

ERSKINE MUTON TRUST FUND
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

Charity Number 1130199

ERSKINE MUTON TRUST FUND

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ERSKINE MUTON TRUST FUND

REFERENCE AND ADMINISTRATION DETAILS

Corporate Trustee	HSBC Trust Company (UK) Limited
Current Directors of Corporate Trustee	J Coyle P M Spencer J Hewitson
Trust Manager	A Mellish
Principal Office	Forum 1 The Forum Parkway Whiteley Fareham Hampshire PO15 7PA
Independent Examiner	Frances Millar ACA RSM UK Tax and Accounting Limited Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY
Bankers	HSBC Bank plc Forum 1 The Forum Parkway Whiteley Fareham Hampshire PO15 7PA
Investment Managers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ

ERSKINE MUTON TRUST FUND

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 5 APRIL 2022

The Trustee presents this report together with the financial statements of the charity for the year ended 5 April 2022, which have been prepared on a receipts and payments basis. The financial statements have been prepared in accordance with the charity's constitution and applicable law.

The purchase and sale of investments results from the day to day management of the investment portfolio by the Investment Manager. In accordance with the Charities Act, the financial statements have been prepared on the receipts and payments basis given that the definition of gross income excludes the receipt of any endowment, loans and proceeds from the sale of investments or fixed assets.

Reference and administration

The Erskine Muton Trust Fund is an unincorporated trust and is constituted under the terms of the trust deed dated 27 May 2009. The trust is a registered charity (no.1130199).

The Corporate Trustee has appointed a designated trust manager to look after the affairs of the charity. The Investment Manager reviews the performance and provides recommendations on the structure of the investment portfolio.

The power to appoint additional Trustees is vested in the current Trustee and is exercisable in writing. Should new Trustees be appointed, the existing Trustee would take responsibility for their induction.

The Trustee has examined the major strategic, business and operational risks which the charity faces, and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The main risk in the year was considered to be the variability of investment returns.

Objectives and activities

The objectives of the charity is to further the religious and other charitable work of the Church of England, as carried out in any church or churches in Dorset (excluding St. Peter's Church, Eype), but with discretion to distribute in other areas. This is pursued through the awarding of grants, in accordance with the terms of the governing document.

Achievements and performance

During the year 37 grants totalling £253,000 (2021: 17 grants totalling £233,000) were awarded to charitable institutions. No grants were awarded to individuals in either year. Details of these grants are set out in Appendix 1 to the financial statements.

Where grant payments are not banked by the beneficiary they are credited against grants paid in the period that the grant becomes stale.

Financial review

The fund generated income of £177,157 (2021: £212,283) in the year, which facilitated the expenditure on charitable activities of £377,243 (2021: £290,161) of which £253,000 (2021: £233,000) was direct charitable expenditure in the form of grants to charitable institutions. The beneficiaries are disclosed in Appendix 1 of the financial statements.

Investment policy

In accordance with the governing document, the Trustee has the power to invest in such stocks, shares, investments and property as it sees fit. The Trustee engaged HSBC UK Bank plc as Investment Manager. The policy is to adopt a low to medium risk investment strategy to protect, in absolute terms, the capital value of the fund whilst producing a sustainable and growing level of income, and also providing the potential for longer term growth of capital in real terms.

ERSKINE MUTON TRUST FUND

REPORT OF THE TRUSTEE cont. FOR THE YEAR ENDED 5 APRIL 2022

Reserves policy

The unrestricted funds, which are the free reserves of the charity, and which are represented by the income arising are paid over to beneficiaries throughout the year. The balance of unrestricted funds held at 5 April 2022 is £68,999 (2021: £121,442). It is not the policy of the charity to maintain specific reserves and the Trustee is reviewing potential beneficiaries to whom these funds may be distributed in the next financial year.

The expendable endowment funds represent those assets which are held permanently by the charity, principally investments. Income arising on the endowment fund can be used in accordance with the objectives of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. The Trustee has the power to convert this fund into income.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the Trustee considers how planned activities will contribute to the aims and objectives they have set.

Plans for the future

The Trustee intends to continue providing grants in a similar way to the recent past whilst retaining flexibility as to the timing and scale of grant making.

Related parties

The Corporate Trustee and the Investment Manager are both wholly owned subsidiaries of HSBC Holdings plc.

In addition to the fees shown on page 6, as a result of the acquisition and disposal of investments, the charity pays transaction charges to HSBC Bank plc. The charges are calculated on a sliding scale at a percentage of the transactions value plus VAT and are added to or deducted from the cost of the investments or the disposal proceeds in accordance with UK standard accounting practice.

ERSKINE MUTON TRUST FUND

REPORT OF THE TRUSTEE cont. FOR THE YEAR ENDED 5 APRIL 2022

Statement of Trustee's responsibilities in relation to the financial statements

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 accounting records which disclose with reasonable accuracy the financial position of the charity. This enables them to ascertain the financial position of the charity and enables them to ensure the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) 2008 Regulations and the provisions of the trust deed.

The Trustee is 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 Trustee and signed on its behalf by:


.....
HSBC Trust Company (UK) Limited

Date: 26/11/2023
.....

ERSKINE MUTON TRUST FUND

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF ERSKINE MUTON TRUST FUND

I report to the Trustee on my examination of the financial statements of Erskine Muton Trust Fund for the year ended 5 April 2022, which are set out on pages 6 to 7.

Responsibilities and basis of report

As the Trustee of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent Examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Frances Millar

Frances Millar ACA
Chartered Accountant
The Institute of Chartered Accountants in England and Wales

On behalf of RSM UK Tax and Accounting Limited
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY
Date: 27-Jan-2023

ERSKINE MUTON TRUST FUND

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 5 APRIL 2022

	Unrestricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Receipts				
Investment income	177,157	-	177,157	212,283
	<u>177,157</u>	<u>-</u>	<u>177,157</u>	<u>212,283</u>
Investment sale proceeds				
Proceeds from the sale of investments	-	7,647,111	7,647,111	6,129,486
Total receipts	<u>177,157</u>	<u>7,647,111</u>	<u>7,824,268</u>	<u>6,341,769</u>
Payments				
Cost of generating funds				
Investment service charge	-	49,675	49,675	2,600
Charitable activities				
Grants paid	253,000	-	253,000	233,000
Other allocated costs	124,243	-	124,243	57,161
Governance costs				
Independent examiner's fee	3,072	-	3,072	2,982
	<u>380,315</u>	<u>49,675</u>	<u>429,990</u>	<u>295,743</u>
Investment purchases				
Payments for purchases of investments	-	7,304,033	7,304,033	6,275,230
Total payments	<u>380,315</u>	<u>7,353,708</u>	<u>7,734,023</u>	<u>6,570,973</u>
Net receipts/(payments)	(203,158)	293,403	90,245	(229,204)
Transfers between funds	150,715	(150,715)	-	-
Cash invested at 6 April 2021	121,442	97,436	218,878	448,082
Cash invested at 5 April 2022	<u>68,999</u>	<u>240,124</u>	<u>309,123</u>	<u>218,878</u>

These unaudited financial statements have been subjected to independent examination. See report on page 5.

ERSKINE MUTON TRUST FUND

STATEMENT OF ASSETS AND LIABILITIES
AS AT 5 APRIL 2022

	Unrestricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Investments				
UK equities	-	348,168	348,168	853,472
UK fixed interest securities	-	1,745,160	1,745,160	3,117,918
Overseas fixed interest securities	-	3,217,145	3,217,145	4,363,712
Overseas equities and unit trusts	-	2,842,729	2,842,729	68,680
Alternative investments	-	147,389	147,389	-
Other trust assets	-	1	1	1
Cash	68,999	240,124	309,123	218,878
Total assets	<u>68,999</u>	<u>8,540,716</u>	<u>8,609,715</u>	<u>8,622,661</u>
Liabilities				
Professional fees payable	<u>3,235</u>	<u>-</u>	<u>3,235</u>	<u>3,080</u>

Approved by the Trustee and authorised for issue on 26/1/2023 and signed on its behalf by:


.....
HSBC Trust Company (UK) Limited

These unaudited financial statements have been subjected to independent examination. See report on page 5.

ERSKINE MUTON TRUST FUND

APPENDIX 1 BREAKDOWN OF CHARITABLE GRANTS

Institutions	Number of Grants	Amount £
Assumption of the Virgin	1	3,000
Batcombe PCC	1	12,000
Blandford PCC	1	10,000
Charmouth: St Andrew	1	26,000
Cheselbourne PCC	1	5,000
Emmanuel	1	8,000
Evershot	1	10,000
Gussage St Michael PCC	1	4,000
Longburton PCC	1	4,000
PCC Compton Valence	1	1,000
PCC Puddletown Fabric	2	4,000
PCC of Stickland	1	5,000
St Aldhelm Church	1	15,000
St Aldhelm, Worth Matravers	1	1,000
St Bartholomew, Shapwick	1	5,000
St Cuthbert, Osborne	1	2,000
St Georges PCC Langton	1	5,000
St Giles, Wimborne	1	1,000
St James Church Milton Abbas	2	7,000
St James Poole	1	10,000
St John's Church Broadstone	1	10,000
St John's PCC Wimborne	1	2,000
St John The Baptist PCC	1	7,000
St Mary, Fifehead Magdalen	2	15,000
St Marys PCC	1	3,000
St Nicholas, Worth Matravers	1	5,000
St Pauls Church Weymouth	1	5,000
St Peter, Portesham	1	5,000
Stourpaine	1	10,000
The Wimborne Villages PCC	1	3,000
Treasurer	1	5,000
West Lulworth	1	15,000
Wimborne Minster PCC	1	25,000
Yetminster PCC	1	5,000
	37	253,000