

The trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Charity's aims, activities and achievements in the areas of interest that the Charity supports demonstrates the benefit to its beneficiaries and through them to the public that arise from those activities.

4. ACHIEVEMENT AND PERFORMANCE

During the year the Charity was focused on accumulating sufficient reserves to enable it to achieve its charitable objects and deliver public benefit in the future. The trustees believe, having taken into account Charity Commission guidance, that they will meet the public benefit criteria going forward.

Charitable activities

During the year, the trustees made donations totalling £101,500 (*2023 - £77,000*) to various charities. A full list of grants made during the year is reflected in note 4 on page 16.

Governance costs of £29,022 (*2023 - £28,170*) were incurred during the year, and are included within Charitable activities.

5. FINANCIAL REVIEW

Incoming Resources & Resources Expended

Incoming resources totalled £159,611 (*2023 - £179,021*) comprising of investment income. The Charity's income was received from the investment portfolio.

Investment income is gross of investment management costs. Investment management costs are separately accounted for under resources expended and more specifically under costs of generating funds.

Investment Objectives and Investment Management Policy

The Sterling Charity's investment objective is to preserve the Charity's assets in real terms (Pounds Sterling) with a modest level of growth through capital growth and income.

The annualised return objective is CPI+2%, which would allow for the Charity's capital to be maintained (in real terms) and allow for some distributions to support its charitable objects.

Investment Strategy

The investment return objective requires a medium risk profile whereby the Charity's portfolio may experience regular fluctuations, which could result in a loss. A medium-term (7 to 10 years) time horizon is required. The trustees have delegated the implementation of the investment strategy to Rothschild Wealth Management (UK) Limited ("Rothschild") who manage the investments of the Charity. During the previous year, under advice from Rothschild the trustees changed their portfolio risk strategy to "cautious" from "low" predicated on the resurgent global economy and decreasing volatility across the board. The trustees meet regularly with Rothschild and, if circumstances require, will amend their approach to portfolio risk from time to time.

THE STERLING CHARITY

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

6. INTERNAL CONTROLS

The trustees are responsible for maintaining an adequate system of internal controls and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, and where relevant, the Charities Act 2022, and SORP 2019.

The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

7. GRANT MAKING POLICY

The Charity has been established to provide grants for purposes that are exclusively charitable under the law of England and Wales. The Charity has in place sound grant making arrangements so that it can properly select appropriate grantees.

8. PLANS FOR THE FUTURE

The trustees do not currently propose to deviate from the current objectives and activities of the Charity as detailed in section 3 above. Rothschild & Co Wealth Management (UK) Limited, an external investment firm, continues to manage the assets of the Charity on a discretionary basis going forward.

9. DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

10. AUDITORS

It will be proposed at the next trustees' meeting that Rawlinson & Hunter Audit LLP will be re-appointed as auditor to the Charity for the ensuing year.

Approved by the trustees on 13 October 2025 and signed on their behalf by:

PDH

Paul David Hunston

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY

Opinion

We have audited the financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 2024 and of its incoming resources and application of resources including its income and expenditure 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, and where relevant, the Charities Act 2022.

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 Auditor's 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 Financial Reporting Council'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 sections of this report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report 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 course of 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Annual 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; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements and for being satisfied that give a true and fair view, and for such internal controls 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.

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached for the reasons outlined below:

- due to the relatively simple business model and low volume of transactions within the Charity there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the review of trustees' meeting minutes for unrecorded transactions;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or considered not to be in accordance with our understanding of the Charity activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Charity for previously unreported related party transactions; and
- review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit and the audit procedures described above, there is an unavoidable 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, misrepresentation or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Use of our report

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. 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 auditor's 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Rawlinson & Hunter Audit LLP

Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London EC4A 3AQ

Date: 13 October 2025

Rawlinson & Hunter Audit LLP is eligible for appointment as an auditor of the Charity by virtue of its eligibility for appointment as auditor of the Charity under section 1212 of the Companies Act 2006.

THE STERLING CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds 2024 £	Unrestricted Funds 2023 £
INCOME AND EXPENDITURE			
Incoming resources			
Investment income	2	159,611	179,021
Total incoming resources		159,611	179,021
Expenditure on			
Cost of generating funds	3	(170,338)	(157,700)
Charitable activities	4	(130,522)	(105,170)
Total resources expended		(300,860)	(262,870)
Other recognised gains/(losses)			
Realised gain on investments	6	1,787,432	149,605
Unrealised (loss) / gain on investments	6	(1,049,834)	1,047,208
Foreign exchange gain	5	315,028	219,090
Total other recognised gains		1,052,626	1,415,903
Net movement in funds		911,377	1,332,054
Reconciliation of funds			
Total funds brought forward at 1 January 2024		16,150,918	14,818,864
Total funds carried forward at 31 December 2024		17,062,295	16,150,918

The Statement of Financial Activities includes all gains and losses recognised during the year.

All incoming resources and resources expended derive from continuing activities.

THE STERLING CHARITY

BALANCE SHEET

AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed Assets			
Investments	6	16,596,185	16,046,306
Cash under management	6	489,703	124,935
		17,085,888	16,171,241
Current Assets			
Debtors	7	-	10,325
		-	10,325
Creditors - Amounts falling due in one year	8	(23,593)	(30,648)
Net current liabilities		(23,593)	(20,324)
Total assets less current liabilities		17,062,295	16,150,918
Net Assets		17,062,295	16,150,918
Represented by:			
UNRESTRICTED FUNDS			
Capital Fund		£17,062,295	£16,150,918

The financial statements were approved and authorised for issue by the trustees on 13 October 2025 and signed on their behalf by:

PDH

Paul David Hunston

THE STERLING CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
Cash outflow from operating activities		
Net movement in funds	911,377	1,332,054
Less income from investments	(159,611)	(179,021)
Decrease / (increase) in debtors	10,325	(10,325)
(Decrease) / increase in creditors	(7,055)	9,708
Unrealised loss / (gain) on investments	1,049,834	(1,047,208)
Realised gain on investments	(1,787,432)	(149,605)
Net cash outflow from operating activities	17,438	(44,397)
Cash inflow from investing activities		
Payments to acquire investments	(5,139,303)	(4,887,828)
Receipts from sale of investments	5,327,022	4,452,675
Income from investments	159,611	179,021
Net cash inflow / (outflow) from investing activities	347,330	(256,132)
Net increase / (decrease) in cash and cash equivalents	364,768	(300,529)
Cash and cash equivalents at 1 January	124,935	425,464
Cash and Cash equivalents at 31 December	489,703	124,935
Cash at bank and in hand	-	-
Cash under management	489,703	124,935
Cash and Cash equivalents at 31 December	489,703	425,464

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

The Sterling Charity (the Charity"), registered number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucester, GL50 1HH. The nature of the Charity's operations and principal activities are set out in the Annual Report of the Trustees.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 issued in October 2019 ("SORP"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and where relevant, the Charities Act 2022, and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fixed asset investments
Fixed asset investments are included at closing market value at the balance sheet date. Realised gains and losses on investments are recognised on disposal of investments and any gain or loss on revaluation is taken to the Statement of Financial Activities. The determination of any gains and losses is calculated by reference to the market value of such assets at the beginning of the accounting period.

Cash held for investment is included within investment in accordance with SORP (FRS102).

Incoming resources
Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. Interest income and dividend income is recognised as the Charity's right to receive payment is established and the amount of the income receivable can be measured reliably.

Resources expended
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation committing the Charity to the expenditure.

Charitable activities comprise grants and donations made during the period and are expended through the Statement of Financial Activities when a firm commitment is conveyed to the recipient.

Governance costs include the costs associated with meeting the constitutional and statutory obligations of the Charity, as opposed to the management functions inherent in generating funds.

Status of funds
All funds are held on an unrestricted basis. The trustees have complete discretion for their use in pursuance of the Charity's objectives and which have not been designated for other purposes.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (continued)

Financial Instruments
The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transactions value.

Foreign currency
Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate. All differences are taken to the Statement of Financial Activities.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management.

Taxation
The Charity is not subject to any taxes on its charitable activities.

Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred and allocated.

Going Concern
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The levels of funds held and the levels of income and expenditure, together with the level of reserves are considered sufficient for the Charity to meet its requirements for a period of at least 12 months from the signing of the financial statements.

Judgements and key sources of estimated uncertainty
The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances that effect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The trustees do not consider there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities at the year end.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. INVESTMENT INCOME

	2024	2023
	£	£
Income from investments	159,611	179,021
	159,611	179,021

3. COST OF GENERATING FUNDS

	2024	2023
	£	£
Investment management fees	170,338	157,700
	170,338	157,700

4. CHARITABLE ACTIVITIES

The following grants were awarded during the year	2024	2023
	£	£
Medical Engineering Resource Unit (UK Registered Charity No. 269804)	14,500	11,000
The Movement for Non-Mobile Children (Whizz-Kidz) (UK Registered Charity No.802872)	14,500	11,000
Demand Design and Manufacture for Disability (UK Registered Charity No.1008128)	14,500	11,000
Ruskin Mill Trust Limited (UK Registered Charity No.1137167)	14,500	11,000
InFocus Charity (formerly West of England School & College for young people with little or no sight) (UK Registered Charity No.1058937)	14,500	11,000
Child Brain Injury Trust (UK Registered Charity No.1113326)	14,500	11,000
Dame Vera Lynn Children's Charity (UK Registered Charity No.1089657)	14,500	11,000
	101,500	77,000
Governance Costs		
Independent auditor's fees	19,800	19,900
Legal fees	9,222	8,270
	130,522	105,170

There are no employees other than the trustees who are key management.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

5. FOREIGN EXCHANGE

	2024 £	2023 £
Foreign exchange gain	315,028	219,090
	315,028	219,090

6. INVESTMENTS (AT MARKET VALUE)

	2024 £	2023 £
Quoted investments within the United Kingdom	6,248,868	5,965,366
Quoted investments outside the United Kingdom	10,347,317	10,080,940
	16,596,185	16,046,306
Cash held as part of portfolio	489,703	124,935
Total investments and cash under management	17,085,888	16,171,241

	2024 £	2023 £
Net realised gain on UK investments	32,866	5,639
Net realised gain on overseas investments	1,754,566	143,966
Total net realised gain on investments	1,787,432	149,605
Net unrealised gain on UK investments	76,149	352,818
Net unrealised (loss) / gain on overseas investments	(1,125,983)	694,390
Total net unrealised (loss) / gain on investments	(1,049,834)	1,047,208

Quoted investments within the United Kingdom

Market value 1 January	5,965,366	5,244,531
Additions at cost	1,910,521	2,625,452
Disposals	(1,736,034)	(2,263,074)
Net realised investment gain	32,866	5,639
Net unrealised investment gain	76,149	352,818
Market Value at 31 December	6,248,868	5,965,366
Historic Cost at 31 December	5,654,377	5,394,765

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

6. INVESTMENTS (AT MARKET VALUE) (Continued)

Quoted investments outside the United Kingdom

	2024 £	2023 £
Market value 1 January	10,080,940	9,169,809
Additions at cost	3,228,782	2,262,376
Disposals	(3,590,988)	(2,189,601)
Net realised investment gain	1,754,566	143,966
Net unrealised investment (loss) / gain	(1,125,983)	694,390
Market Value at 31 December	10,347,317	10,080,940
Historic Cost at 31 December	7,227,892	6,798,767

Material holdings were as follows (percentage of the portfolio value):

R Wealth Management SICAV-SIF selected funds	25.60%	22.55%

7. DEBTORS - amounts falling due within one year

	2024 £	2023 £
Accrued income	-	10,325
	-	10,325

8. CREDITORS - amounts falling due within one year

	2024 £	2023 £
Accruals	23,593	30,648
	23,593	30,648

9. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

No trustees or persons connected with them received any remuneration, and no expenses were reimbursed to them during the year.

Paul Hunston, who served during the year as a trustee, is a partner in the firm of solicitors Wiggin Osborne Fullerlove who are the solicitors of the Charity. The Charity incurred fees from Wiggin Osborne Fullerlove totalling £8,314 (*2023 - £8,308*) in relation to legal advice and services relating to 2024. Invoices raised by Wiggin Osborne Fullerlove were approved during the course of the year by the Board of trustees (excluding Mr Hunston) in accordance with clause 25(i) (b) of the Charity's Declaration of Trust.

10. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Board of trustees.

11. FINANCIAL INSTRUMENTS

The carrying amounts of the Charity's financial instruments are as follows:

	2024 £	2023 £
Financial assets		
Measured at fair value through SOFA:		
-Fixed asset quoted investments (Note 6)	16,596,185	16,046,306
-Cash under management (Note 6)	489,703	124,935
Measured at amortised cost:		
Accrued income (Note 7)	-	10,325
Financial liabilities		
Measured at amortised cost:		
-Accruals (Note 8)	(23,593)	(30,648)

The income, expenses, net gains and net losses attributable to the Charity's financial instruments are summarised as follows:

Income and expense		
Measured at fair value through SOFA:		
Net gain (including changes in fair value)	1,052,626	1,415,903

THE STERLING CHARITY

England & Wales - Charity number 1127454

Accounts

THE STERLING CHARITY
(Registered Charity Number: 1127454)

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE STERLING CHARITY

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THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees submit their annual report and the independently audited financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011, and where relevant, the Charities Act 2022, 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 in October 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Charity, registered charity number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucestershire, GL50 1HH.

Trustees:
The names of the trustees who served during the period and those who continue to serve at the date of this report's approval unless otherwise stated are:

Warren Matthews
Elton Shane
Paul David Hunston

Independent Auditor:
Rawlinson & Hunter Audit LLP
Eighth Floor,
6 New Street Square,
New Fetter Lane,
London EC4A 3AQ

Solicitors:
Wiggin Osborne Fullerlove
95 The Promenade, Cheltenham,
Gloucestershire,
GL50 1HH

Investment Managers:
Rothschild & Co Wealth Management UK Ltd,
New Court, St Swithin's Lane,
London, EC4N 8AL

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was established by a Declaration of Trust dated 8 December 2008 and registered with the Charity Commission on 9 January 2009. It is an unincorporated charitable trust governed by the proper law of England and Wales.

The entire resources of the Charity have been unrestricted throughout the year and the trustees have complete discretion for their use in furtherance of the objects of the Charity. Any money or property not immediately required for the Charity's purposes can be held or invested as the trustees determine.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Appointment and removal of trustees

Appointment of office holders and trustees is governed by the Declaration of Trust of the Charity.

Trustee inductions and training

Should new trustees be appointed a formal induction process will be conducted by the trustees. Other trustee training is undertaken as and when appropriate. All trustees are aware of their legal obligations under Charities Act 2011, and where relevant, the Charities Act 2022.

Organisation and management

The Charity is administered on a daily basis by Timothy William Osborne who reports directly to the trustees.

The trustees formally meet at least twice a year.

Pay policy for senior staff

All trustees give their time freely and no trustee received remuneration in the year.

Related Parties Affiliation

The Charity is not associated with any other charity.

Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and 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 and 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 the incoming resources and application of resources of the Charity for that year. 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 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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, and where relevant, the Charities Act 2022, 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.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' Responsibilities Statement (continued)

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Reserves Policy

The trustees are concerned with maintaining sufficient levels of reserves to enable the Charity to carry out its charitable objects. The trustees believe that the reserves are sufficient for the Charity's current purposes and these are reviewed on a regular basis. These funds will be utilised for the objects of the Charity. In agreeing to any substantial funding the trustees will continue to have regard to maintaining a reasonable level of investments and reserves, thus reasonable return from the investments to safeguard the objectives of the Charity in the long term.

Risk Management

The trustees actively review the major risks which the Charity faces on a regular basis and believe that maintaining sufficient reserves, combined with regular review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems to mitigate the significant risks. A risk assessment has been undertaken which comprises:

- An annual review of the risks the Charity may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

This continuing process will identify risk areas to which the Charity is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

In addition, the trustees have taken due consideration of Good Governance - A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control;
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The trustees recognise that good governance plays an essential part in securing the future of the Charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the Charity.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Fundraising

The trustees have referred to the Code of Fundraising Practice ("the Code") which was developed by the fundraising community through the work of the Institute of Fundraising and Public Fundraising Association, and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the new Code and CC20 have no impact on the Charity as it does not engage in any public fundraising activities.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the Charity are such exclusively charitable purposes as the trustees may in their absolute discretion determine.

The Charity is established to aid the relief of poverty, relief of those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage, the advancement of education, the advancement of science, the advancement of the arts, the advancement of religion, the advancement of health or the saving of lives and the advancement of environmental protection or improvement throughout the world.

Statement of Public Benefit

The trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Charity's aims, activities and achievements in the areas of interest that the Charity supports demonstrates the benefit to its beneficiaries and through them to the public that arise from those activities.

4. ACHIEVEMENT AND PERFORMANCE

During the year the Charity was focused on accumulating sufficient reserves to enable it to achieve its charitable objects and deliver public benefit in the future. The trustees believe, having taken into account Charity Commission guidance, that they will meet the public benefit criteria going forward.

Charitable activities

During the year, the trustees made donations totalling £77,000 (*2022 - £75,000*) to various charities. A full list of grants made during the year is reflected in note 4 on page 16.

Governance costs of £28,170 (*2022 - £28,538*) were incurred during the year, and are included within Charitable activities.

THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

5. FINANCIAL REVIEW

Incoming Resources & Resources Expended

Incoming resources totalled £179,021 (*2022 - £115,130*) comprising of investment income. The Charity's income was received from the investment portfolio.

Investment income is gross of investment management costs. Investment management costs are separately accounted for under resources expended and more specifically under costs of generating funds.

Investment Objectives and Investment Management Policy

The Sterling Charity's investment objective is to preserve the Charity's assets in real terms (Pounds Sterling) with a modest level of growth through capital growth and income.

The annualised return objective is CPI+2%, which would allow for the Charity's capital to be maintained (in real terms) and allow for some distributions to support its charitable objects.

Investment Strategy

This return objective requires a medium risk profile whereby the Charity's portfolio may experience regular fluctuations, which could result in a loss. A medium-term (7 to 10 years) time horizon is required. The trustees have delegated the implementation of the investment strategy to Rothschild Wealth Management (UK) Limited ("Rothschild") who manage the investments of the Charity. During the previous year, under advice from Rothschild the trustees changed their portfolio risk strategy to "cautious" from "low" predicated on the resurgent global economy and decreasing volatility across the board. The trustees meet regularly with Rothschild and, if circumstances require, will amend their approach to portfolio risk from time to time.

THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

6. INTERNAL CONTROLS

The trustees are responsible for maintaining an adequate system of internal controls and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, and where relevant, the Charities Act 2022, and SORP 2019.

The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

7. GRANT MAKING POLICY

The Charity has been established to provide grants for purposes that are exclusively charitable under the law of England and Wales. The Charity has in place sound grant making arrangements so that it can properly select appropriate grantees.

8. PLANS FOR THE FUTURE

The trustees do not currently propose to deviate from the current objectives and activities of the Charity as detailed in section 3 above. Rothschild & Co Wealth Management (UK) Limited, an external investment firm, continues to manage the assets of the Charity on a discretionary basis going forward.

9. DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

10. AUDITORS

It will be proposed at the next trustees' meeting that Rawlinson & Hunter Audit LLP will be re-appointed as auditor to the Charity for the ensuing year.

Approved by the trustees on 24th SEPTEMBER 2024 and signed on their behalf by:

PDL

Paul David Hunston

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY

Opinion

We have audited the financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 2023 and of its incoming resources and application of resources including its income and expenditure 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, and where relevant, the Charities Act 2022.

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 Auditor's 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 Financial Reporting Council'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 sections of this report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report 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 course of 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Annual 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; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements and for being satisfied that give a true and fair view, and for such internal controls 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.

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached for the reasons outlined below:

- due to the relatively simple business model and low volume of transactions within the Charity there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the review of trustees' meeting minutes for unrecorded transactions;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or considered not to be in accordance with our understanding of the Charity activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Charity for previously unreported related party transactions; and
- review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit and the audit procedures described above, there is an unavoidable 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, misrepresentation or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Use of our report

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. 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 auditor's 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Rawlinson & Hunter Audit LLP

Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London EC4A 3AQ

Date: 27 September 2024

Rawlinson & Hunter Audit LLP is eligible for appointment as an auditor of the Charity by virtue of its eligibility for appointment as auditor of the Charity under section 1212 of the Companies Act 2006.

THE STERLING CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
INCOME AND EXPENDITURE			
Incoming resources			
Investment income	2	179,021	115,130
Total incoming resources		179,021	115,130
Expenditure on			
Cost of generating funds	3	(157,700)	(157,066)
Charitable activities	4	(105,170)	(103,538)
Total resources expended		(262,870)	(260,604)
Other recognised gains/(losses)			
Realised gain on investments	6	149,605	167,210
Unrealised gain / (loss) on investments	6	1,047,208	(447,601)
Foreign exchange gain / (loss)	5	219,090	(870,806)
Total other recognised gains/(losses)		1,415,903	(1,151,197)
Net movement in funds		1,332,054	(1,296,671)
Reconciliation of funds			
Total funds brought forward at 1 January 2023		14,818,864	16,115,535
Total funds carried forward at 31 December 2023		16,150,918	14,818,864

The Statement of Financial Activities includes all gains and losses recognised during the year.

All incoming resources and resources expended derive from continuing activities.

THE STERLING CHARITY

BALANCE SHEET

AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed Assets			
Investments	6	16,046,306	14,414,340
Cash under management	6	124,935	425,464
		16,171,241	14,839,804
Current Assets			
Debtors	7	10,325	-
Cash and bank in hand		-	-
		10,325	-
Creditors - Amounts falling due in one year	8	(30,648)	(20,940)
Net current liabilities		(20,324)	(20,940)
Total assets less current liabilities		16,150,918	14,818,864
Net Assets		16,150,918	14,818,864
Represented by:			
UNRESTRICTED FUNDS			
Capital Fund		£16,150,918	£14,818,864

The financial statements were approved and authorised for issue by the Trustees on 24TH SEPTEMBER 202 and signed on their behalf by:

PD

Paul David Hunston

THE STERLING CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash outflow from operating activities		
Net movement in funds	1,332,054	(1,296,671)
Less income from investments	(179,021)	(115,130)
Increase in debtors	(10,325)	-
Increase / (Decrease) in creditors	9,708	(6,580)
Unrealised (gain) / loss on investments	(1,047,208)	447,601
Realised gain on investments	(149,605)	(167,210)
Net cash outflow from operating activities	(44,397)	(1,137,990)
Cash inflow from investing activities		
Payments to acquire investments	(4,887,828)	(2,489,119)
Receipts from sale of investments	4,452,675	3,505,665
Income from investments	179,021	115,130
Net cash (outflow) / inflow from investing activities	(256,132)	1,131,676
Net decrease in cash and cash equivalents	(300,529)	(6,314)
Cash and cash equivalents at 1 January	425,464	431,778
Cash and Cash equivalents at 31 December	124,935	425,464
Cash at bank and in hand	-	-
Cash under management	124,935	425,464
Cash and Cash equivalents at 31 December	124,935	425,464

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

The Sterling Charity (the Charity"), registered number 1127454, is based and administered in the United Kingdom. The registered address is 95.The Promenade, Cheltenham, Gloucester, GL50 1HH. The nature of the Charity's operations and principal activities are set out in the Trustees' Annual Report.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 issued in October 2019 ("SORP"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and where relevant, the Charities Act 2022, and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fixed asset investments
Fixed asset investments are included at closing market value at the balance sheet date. Realised gains and losses on investments are recognised on disposal of investments and any gain or loss on revaluation is taken to the Statement of Financial Activities. The determination of any gains and losses is calculated by reference to the market value of such assets at the beginning of the accounting period.

Cash held for investment is included within investment in accordance with SORP (FRS102).

Incoming resources
Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. Interest income and dividend income is recognised as the Charity's right to receive payment is established and the amount of the income receivable can be measured reliably.

Resources expended
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation committing the Charity to the expenditure.

Charitable activities comprise grants and donations made during the period and are expended through the Statement of Financial Activities when a firm commitment is conveyed to the recipient.

Governance costs include the costs associated with meeting the constitutional and statutory obligations of the charity, as opposed to the management functions inherent in generating funds.

Status of funds
All funds are held on an unrestricted basis. The trustees have complete discretion for their use in pursuance of the Charity's objectives and which have not been designated for other purposes.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (continued)

Financial Instruments
The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transactions value.

Foreign currency
Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate. All differences are taken to the Statement of Financial Activities.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management.

Taxation
The Charity is not subject to any taxes on its charitable activities.

Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred and allocated.

Going Concern
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The levels of funds held and the levels of income and expenditure, together with the level of reserves are considered sufficient for the Charity to meet its requirements for a period of at least 12 months from the signing of the financial statements.

Judgements and key sources of estimated uncertainty
The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances that effect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The trustees do not consider there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities at the year end.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

2. INVESTMENT INCOME

	2023	2022
	£	£
Income from investments	179,021	115,130
	179,021	115,130

3. COST OF GENERATING FUNDS

	2023	2022
	£	£
Investment management fees	157,700	157,066
	157,700	157,066

4. CHARITABLE ACTIVITIES

The following grants were awarded during the year

	2023	2022
	£	£
Medical Engineering Resource Unit (UK Registered Charity No. 269804)	11,000	12,500
The Movement for Non-Mobile Children (Whizz-Kidz) (UK Registered Charity No.802872)	11,000	12,500
Demand Design and Manufacture for Disability (UK Registered Charity No.1008128)	11,000	12,500
Ruskin Mill Trust Limited (UK Registered Charity No.1137167)	11,000	12,500
InFocus Charity (formerly West of England School & College for young people with little or no sight) (UK Registered Charity No.1058937)	11,000	12,500
Child Brain Injury Trust (UK Registered Charity No.1113326)	11,000	-
Dame Vera Lynn Children's Charity (UK Registered Charity No.1089657)	77,000	75,000
Governance Costs		
Independent auditor's fees	19,900	20,601
Legal fees	8,270	7,937
	105,170	103,538

There are no employees other than the trustees who are key management.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

5. FOREIGN EXCHANGE

	2023 £	2022 £
Foreign exchange gain / (loss)	219,090	(870,806)
	219,090	(870,806)

6. INVESTMENTS (AT MARKET VALUE)

	2023 £	2022 £
Quoted investments within the United Kingdom	5,965,366	5,244,531
Quoted investments outside the United Kingdom	10,080,940	9,169,809
	16,046,306	14,414,340
Cash held as part of portfolio	124,935	425,464
Total investments and cash under management	16,171,241	14,839,804

	2023 £	2022 £
Net realised (loss)/gain on UK investments	5,639	(26,445)
Net realised gain on overseas investments	143,966	193,655
Total net realised gain on investments	149,605	167,210
Net unrealised gain / (loss) on UK investments	352,818	(92,303)
Net unrealised gain / (loss) on overseas investments	694,390	(355,298)
Total net unrealised (gain) / loss on investments	1,047,208	(477,601)

Quoted investments within the United Kingdom

Market value 1 January	5,244,531	6,415,045
Additions at cost	2,625,452	640,918
Disposals	(2,263,074)	(1,692,684)
Net realised investment gain / (loss)	5,639	(26,445)
Net unrealised investment gain / (loss)	352,818	(92,303)
Market Value at 31 December	5,965,366	5,244,531
Historic Cost at 31 December	5,394,765	4,972,770

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

6. **INVESTMENTS (AT MARKET VALUE) (Continued)**

Quoted investments outside the United Kingdom

	2023 £	2022 £
Market value 1 January	9,169,809	9,296,232
Additions at cost	2,262,376	1,848,201
Disposals	(2,189,601)	(1,812,981)
Net realised investment gain	143,966	193,655
Net unrealised investment gain / (loss)	694,390	(355,298)
Market Value at 31 December	10,080,940	9,169,809
Historic Cost at 31 December	6,798,767	6,464,169

Material holdings were as follows (percentage of the portfolio value):

R Wealth Management SICAV-SIF selected funds	22.55%	35.70%

7. **DEBTORS - amounts falling due within one year**

	2023 £	2022 £
Accrued income	10,325	-
	10,325	-

8. **CREDITORS - amounts falling due within one year**

	2023 £	2022 £
Accruals	30,648	20,940
	30,648	20,940

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

9. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

No trustees or persons connected with them received any remuneration, and no expenses were reimbursed to them during the year.

Paul Hunston, who served during the year as a trustee, is a partner in the firm of solicitors Wiggin Osborne Fullerlove who are the solicitors of the Charity. The Charity incurred fees from Wiggin Osborne Fullerlove totalling £8,308 (*2022 - £7,865*) in relation to legal advice and services relating to 2023. Invoices raised by Wiggin Osborne Fullerlove were approved during the course of the year by the Board of trustees (excluding Mr Hunston) in accordance with clause 25(i) (b) of the Charity's Declaration of Trust.

10. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Board of trustees.

11. FINANCIAL INSTRUMENTS

The carrying amounts of the charity's financial instruments are as follows:

	2023 £	2022 £
Financial assets		
Measured at fair value through SOFA:		
-Fixed asset quoted investments (Note 6)	16,046,306	14,414,340
-Cash under management (Note 6)	124,935	425,464
Measured at amortised cost:		
Accrued income (Note 7)	10,325	-
Financial liabilities		
Measured at amortised cost:		
-Accruals (Note 8)	(30,648)	(20,940)

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense		
Measured at fair value through SOFA:		
Net gain / (loss) (including changes in fair value)	1,415,903	(1,151,197)

THE STERLING CHARITY

England & Wales - Charity number 1127454

Accounts

THE STERLING CHARITY
(Registered Charity Number: 1127454)

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE STERLING CHARITY

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THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees submit their annual report and the independently audited financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011, and where relevant, the Charities Act 2022, 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 in October 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Charity, registered charity number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucestershire, GL50 1HH.

Trustees:
The names of the trustees who served during the period and those who continue to serve at the date of this report's approval unless otherwise stated are:

Warren Matthews
Elton Shane
Paul David Hunston

Independent Auditor:
Rawlinson & Hunter Audit LLP
Eighth Floor,
6 New Street Square,
New Fetter Lane,
London EC4A 3AQ

Solicitors:
Wiggin Osborne Fullerlove
95 The Promenade, Cheltenham,
Gloucestershire,
GL50 1HH

Investment Managers:
Rothschild & Co Wealth Management UK Ltd,
New Court, St Swithin's Lane,
London, EC4N 8AL

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was established by a Declaration of Trust dated 8 December 2008 and registered with the Charity Commission on 9 January 2009. It is an unincorporated charitable trust governed by the proper law of England and Wales.

The entire resources of the Charity have been unrestricted throughout the year and the trustees have complete discretion for their use in furtherance of the objects of the Charity. Any money or property not immediately required for the Charity's purposes can be held or invested as the trustees determine.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Appointment and removal of trustees

Appointment of office holders and trustees is governed by the Declaration of Trust of the Charity.

Trustee inductions and training

Should new trustees be appointed a formal induction process will be conducted by the trustees. Other trustee training is undertaken as and when appropriate. All trustees are aware of their legal obligations under Charities Act 2011, and where relevant, the Charities Act 2022.

Organisation and management

The Charity is administered on a daily basis by Timothy William Osborne who reports directly to the trustees.

The trustees formally meet at least twice a year.

Pay policy for senior staff

All trustees give their time freely and no trustee received remuneration in the year.

Related Parties Affiliation

The Charity is not associated with any other charity.

Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and 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 and 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 the incoming resources and application of resources of the Charity for that year. 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 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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, and where relevant, the Charities Act 2022, 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.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' Responsibilities Statement (continued)

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Reserves Policy

The trustees are concerned with maintaining sufficient levels of reserves to enable the Charity to carry out its charitable objects. The trustees believe that the reserves are sufficient for the Charity's current purposes and these are reviewed on a regular basis. These funds will be utilised for the objects of the Charity. In agreeing to any substantial funding the trustees will continue to have regard to maintaining a reasonable level of reserves to safeguard the objectives of the Charity in the short term.

Risk Management

The trustees actively review the major risks which the Charity faces on a regular basis and believe that maintaining sufficient reserves, combined with regular review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems to mitigate the significant risks. A risk assessment has been undertaken which comprises:

- An annual review of the risks the Charity may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

This continuing process will identify risk areas to which the Charity is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

In addition, the trustees have taken due consideration of Good Governance - A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control;
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The trustees recognise that good governance plays an essential part in securing the future of the Charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the Charity.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Fundraising

The trustees have referred to the Code of Fundraising Practice ("the Code") which was developed by the fundraising community through the work of the Institute of Fundraising and Public Fundraising Association, and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the new Code and CC20 have no impact on the Charity as it does not engage in any public fundraising activities.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the Charity are such exclusively charitable purposes as the trustees may in their absolute discretion determine.

The Charity is established to aid the relief of poverty, relief of those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage, the advancement of education, the advancement of science, the advancement of the arts, the advancement of religion, the advancement of health or the saving of lives and the advancement of environmental protection or improvement throughout the world.

Statement of Public Benefit

The trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Charity's aims, activities and achievements in the areas of interest that the Charity supports demonstrates the benefit to its beneficiaries and through them to the public that arise from those activities.

4. ACHIEVEMENT AND PERFORMANCE

During the year the Charity was focused on accumulating sufficient reserves to enable it to achieve its charitable objects and deliver public benefit in the future. The trustees believe, having taken into account Charity Commission guidance, that they will meet the public benefit criteria going forward.

Charitable activities

During the year, the trustees made donations totalling £75,000 (*2021 - £60,000*) to various charities. A full list of grants made during the year is reflected in note 4, on page 16.

Governance costs of £28,538 (*2021 - £24,829*) were incurred during the year, and are included within Charitable activities.

5. FINANCIAL REVIEW

Incoming Resources & Resources Expended

Incoming resources totalled £115,130 (*2021 - £78,981*) comprising of investment income. The Charity's income was received from the investment portfolio.

Investment income is gross of investment management costs. Investment management costs are separately accounted for under resources expended and more specifically under costs of generating funds.

Investment Objectives and Investment Management Policy

The Sterling Charity's investment objective is to preserve the Charity's assets in real terms (Pounds Sterling) with a modest level of growth through capital growth and income.

The annualised return objective is CPI+2%, which would allow for the Charity's capital to be maintained (in real terms) and allow for some distributions to support its charitable objects.

Investment Strategy

This return objective requires a medium risk profile whereby the Charity's portfolio may experience regular fluctuations, which could result in a loss. A medium-term (7 to 10 years) time horizon is required. The trustees have delegated the implementation of the investment strategy to Rothschild Wealth Management (UK) Limited ("Rothschild") who manage the investments of the Charity. During the previous year, under advice from Rothschild the trustees changed their portfolio risk strategy to "cautious" from "low" predicated on the resurgent global economy and decreasing volatility across the board. The trustees meet regularly with Rothschild and, if circumstances require, will amend their approach to portfolio risk from time to time.

THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

6. INTERNAL CONTROLS

The trustees are responsible for maintaining an adequate system of internal controls and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, and where relevant, the Charities Act 2022 and SORP 2019.

The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

7. GRANT MAKING POLICY

The Charity has been established to provide grants for purposes that are exclusively charitable under the law of England and Wales. The Charity has in place sound grant making arrangements so that it can properly select appropriate grantees.

8. PLANS FOR THE FUTURE

The trustees do not currently propose to deviate from the current objectives and activities of the Charity as detailed in section 3 above. Rothschild Wealth Management (UK) Limited, an external investment firm, continues to manage the assets of the Charity on a discretionary basis going forward.

9. DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

10. AUDITORS

It will be proposed at the next trustees' meeting that Rawlinson & Hunter Audit LLP will be re-appointed as auditor to the Charity for the ensuing year.

Approved by the trustees on 18 October 2023 and signed on their behalf by:

Paul David Hunston

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY

Opinion

We have audited the financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 2022 and of its incoming resources and application of resources including its income and expenditure, 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, and where relevant, the Charities Act 2022.

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 Auditor's 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 Financial Reporting Council'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 sections of this report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Financial Statements, other than the financial statements and our auditor's report 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 course of 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report 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; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements and for being satisfied that give a true and fair view, and for such internal controls 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.

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached for the reasons outlined below:

- due to the relatively simple business model and low volume of transactions within the Charity there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the review of trustees' minutes;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or considered not to be in accordance with our understanding of the Charity activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Charity for previously unreported related party transactions; and
- review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit and the audit procedures described above, there is an unavoidable 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, misrepresentation or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Use of our report

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. 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 auditor's 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Rawlinson & Hunter Audit LLP

Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London EC4A 3AQ

Date: 18 October 2023

Rawlinson & Hunter Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE STERLING CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
INCOME AND EXPENDITURE			
Incoming resources			
Investment income	2	115,130	78,981
Total incoming resources		115,130	78,981
Expenditure on			
Cost of generating funds	3	(157,066)	(162,153)
Charitable activities	4	(103,538)	(84,829)
Total resources expended		(260,604)	(246,982)
Other recognised (losses) / gains			
Realised gain on investments	6	167,210	265,691
Unrealised (loss) / gain on investments	6	(447,601)	835,094
Foreign exchange (loss) / gain	5	(870,806)	177,347
Total other recognised (losses) / gains		(1,151,197)	1,278,132
Net movement in funds		(1,296,671)	1,110,131
Reconciliation of funds			
Total funds brought forward at 1 January 2022		16,115,535	15,005,404
Total funds carried forward at 31 December 2022		14,818,864	16,115,535

The Statement of Financial Activities includes all gains and losses recognised during the year.

All incoming resources and resources expended derive from continuing activities.

THE STERLING CHARITY

BALANCE SHEET

AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed Assets			
Investments	6	14,414,340	15,711,277
Cash under management	6	425,464	431,778
		14,839,804	16,143,055
Creditors - Amounts falling due in one year	7	(20,940)	(27,520)
Net current liabilities		(20,940)	(27,520)
Total assets less current liabilities		14,818,864	16,115,535
Net Assets		14,818,864	16,115,535
Represented by:			
UNRESTRICTED FUNDS			
Capital Fund		£14,818,864	£16,115,535

The financial statements were approved and authorised for issue by the Board on 18 October 2023 and signed on their behalf by:

PDH

Paul David Hunston

THE STERLING CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash outflow from operating activities		
Net movement in funds	(1,296,671)	1,110,131
Less income from investments	(115,130)	(78,981)
(Decrease) / increase in creditors	(6,580)	12,309
Unrealised loss / (gain) on investments	447,601	(835,094)
Realised gain in investments	(167,210)	(265,691)
Net cash outflow from operating activities	(1,137,990)	(57,326)
Cash inflow from investing activities		
Payments to acquire investments	(2,489,119)	(4,902,077)
Receipts from sale of investments	3,505,665	4,790,520
Income from investments	115,130	78,981
Net cash inflow / (outflow) from investing activities	1,131,676	(32,576)
Net decrease in cash and cash equivalents	(6,314)	(89,902)
Cash and cash equivalents at 1 January	431,778	521,680
Cash and Cash equivalents at 31 December	425,464	431,778
Cash at bank and in hand	-	-
Cash under management	425,464	431,778
Cash and Cash equivalents at 31 December	425,464	431,778

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

The Sterling Charity (the Charity"), registered number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucester, GL50 1HH. The nature of the Charity's operations and principal activities are set out in the Trustees' Annual Report.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 issued in October 2019 ("SORP"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and where relevant, the Charities Act 2022, and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fixed asset investments
Fixed asset investments are included at closing market value at the balance sheet date. Realised gains and losses on investments are recognised on disposal of investments and any gain or loss on revaluation is taken to the Statement of Financial Activities. The determination of any gains and losses is calculated by reference to the market value of such assets at the beginning of the accounting period.

Cash held for investment is included within investment in accordance with SORP (FRS102).

Incoming resources
Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. Interest income and dividend income is recognised as the Charity's right to receive payment is established and the amount of the income receivable can be measured reliably.

Resources expended
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation committing the Charity to the expenditure.

Charitable activities comprise grants and donations made during the period and are expended through the Statement of Financial Activities when a firm commitment is conveyed to the recipient.

Governance costs include the costs associated with meeting the constitutional and statutory obligations of the charity, as opposed to the management functions inherent in generating funds.

Status of funds
All funds are held on an unrestricted basis. The trustees have complete discretion for their use in pursuance of the Charity's objectives and which have not been designated for other purposes.

1. ACCOUNTING POLICIES (continued)

Financial Instruments
The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transactions value.

Foreign currency
Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate. All differences are taken to the Statement of Financial Activities.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management.

Taxation
The Charity is not subject to any taxes on its charitable activities.

Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred and allocated.

Going Concern
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The levels of funds held and the levels of income and expenditure, together with the level of reserves are considered sufficient for the Charity to meet its requirements for a period of at least 12 months from the signing of the financial statements.

Judgements and key sources of estimated uncertainty
The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances that effect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The trustees do not consider there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities at the year end.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

2. INVESTMENT INCOME

	2022	2021
	£	£
Income from investments	115,130	78,981
	115,130	78,981

3. COST OF GENERATING FUNDS

	2022	2021
	£	£
Investment management fees	157,066	162,153
	157,066	162,153

4. CHARITABLE ACTIVITIES

The following grants were awarded during the year

	2022	2021
	£	£
Medical Engineering Resource Unit (UK Registered Charity No. 269804)	12,500	10,000
The Movement for Non-Mobile Children (Whizz-Kidz) (UK Registered Charity No.802872)	12,500	10,000
Demand Design and Manufacture for Disability (UK Registered Charity No.1008128)	12,500	10,000
Ruskin Mill Trust Limited (UK Registered Charity No.1137167)	12,500	10,000
InFocus Charity (formerly West of England School & College for young people with little or no sight) (UK Registered Charity No.1058937)	12,500	10,000
Child Brain Injury Trust (UK Registered Charity No.1113326)	12,500	10,000
	75,000	60,000
Governance Costs		
Independent auditor's fees	20,601	18,320
Legal fees	7,937	6,509
	103,538	84,829

There are no employees other than the trustees who are key management.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

5. FOREIGN EXCHANGE	2022 £	2021 £
Foreign exchange (loss) / gain	(870,806)	177,347
	(870,806)	177,347

6. INVESTMENTS (AT MARKET VALUE)	2022 £	2021 £
Quoted investments within the United Kingdom	5,244,531	6,415,045
Quoted investments outside the United Kingdom	9,169,809	9,296,232
	14,414,340	15,711,277
Cash held as part of portfolio	425,464	431,778
Total investments and cash under management	14,839,804	16,143,055

	2022 £	2021 £
Net realised (loss) /gain on UK investments	(26,445)	106,363
Net realised gain on overseas investments	193,655	159,328
Total net realised gain on investments	167,210	265,691
Net unrealised (loss) / gain on UK investments	(92,303)	172,913
Net unrealised (loss) / gain on overseas investments	(355,298)	662,181
Total net unrealised (loss) / gain on investments	(447,601)	835,094
Quoted investments within the United Kingdom		
Market value 1 January	6,415,045	7,321,365
Additions at cost	640,918	993,964
Disposals	(1,692,684)	(2,179,560)
Net realised investment (loss) / gain	(26,445)	106,363
Net unrealised investment (loss) / gain	(92,303)	172,913
Market Value at 31 December	5,244,531	6,415,045
Historic Cost at 31 December	4,972,770	6,154,192

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

6. **INVESTMENTS (AT MARKET VALUE) (Continued)**

Quoted investments outside the United Kingdom

	2022 £	2021 £
Market value 1 January	9,296,232	7,177,570
Additions at cost	1,848,201	3,908,113
Disposals	(1,812,981)	(2,610,960)
Net realised investment gain	193,655	159,328
Net unrealised investment (loss) / gain	(355,298)	662,181
Market Value at 31 December	9,169,809	9,296,232
Historic Cost at 31 December	6,464,169	5,974,271

Material holdings were as follows (percentage of the portfolio value):

R Wealth Management SICAV-SIF selected funds	35.70%	28.92%

7. **CREDITORS - amounts falling due within one year**

	2022 £	2021 £
Accruals	20,940	27,520
	20,940	27,520

8. **TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS**

No trustees or persons connected with them received any remuneration, and no expenses were reimbursed to them during the year.

Paul Hunston, who served during the year as a trustee, is a partner in the firm of solicitors Wiggin Osborne Fullerlove who are the solicitors of the Charity. The Charity incurred fees from Wiggin Osborne Fullerlove totalling £7,865 (*2021 - £6,510*) in relation to legal advice and services relating to 2022. Invoices raised by Wiggin Osborne Fullerlove were approved during the course of the year by the Board of trustees (excluding Mr Hunston) in accordance with clause 25(i) (b) of the Charity's Declaration of Trust.

9. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Board of trustees.

10. FINANCIAL INSTRUMENTS

The carrying amounts of the charity's financial instruments are as follows:

	2022 £	2021 £
Financial assets		
Measured at fair value through SOFA:		
-Fixed asset quoted investments (Note 6)	14,414,340	15,711,277
-Cash under management (Note 6)	425,464	431,778
Financial liabilities		
Measured at amortised cost:		
-Accruals (Note 7)	20,940	27,520

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense		
Measured at fair value through SOFA:		
Net (loss) / gain (including changes in fair value)	(1,151,197)	1,278,132

THE STERLING CHARITY

England & Wales - Charity number 1127454

Accounts

THE STERLING CHARITY
(Registered Charity Number: 1127454)

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

THE STERLING CHARITY

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THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees submit their annual report and the independently audited financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply 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 in October 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Charity, registered charity number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucestershire, GL50 1HH.

Trustees:
The names of the trustees who served during the period and those who continue to serve at the date of this report's approval unless otherwise stated are:

Warren Matthews
Elton Shane
Paul David Hunston

Independent Auditor:
Rawlinson & Hunter Audit LLP
Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ

Solicitors:
Wiggin Osborne Fullerlove
95 The Promenade, Cheltenham, Gloucestershire, GL50 1HH

Investment Managers:
Rothschild Wealth Management (UK) Ltd, New Court, St Swithin's Lane, London, EC4N 8AL

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was established by a Declaration of Trust dated 8 December 2008 and registered with the Charity Commission on 9 January 2009. It is an unincorporated charitable trust governed by the proper law of England and Wales.

The entire resources of the Charity have been unrestricted throughout the year and the trustees have complete discretion for their use in furtherance of the objects of the Charity. Any money or property not immediately required for the Charity's purposes can be held or invested as the trustees determine.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Appointment and removal of trustees

Appointment of office holders and trustees is governed by the Declaration of Trust of the Charity.

Trustee inductions and training

Should new trustees be appointed a formal induction process will be conducted by the trustees. Other trustee training is undertaken as and when appropriate. All trustees are aware of their legal obligations under Charities Act 2011.

Organisation and management

The Charity is administered on a daily basis by Timothy William Osborne who reports directly to the trustees.

The trustees formally meet at least twice a year.

Pay policy for senior staff

All trustees give their time freely and no trustee received remuneration in the year.

Related Parties Affiliation

The Charity is not associated with any other charity.

Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and 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 and 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 the incoming resources and application of resources of the Charity for that year. 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 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of trustees' Responsibilities (continued)

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Reserves Policy

The trustees are concerned with maintaining sufficient levels of reserves to enable the Charity to carry out its charitable objects. The trustees believe that the reserves are sufficient for the Charity's current purposes and these are reviewed on a regular basis. These funds will be utilised for the objects of the Charity. In agreeing to any substantial funding the trustees will continue to have regard to maintaining a reasonable level of reserves to safeguard the objectives of the Charity in the short term.

Risk Management

The trustees actively review the major risks which the Charity faces on a regular basis and believe that maintaining sufficient reserves, combined with regular review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems to mitigate the significant risks.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the Charity are such exclusively charitable purposes as the trustees may in their absolute discretion determine.

The Charity is established to aid the relief of poverty, relief of those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage, the advancement of education, the advancement of science, the advancement of the arts, the advancement of religion, the advancement of health or the saving of lives and the advancement of environmental protection or improvement throughout the world.

Statement of Public Benefit

The trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Charity's aims, activities and achievements in the areas of interest that the Charity supports demonstrates the benefit to its beneficiaries and through them to the public that arise from those activities.

4. ACHIEVEMENT AND PERFORMANCE

During the year the Charity was focused on accumulating sufficient reserves to enable it to achieve its charitable objects and deliver public benefit in the future. The trustees believe, having taken into account Charity Commission guidance, that they will meet the public benefit criteria going forward.

Charitable activities

During the year, the trustees made donations totalling £60,000 (*2020* - £141,000) to various charities. A full list of grants made during the year is reflected in note 4, on page 15.

Governance costs of £24,830 (*2020 - £23,924*) were incurred during the year, and are included within Charitable activities.

5. FINANCIAL REVIEW

Incoming Resources & Resources Expended

Incoming resources totalled £78,981 (*2020 - £152,195*) comprising of investment income. The Charity's income was received from the investment portfolio.

Investment income is gross of investment management costs. Investment management costs are separately accounted for under resources expended and more specifically under costs of generating funds.

Investment Objectives and Investment Management Policy

The Sterling Charity's investment objective is to preserve the Charity's assets in real terms (Pounds Sterling) with a modest level of growth through capital growth and income.

The annualised return objective is CPI+2%, which would allow for the Charity's capital to be maintained (in real terms) and allow for some distributions to support its charitable objects.

Investment Strategy

This return objective requires a medium risk profile whereby the Charity's portfolio may experience regular fluctuations, which could result in a loss. A medium-term (7 to 10 years) time horizon is required. The trustees have delegated the implementation of the investment strategy to Rothschild Wealth Management (UK) Limited ("Rothschild") who manage the investments of the Charity. During the previous year, under advice from Rothschild the trustees changed their portfolio risk strategy to "cautious" from "low" predicated on the resurgent global economy and decreasing volatility across the board. The trustees meet regularly with Rothschild and, if circumstances require, will amend their approach to portfolio risk from time to time.

THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

6. INTERNAL CONTROLS

The trustees are responsible for maintaining an adequate system of internal controls and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and SORP 2019.

The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

7. GRANT MAKING POLICY

The Charity has been established to provide grants for purposes that are exclusively charitable under the law of England and Wales. The Charity has in place sound grant making arrangements so that it can properly select appropriate grantees.

8. PLANS FOR THE FUTURE

The trustees do not currently propose to deviate from the current objectives and activities of the Charity as detailed in note 3, above. Rothschild Wealth Management (UK) Limited, an external investment firm, continues to manage the assets of the Charity on a discretionary basis going forward.

9. AUDITORS

It will be proposed at the next trustees' meeting that Rawlinson & Hunter Audit LLP will be re-appointed as auditor to the Charity for the ensuing year.

Approved by the trustees on 16. 10. 2022 and signed on their behalf by:

PDL

Paul David Hunston

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY

Opinion

We have audited the financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 Auditor's 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 Financial Reporting Council'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 sections of this report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 course of 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal controls 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.

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 an auditor's report 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.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached for the reasons outlined below:

- due to the relatively simple business model and low volume of transactions within the Charity there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the review of trustees' minutes;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or considered not to be in accordance with our understanding of the Charity activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Charity for previously unreported related party transactions; and
- review of transactions and journals for any indication of fraud or management override.

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Use of our report

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. 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 auditor's 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Rawlinson & Hunter Audit LLP

Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London EC4A 3AQ

Date: 18 October 2022

Rawlinson & Hunter Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE STERLING CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds For Year to 31 December 2021 £	Unrestricted Funds For Year to 31 December 2020 £
INCOME AND EXPENDITURE			
Incoming resources			
Investment income	2	78,981	152,195
Total incoming resources		78,981	152,195
Expenditure on			
Cost of generating funds	3	(162,153)	(140,654)
Charitable activities	4	(84,829)	(164,924)
Total resources expended		(246,982)	(305,578)
Other recognised gains			
Realised gain on investments	6	265,691	319,603
Unrealised gain on investments	6	835,094	1,008,800
Foreign exchange gain / (loss)	5	177,347	(35,444)
Total other recognised gains		1,278,132	1,292,959
Net movement in funds		1,110,131	1,139,576
Reconciliation of funds			
Total funds brought forward at 1 January 2021		15,005,404	13,865,828
Total funds carried forward at 31 December 2021		16,115,535	15,005,404

The Statement of Financial Activities includes all gains and losses recognised during the year.

All incoming resources and resources expended derive from continuing activities.

THE STERLING CHARITY

BALANCE SHEET

AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed Assets			
Investments	6	15,711,277	14,498,935
Cash under management	6	431,778	521,680
		16,143,055	15,020,615
Creditors - Amounts falling due in one year	7	(27,520)	(15,211)
Net current liabilities		(27,520)	(15,211)
Total assets less current liabilities		16,115,535	15,005,404
Net Assets		16,115,535	15,005,404
Represented by:			
UNRESTRICTED FUNDS			
Capital Fund		£16,115,535	15,005,404

The financial statements were approved and authorised for issue by the Board on 18.10.2022 and signed on their behalf by:

PDL

Paul David Hunston

THE STERLING CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash outflow from operating activities		
Net movement in funds	1,110,131	1,139,576
Less income from investments	(78,981)	(152,195)
Increase in creditors	12,309	522
Unrealised gain on investments	(835,094)	(1,008,800)
Realised gain in investments	(265,691)	(319,603)
Net cash outflow from operating activities	(57,326)	(340,500)
Cash inflow from investing activities		
Payments to acquire investments	(4,902,077)	(2,760,370)
Receipts from sale of investments	4,790,520	3,290,804
Income from investments	78,981	152,195
Net cash (outflow) / inflow from investing activities	(32,576)	682,629
Net (decrease) / increase in cash and cash equivalents	(89,902)	342,129
Cash and cash equivalents at 1 January	521,680	179,551
Cash and Cash equivalents at 31 December	£ 431,778	£ 521,680
Cash at bank and in hand	-	-
Cash under management	431,778	521,680
Cash and Cash equivalents at 31 December	£ 431,778	£ 521,680

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The Sterling Charity (the Charity"), registered number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucester, GL50 1HH. The nature of the Charity's operations and principal activities are set out in the Trustees' Annual Report.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 issued in October 2019 ("SORP"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fixed asset investments
Fixed asset investments are included at closing market value at the balance sheet date. Realised gains and losses on investments are recognised on disposal of investments and any gain or loss on revaluation is taken to the Statement of Financial Activities. The determination of any gains and losses is calculated by reference to the market value of such assets at the beginning of the accounting period.

Cash held for investment is included within investment in accordance with SORP (FRS102).

Incoming resources
Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. Interest income and dividend income is recognised as the Charity's right to receive payment is established and the amount of the income receivable can be measured reliably.

Resources expended
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation committing the Charity to the expenditure.

Charitable activities comprise grants and donations made during the period and are expended through the Statement of Financial Activities when a firm commitment is conveyed to the recipient.

Governance costs include the costs associated with meeting the constitutional and statutory obligations of the charity, as opposed to the management functions inherent in generating funds.

Status of funds
All funds are held on an unrestricted basis. The trustees have complete discretion for their use in pursuance of the Charity's objectives and which have not been designated for other purposes.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

Financial Instruments
The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transactions value.

Foreign currency
Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate. All differences are taken to the Statement of Financial Activities.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management.

Taxation
The Charity is not subject to any taxes on its charitable activities.

Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred and allocated.

Going Concern
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The levels of funds held and the levels of income and expenditure, together with the level of reserves are considered sufficient for the Charity to meet its requirements for a period of at least 12 months from the signing of the financial statements.

Judgements and key sources of estimated uncertainty
The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances that effect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The trustees do not consider there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities at the year end.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

2. INVESTMENT INCOME

	2021	2020
	£	£
Income from investments	78,981	152,195
	£78,981	£152,195

3. COST OF GENERATING FUNDS

	2021	2020
	£	£
Investment management fees	162,153	140,654
	£162,153	£140,654

4. CHARITABLE ACTIVITIES

The following grants were awarded during the year	2021	2020
	£	£
Medical Engineering Resource Unit (UK Registered Charity No. 269804)	10,000	23,500
The Movement for Non-Mobile Children (Whizz-Kidz) (UK Registered Charity No.802872)	10,000	23,500
Demand Design and Manufacture for Disability (UK Registered Charity No.1008128)	10,000	23,500
Ruskin Mill Trust (UK Registered Charity No.1137167)	10,000	23,500
InFocus Charity (formerly West of England School & College for young people with little or no sight) (UK Registered Charity No.1058937)	10,000	23,500
Child Brain Injury Trust (UK Registered Charity No.1113326)	10,000	23,500
	£60,000	£141,000
Governance Costs		
Independent auditor's fees	18,320	16,880
Legal fees	6,509	7,044
	£84,829	£164,924

There are no employees other than the trustees who are key management.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

5. FOREIGN EXCHANGE

	2021 £	2020 £
Foreign exchange gain / (loss)	177,347	(35,444)
	£177,347	£(35,444)

6. INVESTMENTS (AT MARKET VALUE)

	2021 £	2020 £
Quoted investments within the United Kingdom	6,415,045	7,321,365
Quoted investments outside the United Kingdom	9,296,232	7,177,570
	£15,711,277	£14,498,935
Cash held as part of portfolio	431,778	521,680
Total investments and cash under management	£16,143,055	£15,020,615

	2021 £	2020 £
Net realised gain on UK investments	106,363	101,093
Net realised gain on overseas investments	159,328	218,510
Total net realised gain on investments	£265,691	£319,603
Net unrealised gain on UK investments	172,913	63,258
Net unrealised gain on overseas investments	662,181	945,542
Total net unrealised gain on investments	835,094	£1,008,800

Quoted investments within the United Kingdom

Market value 1 January	7,321,365	7,371,444
Additions at cost	993,964	1,694,719
Disposals	(2,179,560)	(1,909,149)
Net realised investment gain	106,363	101,093
Net unrealised investment gain	172,913	63,258
Market Value at 31 December	£ 6,415,045	£ 7,321,365
Historic Cost at 31 December	£ 6,154,192	£ 7,056,594

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

6. INVESTMENTS (AT MARKET VALUE) (Continued)

Quoted investments outside the United Kingdom

	2021 £	2020 £
Market value 1 January	7,177,570	6,329,522
Additions at cost	3,908,113	1,065,651
Disposals	(2,610,960)	(1,381,655)
Net realised investment gain	159,328	218,510
Net unrealised investment gain	662,181	945,542
Market Value at 31 December	£ 9,296,232	£ 7,177,570
Historic Cost at 31 December	£ 5,974,271	£ 4,459,897

Material holdings were as follows (percentage of the portfolio value):

R Wealth Management SICAV-SIF selected funds	28.92%	28.31%

7. CREDITORS - amounts falling due within one year

	2021 £	2020 £
Accruals	27,520	15,211
	£ 27,520	£ 15,211

8. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

No trustees or persons connected with them received any remuneration, and no expenses were reimbursed to them during the year.

Paul Hunston, who served during the year as a trustee, is a partner in the firm of solicitors Wiggin Osborne Fullerlove who are the solicitors of the Charity. The Charity incurred fees from Wiggin Osborne Fullerlove totalling £2,268 (*2020 - £7,044*) in relation to legal advice and services relating to 2021. Invoices raised by Wiggin Osborne Fullerlove were approved during the course of the year by the Board of trustees (excluding Mr Hunston) in accordance with clause 25(i) (b) of the Charity's Declaration of Trust.

9. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Board of trustees.

10. FINANCIAL INSTRUMENTS

The carrying amounts of the charity's financial instruments are as follows:

	2021 £	2020 £
Financial assets		
Measured at fair value through SOFA:		
-Fixed asset quoted investments (Note 6)	15,711,277	14,498,935
-Cash under management (Note 6)	431,778	521,680
Financial liabilities		
Measured at amortised cost:		
-Accruals (Note 7)	27,520	15,211

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense		
Measured at fair value through SOFA:		
Net gain (including changes in fair value)	1,278,132	1,292,959

THE STERLING CHARITY

England & Wales - Charity number 1127454

Accounts

THE STERLING CHARITY
(Registered Charity Number: 1127454)

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE STERLING CHARITY

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THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees submit their annual report and the independently audited financial statements of The Sterling Charity ("the Charity") for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply 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 in October 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Charity, registered charity number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucestershire, GL50 1HH.

Trustees:
The names of the trustees who served during the period and those who continue to serve at the date of this report's approval unless otherwise stated are:

Warren Matthews
Elton Shane
Paul David Hunston

Independent Auditor:
Rawlinson & Hunter Audit LLP
Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ

Solicitors:
Wiggin Osborne Fullerlove
95 The Promenade, Cheltenham, Gloucestershire, GL50 1HH

Whitman Breed
960 Capability Green, Luton, Bedfordshire, LU1 3PE

Investment Managers:
Rothschild Wealth Management (UK) Ltd, New Court, St Swithin's Lane, London, EC4N 8AL

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was established by a Declaration of Trust dated 8 December 2008 and registered with the Charity Commission on 9 January 2009. It is an unincorporated charitable trust governed by the proper law of England and Wales.

The entire resources of the Charity have been unrestricted throughout the year and the trustees have complete discretion for their use in furtherance of the objects of the Charity. Any money or property not immediately required for the Charity's purposes can be held or invested as the trustees determine.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Appointment and removal of trustees

Appointment of office holders and trustees is governed by the Declaration of Trust of the Charity.

Trustee inductions and training

Should new trustees be appointed a formal induction process will be conducted by the trustees. Other trustee training is undertaken as and when appropriate. All trustees are aware of their legal obligations under Charities Act 2011.

Organisation and management

The Charity is administered on a daily basis by Timothy William Osborne who reports directly to the trustees.

The trustees formally meet at least twice a year.

Pay policy for senior staff

All trustees give their time freely and no trustee received remuneration in the year.

Related Parties Affiliation

The Charity is not associated with any other charity.

Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and 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 and 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 the incoming resources and application of resources of the Charity for that year. 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 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards 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 operation.

The trustees are responsible for keeping proper accounting records that 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.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of Trustees' Responsibilities (continued)

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Reserves Policy

The trustees are concerned with maintaining sufficient levels of reserves to enable the Charity to carry out its charitable objects. The trustees believe that the reserves are sufficient for the Charity's current purposes and these are reviewed on a regular basis. These funds will be utilised for the objects of the Charity. In agreeing to any substantial funding the trustees will continue to have regard to maintaining a reasonable level of reserves to safeguard the objectives of the Charity in the short term.

Risk Management

The trustees actively review the major risks which the Charity faces on a regular basis and believe that maintaining sufficient reserves, combined with regular review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems to mitigate the significant risks.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the Charity are such exclusively charitable purposes as the trustees may in their absolute discretion determine.

The Charity is established to aid the relief of poverty, relief of those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage, the advancement of education, the advancement of science, the advancement of the arts, the advancement of religion, the advancement of health or the saving of lives and the advancement of environmental protection or improvement throughout the world.

Statement of Public Benefit

The trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Charity's aims, activities and achievements in the areas of interest that the Charity supports demonstrates the benefit to its beneficiaries and through them to the public that arise from those activities.

4. ACHIEVEMENT AND PERFORMANCE

During the year the Charity was focused on accumulating sufficient reserves to enable it to achieve its charitable objects and deliver public benefit in the future. The trustees believe, having taken into account Charity Commission guidance, that they will meet the public benefit criteria going forward.

Charitable activities

During the year, the trustees made donations totalling £141,000 (*2019 - £105,996*) to various charities. A full list of grants made during the year is reflected in note 4, on page 15.

Governance costs of £23,924 (*2019 - £22,791*) were incurred during the year, and are included within Charitable activities.

5. FINANCIAL REVIEW

Incoming Resources & Resources Expended

Incoming resources totalled £152,195 (*2019 - £140,877*) comprising of investment income. The Charity's income was received from the investment portfolio.

Investment income is gross of investment management costs. Investment management costs are separately accounted for under resources expended and more specifically under costs of generating funds.

Investment Objectives and Investment Management Policy

The Sterling Charity's investment objective is to preserve the Charity's assets in real terms (Pounds Sterling) with a modest level of growth through capital growth and income.

The annualised return objective is CPI+2%, which would allow for the Charity's capital to be maintained (in real terms) and allow for some distributions to support its charitable objects.

Investment Strategy

This return objective requires a medium risk profile whereby the Charity's portfolio may experience regular fluctuations, which could result in a loss. A medium-term (7 to 10 years) time horizon is required. The trustees have delegated the implementation of the investment strategy to Rothschild Wealth Management (UK) Limited ("Rothschild") who manage the investments of the Charity. During the year, under advice from Rothschild the trustees changed their portfolio risk strategy to "cautious" from "low" predicated on the resurgent global economy and decreasing volatility across the board. The trustees meet regularly with Rothschild and, if circumstances require, will amend their approach to portfolio risk from time to time.

THE STERLING CHARITY

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

7. INTERNAL CONTROLS

The trustees are responsible for maintaining an adequate system of internal controls and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and SORP 2019.

The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

8. GRANT MAKING POLICY

The Charity has been established to provide grants for purposes that are exclusively charitable under the law of England and Wales. The Charity has in place sound grant making arrangements so that it can properly select appropriate grantees.

9. PLANS FOR THE FUTURE

The trustees do not currently propose to deviate from the current objectives and activities of the Charity as detailed in note 3, above. Rothschild Wealth Management (UK) Limited, an external investment firm, continues to manage the assets of the Charity on a discretionary basis going forward.

10. AUDITORS

It will be proposed at the next trustees' meeting that Rawlinson & Hunter Audit LLP will be re-appointed as auditor to the Charity for the ensuing year.

Approved by the Trustees on 19th October 2021 and signed on their behalf by:

PDL

Paul David Hunston

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY

Opinion

We have audited the financial statements of The Sterling Charity (the "Charity") for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 2020 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 Auditor's 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 Financial Reporting Council'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 sections of this report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal controls 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.

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 an auditor's report 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.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached for the reasons outlined below:

- due to the relatively simple business model and minimal transactions within the Charity there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We ascertained the most significant legislation was the Charities Act 2011, money laundering legislation and health and safety. The extent of compliance with these laws and regulations was assessed as part of our procedures on the related financial statement items by:

- enquiry of management to understand where there was susceptibility to fraud and whether they have the knowledge of any actual suspected or illegal fraud;
- enquiry of management to identify any instances of non-compliance with laws and regulations; and
- consideration of the controls that the Charity has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how management monitors those controls.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the review of trustees minutes;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or considered not to be in accordance with our understanding of the Charity activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Charity for previously unreported related party transactions; and
- review of transactions and journals for any indication of fraud or management override.

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF

THE STERLING CHARITY (continued)

Use of our report

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. 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 auditor's 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Rawlinson & Hunter Audit LLP

Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London EC4A 3AQ

Date: 25 October 2021

Rawlinson & Hunter Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE STERLING CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds For Year to 31 December 2020 £	Unrestricted Funds For Year to 31 December 2019 £
INCOME AND EXPENDITURE			
Incoming resources			
Investment income	2	152,195	140,877
Total incoming resources		152,195	140,877
Expenditure on			
Cost of generating funds	3	(140,654)	(136,437)
Charitable activities	4	(164,924)	(128,787)
Total resources expended		(305,578)	(265,224)
Other recognised gains			
Realised gain / (loss)on investments	6	319,603	(42,307)
Unrealised gain on investments	6	1,008,800	1,440,394
Foreign exchange (loss) / gain	5	(35,444)	1,701
Total other recognised gains		1,292,959	1,399,788
Net movement in funds		1,139,576	1,275,441
Reconciliation of funds			
Total funds brought forward at 1 January 2020		13,865,828	12,590,387
Total funds carried forward at 31 December 2020		15,005,404	13,865,828

The Statement of Financial Activities includes all gains and losses recognised during the year.

All incoming resources and resources expended derive from continuing activities.

THE STERLING CHARITY

BALANCE SHEET

AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed Assets			
Investments	6	14,498,935	13,700,966
Cash under management	6	521,680	179,551
		15,020,615	13,880,517
Creditors - Amounts falling due in one year	7	(15,211)	(14,689)
Net current liabilities		(15,211)	(14,689)
Total assets less current liabilities		15,005,404	13,865,828
Net Assets		15,005,404	£13,865,828
Represented by:			
UNRESTRICTED FUNDS			
Capital Fund		15,005,404	£13,865,828

The financial statements were approved and authorised for issue by the Board on 19th OCTOBER 2021 and signed on their behalf by:

PDL

Paul David Hunston

THE STERLING CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash outflow from operating activities		
Net movement in funds	1,139,576	1,275,441
Less income from investments	(152,195)	(140,877)
Decrease in debtors	0	3,491
Increase in creditors	522	1,023
Unrealised gain on investments	(1,008,800)	(1,440,394)
Realised (gain) / loss on investments	(319,603)	42,307
Net cash outflow from operating activities	(340,500)	(259,009)
Cash inflow from investing activities		
Payments to acquire investments	(2,760,370)	(1,386,255)
Receipts from sale of investments	3,290,804	1,147,520
Income from investments	152,195	140,877
Net cash inflow / (outflow) from investing activities	682,629	(97,858)
Net increase / (decrease) in cash and cash equivalents	342,129	(356,867)
Cash and cash equivalents at 1 January	179,551	536,418
Cash and Cash equivalents at 31 December	521,680	179,551
Cash at bank and in hand	521,680	179,551
Cash under management	-	-
Cash and Cash equivalents at 31 December	521,680	179,551

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The Sterling Charity (the Charity"), registered number 1127454, is based and administered in the United Kingdom. The registered address is 95 The Promenade, Cheltenham, Gloucester, GL50 1HH. The nature of the Charity's operations and principal activities are set out in the Trustees' Annual Report.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 issued in October 2019 ("SORP"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fixed asset investments
Fixed asset investments are included at closing market value at the balance sheet date. Realised gains and losses on investments are recognised on disposal of investments and any gain or loss on revaluation is taken to the Statement of Financial Activities. The determination of any gains and losses is calculated by reference to the market value of such assets at the beginning of the accounting period.

Cash held for investment is included within investment in accordance with SORP (FRS102).

Incoming resources
Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. Interest income and dividend income is recognised as the Charity's right to receive payment is established and the amount of the income receivable can be measured reliably.

Resources expended
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation committing the Charity to the expenditure.

Charitable activities comprise grants and donations made during the period and are expended through the Statement of Financial Activities when a firm commitment is conveyed to the recipient.

Governance costs include the costs associated with meeting the constitutional and statutory obligations of the charity, as opposed to the management functions inherent in generating funds.

Status of funds
All funds are held on an unrestricted basis. The trustees have complete discretion for their use in pursuance of the Charity's objectives and which have not been designated for other purposes.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

Financial Instruments
The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transactions value.

Foreign currency
Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate. All differences are taken to the Statement of Financial Activities.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management.

Taxation
The Charity is not subject to any taxes on its charitable activities.

Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred and allocated.

Going Concern
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The levels of funds held and the levels of income and expenditure, together with the level of reserves are considered sufficient for the Charity to meet its requirements for a period of at least 12 months from the signing of the financial statements.

Judgements and key sources of estimated uncertainty
The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances that effect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The trustees do not consider there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2. INVESTMENT INCOME

	2020	2019
	£	£
Income from investments	152,195	140,887
	£152,195	£140,887

3. COST OF GENERATING FUNDS

	2020	2019
	£	£
Investment management fees	140,654	136,437
	£140,654	£136,437

4. CHARITABLE ACTIVITIES

The following grants were awarded during the year	2020	2019
	£	£
Medical Engineering Resource Unit (UK Registered No. 269804)	23,500	17,666
The Movement for Non-Mobile Children (Whizz-Kidz) (UK Registered No.802872)	23,500	17,666
Demand Design and Manufacture for Disability (UK Registered Charity No.1008128)	23,500	17,666
Ruskin Mill Trust (UK Registered Charity No.1137167)	23,500	17,666
West of England School & College for young people with little or no sight (UK Registered Charity No.1058937)	23,500	17,666
Child Brain Injury Trust (UK Registered Charity No.1113326)	23,500	17,666
	£141,000	£105,996
Governance Costs		
Independent auditor's fees	16,880	10,068
Legal fees	7,044	10,023
Other	-	2,700
	£164,924	£128,787

There are no employees other than the trustees who are key management.

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

5. FOREIGN EXCHANGE

	2020 £	2019 £
Foreign exchange (loss) / gain	(35,444)	1,701
	£(35,444)	£1,701

6. INVESTMENTS (AT MARKET VALUE)

	2020 £	2019 £
Quoted investments within the United Kingdom	7,321,365	7,371,444
Quoted investments outside the United Kingdom	7,177,570	6,329,522
	14,498,935	13,700,966
Cash held as part of portfolio	521,680	179,551
Total investments and cash under management	£15,020,615	£13,880,517

	2020 £	2019 £
Net realised gain on UK investments	101,093	31,592
Net realised gain / (loss) on overseas investments	218,510	(73,899)
Total net realised gain / (loss) on investments	£319,603	£(42,307)
Net unrealised gain on UK investments	63,258	1,149,767
Net unrealised gain on overseas investments	945,542	290,627
Total net unrealised gain on investments	£1,008,800	£1,440,394

Quoted investments within the United Kingdom

Market value 1 January	7,371,444	6,756,012
Transfer at market value		248,498
Additions at cost	1,694,719	754,394
Disposals	(1,909,149)	(709,679)
Net realised investment gain	101,093	31,592
Net unrealised investment gain	63,258	290,627
Market Value at 31 December	£7,321,365	£7,371,444
Historic Cost at 31 December	£7,152,376	£7,057,147

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

6. INVESTMENTS (AT MARKET VALUE) (Continued)

Quoted investments outside the United Kingdom

	2020 £	2019 £
Market value 1 January	6,329,522	5,308,132
Transfer at market value		(248,498)
Additions at cost	1,065,651	631,861
Disposals	(1,381,655)	(437,841)
Net realised investment gain / (loss)	218,510	(73,899)
Net unrealised investment gain	945,542	1,149,767
Market Value at 31 December	£7,177,570	£ 6,329,522
Historic Cost at 31 December	£3,857,255	£ 4,087,085

Material holdings were as follows (percentage of the portfolio value):

R Wealth Management SICAV-SIF selected funds	28.31%	34.25%

7. CREDITORS - amounts falling due within one year

	2020 £	2019 £
Accruals	15,211	14,689
	£15,211	£14,689

8. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

No trustees or persons connected with them received any remuneration, and no expenses were reimbursed to them during the year.

Paul Hunston, who served during the year, is a partner in the firm of solicitors Wiggin Osborne Fullerlove who are the solicitors of the Charity. The Charity incurred fees from Wiggin Osborne Fullerlove totalling £7,044 (*2019 - £6,533*) in relation to legal advice and services relating to 2020. Invoices raised by Wiggin Osborne Fullerlove were approved during the course of the year by the Board of trustees (excluding Mr Hunston) in accordance with clause 25(i) (b) of the Charity's Declaration of Trust.

Elton Shane who served during the year is the principal of Whitman Breed. The charity incurred fees from Whitman Breed totalling £Nil (*2019 – £3,491*) in relation to legal advice and services relating to 2020. Invoices raised by Whitman Breed were approved during the course of the year by the Board of trustees (excluding Mr Shane) in accordance with clause 25(i) (b) of the Charity's Declaration of Trust).

THE STERLING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

9. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Board of trustees.

10. FINANCIAL INSTRUMENTS

The carry amounts of the charity's financial instruments are as follows:

	2020 £	2019 £
Financial assets		
Measured at fair value through SOFA:		
-Fixed asset quoted investments (Note 6)	14,498,935	13,700,966
-Cash under management (Note 6)	521,680	179,551
Financial liabilities		
Measured at amortised cost:		
-Accruals (Note 7)	15,211	14,689

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense		
Measured at fair value through SOFA:		
Net gain (including changes in fair value)	1,292,959	1,399,788