

Charity number: 1129868

THE MONTAL CHARITABLE TRUST

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

THE MONTAL CHARITABLE TRUST
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THE MONTAL CHARITABLE TRUST
REFERENCE AND ADMINISTRATION INFORMATION

| | | | |
|---|--|---|--|
| Registered Charity Number | 1129868 | | |
| Trustees | P G Barber D A Clark Mills & Reeve Trust Corporation Limited | | |
| Directors of Mills & Reeve Trust Corporation Limited | Catriona Attridge Michael Aubrey Christopher Belcher Alison Bull Neil Burton David Catchpole Deborah Clark Sarah Cormack Elizabeth Field | Joanna Grandfield John Grundy Matthew Hansell Lucy Howard Paul Johnson Geogry Laming Zickie Lim Eleanor Milner Christopher Noel | Lauren Parker Andrew Playle Justin Ripman Catherine Scott Nicholas Stone Amanda Tagg Timothy Whitney |
| Clerk | Louise Ruane | | |
| Registered office | c/o Pear Tree Cottage Yarrington Road Alfrick Worcester WR6 5EX | | |
| Auditors | Richards Sandy Audit Services Limited Thorneloe House 25 Barbourne Road Worcester WR1 1RU | | |
| Solicitors | Mills & Reeve LLP 1 Circle Square 3 Symphony Park Manchester M1 7FS | | |
| Investment advisers | Investec Wealth & Investment Limited The Colmore Building Colmore Circus Birmingham B4 6AT | | |
| Banker | Carter Allen 2 Triton Square Regent's Place London NW1 3AN | | |

**THE MONTAL CHARITABLE TRUST
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2023**

The Trustees present their report along with the financial statements of 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 accounts 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 (FRS 102).

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The Charity was created by a Deed of Declaration of Trust dated 8th January 2009. Donations have been received by the Charity during 2010 from the company Montal Fittings Limited which has since been wound up. The shareholders of Montal Fittings Limited created the Charity in memory of the company which was founded in 1919 by John Gantner.

The Charity is an unincorporated charity registered with Charity Commission for England and Wales.

Objects

The objects of the Charity, as stated in the Deed, are "to apply the income, and all or such parts of the capital, as the Trustees think fit (whether through donations to other charities or by any other charitable means) for or towards such charitable purposes as the Trustees think fit". The Deed also provides that the Trust shall be known as "The Montal Charitable Trust".

Recruitment and appointment of new trustees

Future trustees may be appointed by a resolution signed by the trustees shown on page 1.

Organisation

The Trustees who have served during the year and since the year end are set out above. The Trustees have the power of appointing new trustees.

The Trustees do not accept applications for funding due to the limited resources available to them to process such applications. The Trustees will determine which charitable funds will receive grants in accordance with the objects of the Charity.

All of the Trustees act as the holding trustees of the charity.

**THE MONTAL CHARITABLE TRUST
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2023**

OBJECTIVES AND ACTIVITIES

Objectives

The objectives are to apply the income, and all or such parts of the capital as the trustees think fit (whether through donations to other charities or by any other charitable means) for or towards such charitable purposes as the trustees think fit.

Activities

The Charity undertakes general grant-making activities in furtherance of its objectives.

In order to generate income to out of which grants are to be funded, the Charity holds a large portfolio of listed investments.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aim and objectives and in planning future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives set.

ACHIEVEMENTS AND PERFORMANCE

Significant events in the year

During the year the Charity received a legacy from Madelaine Gantner's Estate valued at £5,393,806 (2022: £nil). This legacy included a significant number of listed investments, with total investments transferred to the Charity in the year valued at £1,555,738 and further investments to be transferred to the Charity in the future valued at £3,648,667.

Significant charitable activities undertaken in the year

During the period the Trustees made grants totalling £35,000 (2022: £75,000) in furtherance of their grant-making objects.

Fundraising activities

The Charity does not engage in any fundraising activities (as defined by section 162A of Charities Act 2011).

Investment performance

During the year the Charity received investment income from its listed investments of £37,601 (2022: £17,796). The Charity paid investment management fees of £13,504 (2022: £5,970), earning the charity net investment income of £24,547 (2022: £11,826).

At the year end total listed investments held by the Charity was valued at £2,519,446 (2022: £765,953).

Because there has been a significant increase in the total listed investments held by the Charity due to a large legacy received in the year, the Trustees consider it impractical this year to undertake a formal assessment of investment performance against the investment objectives.

**THE MONTAL CHARITABLE TRUST
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2023**

FINANCIAL REVIEW

Financial results

The Charity's results are set out in the statement of financial activities on page 10 and balance sheet on page 11 (with further details within the notes to the financial statements on pages 12 to 19).

Investment policy

The Trustees have wide investment powers subject only to the general duty of care set out in the Trustee Act 2000. The Charity's investment strategy is to maintain a balance between income generation and capital growth.

The Trustees accept a moderate level of risk as defined in the agreement with the Charity's investment managers through a managed and diversified portfolio of investments.

Principal risks

The Trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges.

Reserves policy

The charity holds a portfolio of listed investment and cash held by the investment manager for the purposes of managing the listed investments for the purposes of generating income to finance the activities of the charity. Because the value of listed investments can fluctuate significantly, the trustees have not set a fixed value on the amount to be held for this purpose. The total value of net assets deemed held by the investment manager at the year end was £2,530,240 (2022: £780,085).

To assist with planning what funds the charity has to make grants out of cash generated from investment income the charity also holds a reserve cash balance in its general bank account. Following the large legacy receivable this year, the trustees have not yet reevaluated what level such cash reserves should be held at. Net assets excluding both net assets deemed held by the investment manager and accrued legacy income not yet received was £35,150 (2022: £18,930).

At the year end the charity had total unrestricted funds (which is also the level of "free reserves" as defined by Charities SORP) of £6,316,802 (2022: £799,015).

**THE MONTAL CHARITABLE TRUST
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2023**

Going concern assessment

The Trustees are satisfied that the Charity's financial position as shown on the Balance Sheet on page 11 is adequate for the purpose of fulfilling the Charity's obligations for the foreseeable future.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

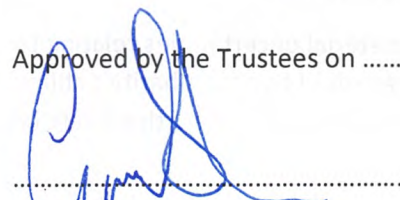
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed 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, including the income and expenditure, of the Charity for that period. In preparing those financial statements, the Trustees are required to:

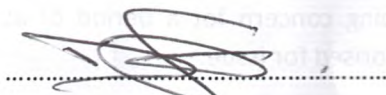
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures 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 business.

The Trustees are responsible for 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 17.5.2024



P G Barber



D A Clark

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE MONTAL CHARITABLE TRUST

OPINION

We have audited the financial statements of The Montal Charitable Trust (the 'Charity') for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31st December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

COMPARATIVE INFORMATION

The comparative information has not been subject to an audit under the requirements of the Charities Act 2011.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE MONTAL CHARITABLE TRUST

OTHER INFORMATION

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

Our opinion on the financial statements does not cover the other information and, 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 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE MONTAL CHARITABLE TRUST

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditors under Section 144 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below, we have:

- Obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Charity operates in and how the Charity is complying with the legal and regulatory framework; and
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks and irregularities, including known actual, suspected or alleged instances of fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011 (and related legislation)).

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE MONTAL CHARITABLE TRUST**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Richards Sandy Audit Services Ltd.

Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

Date: 12.06.24

THE MONTAL CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|-----------|------------------------------------|-----------------------------|-----------------------------|
| INCOME FROM: | | | | |
| Donations and legacies | 5 | 5,393,806 | 5,393,806 | - |
| Investments | 6 | 37,601 | 37,601 | 17,796 |
| TOTAL INCOME | | <u>5,431,407</u> | <u>5,431,407</u> | <u>17,796</u> |
| EXPENDITURE ON: | | | | |
| Raising funds | | | | |
| Investment management costs | | 13,054 | 13,054 | 5,970 |
| Charitable activities | | | | |
| Grants | 7 | 35,000 | 35,000 | 75,000 |
| Support costs | 8 | 5,730 | 5,730 | 815 |
| TOTAL EXPENDITURE | | <u>53,784</u> | <u>53,784</u> | <u>81,785</u> |
| Net gains / (losses) on revaluation of listed investments | 9 | <u>140,164</u> | <u>140,164</u> | <u>(72,544)</u> |
| NET MOVEMENT IN FUNDS | | <u>5,517,787</u> | <u>5,517,787</u> | <u>(136,533)</u> |
| RECONCILIATION OF FUNDS: | | | | |
| Total funds brought forward | | 799,015 | 799,015 | 935,548 |
| Net movement of funds | | 5,517,787 | 5,517,787 | (136,533) |
| TOTAL FUNDS CARRIED FORWARD | 12 | <u>6,316,802</u> | <u>6,316,802</u> | <u>799,015</u> |

All incoming resources expended derive from continuing activities.

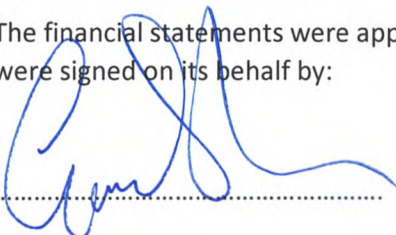
The notes form part of these financial statements.

THE MONTAL CHARITABLE TRUST
BALANCE SHEET AS AT 31 DECEMBER 2023

| | Notes | 2023 £ | 2022 £ |
|-------------------------------------|-------|-------------------------|-----------------------|
| FIXED ASSETS | | | |
| Investments | 9 | 2,519,446 | 765,953 |
| CURRENT ASSETS | | | |
| Debtors | 10 | 3,752,063 | - |
| Cash | | 56,023 | 33,562 |
| | | <u>3,808,086</u> | <u>33,562</u> |
| CURRENT LIABILITIES | | | |
| Amounts falling due within one year | 11 | <u>(10,730)</u> | <u>(500)</u> |
| NET CURRENT ASSETS | | 3,797,356 | 33,062 |
| TOTAL NET ASSETS | | <u>6,316,802</u> | <u>799,015</u> |
| Represented by: | | | |
| Unrestricted funds | 12 | <u>6,316,802</u> | <u>799,015</u> |

The notes form part of these financial statements.

The financial statements were approved by the Board of Trustees on 13/5/2024 and were signed on its behalf by:


P G Barber


D A Clark

THE MONTAL CHARITABLE TRUST
CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes to the cash flow statement | 2023 £ | 2022 £ |
|---|--|-----------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash provided by / (used in) operating activities | 1 | <u>43,102</u> | <u>(81,735)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends and interest from investments | | 36,950 | 17,796 |
| Proceed from sales of investments | | 599,332 | 70,382 |
| Purchase of investments | | (656,923) | (49,085) |
| NET CASH PROVIDED BY / (USED IN) INVESTMENT ACTIVITIES | | <u>(20,641)</u> | <u>39,093</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | | 22,461 | (42,642) |
| Cash and cash equivalents at the beginning of the year | | 33,562 | 76,204 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 2 | <u>56,023</u> | <u>33,562</u> |

THE MONTAL CHARITABLE TRUST
NOTES TO THE CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2023 | 2022 |
|--|----------------------|------------------------|
| | £ | £ |
| NET MOVEMENT IN FUNDS PER THE STATEMENT OF FINANCIAL ACTIVITIES | 5,447,287 | (136,533) |
| ADJUSTMENTS FOR: | | |
| Legacy income received in the form of shares (see note 3) | (1,555,738) | - |
| Investment income (excluding movement in accrued income) | (36,950) | (17,796) |
| Revaluation (gains)/losses on listed investments | (140,164) | 72,544 |
| Movement in debtors | (3,752,063) | - |
| Movement in creditors | 10,230 | 50 |
| NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES | <u>43,102</u> | <u>(81,735)</u> |

2. ANALYSIS OF CHANGES IN NET DEBT

| | At the start of the year £ | Cashflows £ | At the end of the year £ |
|---------------------------------|---|------------------------|---|
| Cash at bank | 19,430 | 21,950 | 41,380 |
| Cash held by investment manager | 14,132 | 511 | 14,643 |
| Total cash | <u>33,562</u> | <u>22,461</u> | <u>56,023</u> |

3. NON-CASH TRANSACTIONS

Included within legacy income per the Statement of Financial are listed investments whose ownership was transferred to the Charity as part of the legacy. These listed investments were measured at their market value at time of transfer, which in total was £1,555,738 (2022: £nil).

THE MONTAL CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Going Concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease their operations, and as they have concluded that charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements.

Income

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Bank interest and interest from interest bearing listed investments is recognised using the effective interest rate method.

Legacy income is recognised when the Charity has confirmed entitlement of the legacy, when the amount can be accurately measured and when it is probable that they will receive the income. Listed investments included within the value of legacy income are measured at the market value at the time when legal ownership passed to the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Governance costs comprise all involving the public accountability of the Charity and its compliance with regulation and good practice.

THE MONTAL CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (continued)

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

Financial instruments

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

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

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

Cash at bank and in hand

Cash at bank and in hand includes both cash and cash equivalents (being short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value).

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

Listed investments

Listed investments are stated at market value. Increases/(decreases) on revaluations of listed investments are transferred to/(from) the Statement of Financial Activities.

THE MONTAL CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (continued)

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

2. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Accounting estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Legacy income

Legacy income includes an element of accrued income for future cash and listed investments to be transferred to the charity after the year end as part of the total legacy receivable.

The value of listed investments has been calculated using the year end market value of the investment still held on trust by the solicitor handling the estate of the deceased and will be subject to market fluctuations between the year end and the eventual date that legal ownership passes to the charity.

The value of additional cash receivable by the charity under the legacy is based on the cash held on trust by the solicitor handling the estate of the deceased at the year end less an estimate of additional administration fees to be paid out of that cash prior to payment to the charity.

The legacy is also subject to the discretion of the solicitor handling the estate of the deceased as to how the assets are to be distributed between all beneficiaries of the will.

The total value of the legacy recognised in the year is as per note 5 and the year end value of accrued income is as per note 10.

3. TAXATION

The Trust is a registered charity, number 1129340, and is exempt from Income Tax, Corporation Tax and Capital Gains Tax provided its income and gains are applied for charitable purposes.

4. TRUSTEES AND EMPLOYEES

No remuneration was paid or payable in respect of the year out of the funds of the Charity either directly or indirectly to any Trustee or to any person known to be connected with them.

No expenses was paid or payable to any Trustee or to any person known to be connected with them in either the current or previous financial years.

There were no full or part time employees during the year.

THE MONTAL CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5. INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------|------------------------------------|-----------------------------|-----------------------------|
| Legacy income | <u>5,393,806</u> | <u>5,393,806</u> | <u>-</u> |

6. INVESTMENT INCOME

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Income from listed investments | <u>37,601</u> | <u>37,601</u> | <u>17,796</u> |

7. GRANTS

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|------------------------------------|-----------------------------|-----------------------------|
| Grants payable to institutions | | | |
| A&A Services West Midlands | - | - | 5,000 |
| Brierley Hill Babybank | - | - | 5,000 |
| British Heart Foundation | 5,000 | 5,000 | |
| Caring for Communities and People | - | - | 5,000 |
| Cheltenham Animal Shelter | 5,000 | 5,000 | |
| Disasters Emergency Committee (<i>Earthquake Appeal</i>) | 5,000 | 5,000 | - |
| FareShare Midlands | - | - | 5,000 |
| Gloucester Eye Therapy Trust | 5,000 | 5,000 | - |
| Home from Hospital Care | - | - | 5,000 |
| Narhex Sparkhill | - | - | 5,000 |
| Rainy Day Trust | - | - | 5,000 |
| Sense | - | - | 20,000 |
| St Anne's Hostel | - | - | 5,000 |
| St Basil's | - | - | 5,000 |
| St Paul's Hostel | - | - | 5,000 |
| Stroke Association | 5,000 | 5,000 | - |
| Versus Arthritis | 5,000 | 5,000 | - |
| YOU WM | 5,000 | 5,000 | 5,000 |
| | <u>35,000</u> | <u>35,000</u> | <u>75,000</u> |

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8. SUPPORT COSTS

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------|------------------------------------|-----------------------------|-----------------------------|
| Clerk's fees | 730 | 730 | 815 |
| Auditors' remuneration | 5,000 | 5,000 | - |
| | <u>5,730</u> | <u>5,730</u> | <u>815</u> |

Auditors' remuneration relates only to fees payable for undertaking the statutory audit.

9. FIXED ASSET INVESTMENTS

| | Listed Investments £ |
|---|----------------------------|
| Market value at 31 December 2022 | 765,953 |
| Additions – received as part of legacy | 1,555,738 |
| Additions – other | 656,923 |
| Disposals | (599,332) |
| Revaluation gains/(losses) | 140,164 |
| Market value at 31 December 2023 | <u>2,519,446</u> |

10. DEBTORS

| | 2023 £ | 2022 £ |
|--------------------------------|------------------|-----------|
| Accrued income – legacy income | 3,751,412 | - |
| Accrued income – other income | 651 | - |
| | <u>3,752,063</u> | <u>-</u> |

11. CREDITORS – amounts falling due within one year:

| | 2023 £ | 2022 £ |
|----------|---------------|------------|
| Accruals | 10,730 | 500 |
| | <u>10,730</u> | <u>500</u> |

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12. STATEMENT OF FUNDS

CURRENT YEAR

| | Funds held as at 01/01/23 £ | Incoming resources £ | Resources expended £ | Revaluation gains / (losses) £ | Funds held as at 31/12/23 £ |
|--------------------|--|-------------------------------------|-------------------------------------|---|--|
| Unrestricted funds | <u>799,015</u> | <u>5,431,407</u> | <u>53,784</u> | <u>140,164</u> | <u>6,316,802</u> |

PRIOR YEAR

| | Funds held as at 01/01/23 £ | Incoming resources £ | Resources expended £ | Revaluation gains / (losses) £ | Funds held as at 31/12/23 £ |
|--------------------|--|-------------------------------------|-------------------------------------|---|--|
| Unrestricted funds | <u>935,548</u> | <u>17,796</u> | <u>81,785</u> | <u>(72,544)</u> | <u>799,015</u> |

13. RELATED PARTY TRANSACTIONS

D A Clark and the directors of Mills & Reeve Trust Corporation Limited are all members of Mills & Reeve LLP. Mills & Reeve LLP is the firm of solicitors managing the estate of the deceased to which the legacy income relates to. Mills & Reeve LLP's fees for this work are payable out of the estate of the deceased and nothing is payable by the Charity to Mills & Reeve LLP in regard to this matter.

Otherwise there were no related party transactions during either the current or previous years.