

Registered Charity Number: 1137196

**Thornton-Smith and Plevins Trust**

**Report and financial statements**

**31 July 2021**

# **Thornton-Smith and Plevins Trust**

## **Report and financial statements**

**Year ended 31 July 2021**

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# Thornton-Smith and Plevins Trust

## Statutory and other information

Year ended 31 July 2021

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**Trustees**

Mr Peter S Larkman (resigned 24 November 2021)  
Mr Charles S Fowle  
Mr Martin R Gray (Chairman)  
Mrs Flora Lyon  
Mr Douglas R K Robb  
Mr Charles W Smyth-Osbourne  
Mrs Fiona E Tennick

**Grants secretary**

Mrs Heather Cox

**Investment managers**

Waverton Investment Management  
16 Babmaes Street  
London  
SW1Y 6AH

**Auditor**

Price Bailey LLP  
3rd Floor  
24 Old Bond Street  
Mayfair  
London  
W1S 4AP

**Solicitors**

Stone King LLP  
Boundary House  
91 Charterhouse Street  
London  
EC1M 6HR

**Bankers**

Barclays Bank  
29 – 30 High Street  
Windsor  
Berkshire  
SL4 1PG

National Westminster Bank  
Moorgate Branch  
PO Box 712  
94 Moorgate  
London  
EC2M 6UR

**Correspondence**

*for grants and bursaries*  
[info@thornton-smith-plevins.org.uk](mailto:info@thornton-smith-plevins.org.uk)

*for administration*  
R+  
2 Blagrove Street  
Reading  
Berkshire  
RG1 1AZ

**Registered charity number**

1137196

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# Thornton-Smith and Plevins Trust

## Annual Report of the Trustees

### Year ended 31 July 2021

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The Trustees have pleasure in presenting their report together with the audited financial statements for the year ended 31 July 2021.

#### Introduction

During the year, the Trust awarded grants of nearly £200,000 to assist with the education of vulnerable children, mostly in the age range 16 to 18. In many of these cases, a place at an independent school represents the only structure and security they have in their lives.

#### Reference and administrative details of the charity, its trustees and advisors

The charity number, present trustees and advisors of the Thornton-Smith and Plevins Trust are set out on page 1 of the financial statements.

The Trustees who served throughout the year, unless otherwise stated, were as follows:

Mr Peter S Larkman  
Mr Charles S Fowle  
Mr Martin R Gray (Chairman)  
Mrs Flora Lyon  
Mr Douglas R K Robb  
Mr Charles W Smyth-Osbourne  
Mrs Fiona E Tennick

The power of appointing Trustees is vested in the Trustees for the time being.

#### Structure, governance and management

The Thornton-Smith and Plevins Trust ("the charity/the Trust") is registered as a charity under the Charity Acts.

The Charity Commission for England and Wales made a Direction on 30 July 2010 that the charity should prepare financial statements to reflect the affairs, activities and financial information of the constituent charities, being The Thornton-Smith Trust, The Thornton-Smith Young People's Trust, The Wilfred Maurice Plevins Charity and the Thornton-Smith Plevins Common Investment Fund.

The Trustees manage the charity so as to comply with the trusts of its constituents, applying the income of the charity to promote education and relieve poverty by assisting young people with their educational requirements, should they need such funding.

Prospective Trustees are requested to meet with the Chairman then submit a written resume of their career and interests for consideration by the Trustees. Suitable applicants are invited to attend meetings as an observer, complete relevant paperwork and proceed to appointment, if the Trustees are unanimous.

Trustees delegate day to day responsibility for various aspects of the charity's affairs to:

<i>The Grants Secretary</i>	who assesses applications for charitable assistance, reports recommendations for assistance bi-annually to trustees and monitors the benefit derived by beneficiaries
<i>The Investment Managers</i>	who manage the portfolio under a discretionary management mandate
<i>The Accountants</i>	who maintain records of receipts and payments and assist the grants secretary in the distribution of funds to beneficiaries

The Trustees meet twice each year to review the exercise of these delegated powers, consider the grant applications put forward by the grants secretary, the performance of the investments and any other matters concerning the charity.

## **Thornton-Smith and Plevins Trust**

### **Annual Report of the Trustees (*continued*)**

#### **Year ended 31 July 2021**

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##### **Structure, governance and management (*continued*)**

###### *Related parties and conflicts of interest*

The Trustees have adopted a comprehensive policy to identify all transactions with related parties or other transactions which might involve any conflict of interest.

###### *Risk management statement*

The Trustees have identified the major risks facing the Trust. In summary, they are financial loss and/or loss of reputation caused by negligent or wrongful acts or omissions by persons acting on behalf of the charity. A risk management register is maintained and the risks highlighted are reviewed regularly to ensure they do not pose a threat to the charity. The charity has addressed these risks by appointing professional investment managers, outsourcing its accounting function and ensuring that all grants that are authorised by the Trustees are in accordance with the objects of the charity.

##### **Objectives and activities**

The Trustees apply the charity's funds in promoting education and relieving poverty. Specifically, the Trustees:

- Assist young men or women wishing to enter or actually undergoing articles or apprenticeships in any trade or profession and who because of poverty are in need of help in so doing;
- Help children or young men or women in obtaining preparatory, secondary, higher or further education who or whose parents by reason of poverty are in need of financial help to enable them so to do;
- Benefit men or women of the professional or business classes who have fallen into poverty and are unable to make adequate provision for their retirement or old age;
- Apply income towards the benefit or maintenance or education of young persons aged 25 years and under who are the children of such professional men or women as the Trustees may from time to time determine.

Certain restrictions apply to the objectives just listed: beneficiaries may be no older than 25 to qualify for assistance either from The Thornton-Smith Young People's fund or The Wilfred Maurice Plevins fund. To be assisted by The Wilfred Maurice Plevins fund, beneficiaries must also be aged 10 or over and be the children of a professional.

Beneficiaries older than 25 may only receive assistance from The Thornton-Smith fund.

###### *Grant making policy*

The Trustees invite applications for assistance from prospective beneficiaries by ensuring their existence is recorded in the major reference works such as the Educational Grants Directory and the website maintained by the Educational Trusts' Forum. The flow of applications is such that Trustees are forced to restrict the number of applications which are accepted and the extent to which applicants are assisted. In practice, the major part of the funds available for disbursement each year are paid to assist young persons in pursuing their education in the sixth form, that is in the period after obtaining GCSEs and before university.

Trustees may distribute capital as well as income to beneficiaries from The Thornton-Smith and The Thornton-Smith Young People's funds. Trustees may also distribute unapplied return from The Wilfred Maurice Plevins fund under the terms of an Order of The Charity Commissioners for England and Wales made on 13 April 2004. Trustees are naturally cautious over the distribution of capital and avoid doing so in any way that might prejudice their ability to meet the present and future needs designated by the trusts they operate.

##### **Public benefit**

The Trustees have referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing aims and objectives and in planning future activities.

##### **Achievements and performance**

###### *Total Return*

The Trustees became concerned over the limited ability to satisfy the flow of applications from qualified beneficiaries as they were prevented from applying the settled capital of The Wilfred Maurice Plevins fund towards grants. The Charity Commission granted an Order on 13 April 2004 empowering adoption of a "Total Return" basis which allows application of some, though not all the capital of The Wilfred Maurice Plevins fund.

## Thornton-Smith and Plevins Trust

### Annual Report of the Trustees (*continued*)

Year ended 31 July 2021

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#### Achievements and performance (*continued*)

The fund's expendable endowment thus became available for application towards the purposes of The Wilfred Maurice Plevins fund. The Trustees intend, however, to apply this further sum available for distribution with prudence and in such a way as will ensure even-handedness between present and future generations of beneficiaries.

#### *Distribution policy*

It remains the Trustees' intention, subject to annual review, to maintain the inflation-adjusted value of the permanent endowment within the expendable endowment element of The Wilfred Maurice Plevins fund, held within unrestricted income. Trustees will regard any such surplus as available for distribution, subject to the overriding prudential criterion and the need to have regard to the interests of future generations, as well as the claims of the current beneficiaries. Trustees continue to regard all income as distributable and maintain a separately identified income account.

#### *Investments*

The Trustees are broadly content with the performance of the investment portfolio. Mindful of the need to support future as well as current generations, the investment managers are tasked with maximising the portfolio's total return within the parameters of the selected risk profile. The portfolio achieved a total return of some 0.6% for the year.

The components of the return varied significantly. Overall yield on the portfolio at 2.3% is broadly in line with global stock market conditions, though below the current yield on the UK market, reflecting the deliberate repositioning to favour US stocks actioned by the discretionary portfolio manager.

The positive total return achieved despite the income reduction results from the capital appreciation achieved by the portfolio.

#### *Voluntary Income*

The Trustees are pleased to be able to continue to work with two similar trusts to support the Eleanor Hamilton Educational Trust in pursuing its own charitable objectives. Last year, the Trustees received £55,000 from the trustees of the Eleanor Hamilton Educational Trust which was allocated for individuals whose education was, in each case, adversely affected by family illness. A further £55,000 is recognised this year as receivable from the Trust.

#### *Assistance*

Grants paid by the charity during the year to assist young persons in education are summarised as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Individual grants and loans to assist with School fees and expenses	167,276	166,318
Scholarship for educational travel abroad (Kew Scholarship)	2,549	2,500
	<u>169,825</u>	<u>168,818</u>

Our record of grant-making towards education over the last six years is summarised in the table below:

	<b>Number of Beneficiaries</b>			<b>Average Grant</b>
	<b>Boys</b>	<b>Girls</b>	<b>Total</b>	<b>£</b>
2016	46	48	94	2,365
2017	45	51	96	2,381
2018	35	41	76	2,507
2019	31	34	65	2,882
2020	36	25	61	2,950
2021	26	26	52	3,415

# Thornton-Smith and Plevins Trust

## Annual report of the Trustees (*continued*)

### Year ended 31 July 2021

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#### Financial review

Total funds increased during the year from £14,630,160 to £16,553,935 at 31 July 2021, an increase of £1,923,775.

#### *Principal funding sources*

The Trustees are dependent on the income derived from the expendable endowment portfolio for funds. The Trustees do not seek to raise funds from the public although donations are welcome. The Trustees particularly wish to recognise the donation from the Eleanor Hamilton Trust.

#### *Reserves policy*

The Trustees' policy is to maintain the real value of the endowment, distributing the return in excess of this by way of grants. To implement this policy, Trustees have pursued an annual distribution target of 3½% of the Trust's portfolio value, having been advised that the long term total return on investments that can be expected under current market conditions is in the range 4½% -5%. The retention of 1% - 1½% is capital appreciation accumulated to reflect inflation so as to protect the interests of future generations.

The Trustees maintain the funds in the expendable endowment in order to discharge their responsibilities to both current and future generations as investments generate the return that enables the Trust to fulfil its objects.

The Trustees provide for the grant instalments due in September, anticipating that any commitments made in the future in the form of the continuation of each grant for the academic year will be met from future income flow.

Unrestricted reserves at 31 July 2021 amounted to £15,484,030 (2020: £13,560,255) and permanent endowment £1,069,905 (2020: £1,069,905) giving total reserves of £16,553,935 (2020: 14,630,160).

#### Management remuneration

The Trustees consider themselves as comprising the key management personnel of the Trust, in charge of directing and controlling the Trust. The Trustees received £nil remuneration for their services. Travelling expenses were reimbursed during the year as disclosed in note 6.

#### Plans for the future

Subject to regular review, the Trustees expect to maintain a policy of seeking to expend 3½% of the value of the portfolio annually, including the costs of administering the Trust.

# Thornton-Smith and Plevins Trust

## Annual report of the Trustees (*continued*)

Year ended 31 July 2021

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### Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual 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 & 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 period.

In preparing these 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed
- 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 Charities (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.

30 Mar 2023

Approved by the Trustees on ..... and signed on their behalf.



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Martin Gray (Mar 30, 2023, 11:33am)

**Martin Gray**  
**Chairman**



**Independent auditor's report to the Trustees of the Thornton-Smith and Plevins Trust  
Year ended 31 July 2021**

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**Opinion**

We have audited the financial statements of The Thornton-Smith and Plevins Trust (the 'charity') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and the notes to the financial statements, including 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 July 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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 trustees' report; or
- the charity has not kept adequate and proper accounting records; 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.

**Independent auditor's report to the Trustees of the Thornton-Smith and Plevins Trust  
Year ended 31 July 2021**

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**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Acts 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.

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:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charity this included compliance with the Charities Act 2011 and SORP 2019.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Reviewing minutes of Trustee Board meetings;
- Agreeing the financial statement disclosures to underlying supporting documentation;
- Enquiring of management, including those charged with governance;
- Reviewing the key accounting policies and estimates

To address the risk of management override of controls, we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.

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 is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

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



**Price Bailey LLP**  
Chartered Accountants  
Statutory Auditors

Date: 30 March 2023

3<sup>rd</sup> Floor,  
24 Old Bond St,  
Mayfair,  
London,  
W1S 4AP

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# Thornton-Smith and Plevins Trust

## Statement of financial activities

Year ended 31 July 2021

	Notes	Unrestricted income £	Permanent endowment £	2021 Total £	2020 Total £
<b>Income</b>					
Donations and legacies	2	56,240	-	56,240	55,240
Investment Income	3	295,339	-	295,339	326,866
<b>Total income</b>		351,579	-	351,579	382,106
<b>Expenditure:</b>					
<b>Raising funds</b>					
Investment management fees		80,365	-	80,365	74,049
<b>Charitable activities</b>	4	280,326	-	280,326	291,096
<b>Total expenditure</b>		360,691	-	360,691	365,145
<b>Net (loss)/income before investment gains and losses</b>		(9,112)	-	(9,112)	16,962
<b>Realised (losses)/gains</b>					
- Quoted investments	8	(19,100)	-	(19,100)	52,645
- Unquoted investments	9	-	-	-	143,373
<b>Unrealised gains/(losses)</b>					
- Quoted investments	8	1,951,987	-	1,951,987	(133,213)
<b>Net income and movement in funds</b>		1,923,775	-	1,923,775	79,767
Fund balances brought forward		13,560,255	1,069,905	14,630,160	14,550,393
<b>Fund balances carried forward</b>		15,484,030	1,069,905	16,553,935	14,630,160

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 12 to 19 form part of these financial statements.

# Thornton-Smith and Plevins Trust

## Balance sheet

31 July 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Quoted investments	8	15,736,000	12,692,053
Deposits and cash at bank	8	252,859	1,446,931
		<u>15,988,859</u>	<u>14,138,984</u>
<b>Current assets</b>			
Debtors	10	80,600	84,635
Cash balances	11	566,483	469,244
		<u>647,083</u>	<u>553,879</u>
<b>Current liabilities</b>			
Creditors	12	(82,007)	(62,703)
<b>Net current assets</b>		<u>565,076</u>	<u>491,176</u>
<b>Total assets</b>	13	<u>16,553,935</u>	<u>14,630,160</u>
<b>The funds of the charity</b>			
<b>Permanent endowment</b>		<u>1,069,905</u>	<u>1,069,905</u>
<b>Unrestricted funds</b>			
Expendable endowment		14,932,014	13,082,138
Unrestricted income		552,016	478,117
	14	<u>15,484,030</u>	<u>13,560,255</u>
		<u>16,553,935</u>	<u>14,630,160</u>

These financial statements were approved by the Trustees and authorised for issue on 30 Mar 2023 on their behalf.

and signed



Martin Gray (Mar 30, 2023, 11:33am)

**Martin Gray**  
Chairman

The notes on pages 12 to 19 form part of these financial statements.

# Thornton-Smith and Plevins Trust

## Statement of Cash Flows

Year ended 31 July 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
<b>Net cash used in/provided by operating activities</b>	<b>15a</b>	<b>(281,112)</b>	<b>(320,367)</b>
<b>Cash flows from investing activities:</b>			
Interest receivable & other income		134	1,043
Investment income		295,205	325,823
Purchase of investments		(3,281,720)	(3,682,150)
Proceeds from the sale of investments		2,170,660	4,456,166
<b>Net cash provided by investing activities</b>		<b>(815,721)</b>	<b>1,100,882</b>
Change in cash and cash equivalents in the reporting period		<b>(1,096,833)</b>	<b>780,515</b>
Cash and cash equivalents at the beginning of the period		<b>1,916,175</b>	<b>1,135,660</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>15b</b>	<b>819,342</b>	<b>1,916,175</b>

Included within cash and cash equivalents at the end of the period is cash held by investment managers of £252,859 (2020: £1,446,931).

The notes on pages 12 to 19 form part of these financial statements.

# Thornton-Smith and Plevins Trust

## Notes to the financial statements

Year ended 31 July 2021

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### 1. Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice - 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) - Charities SORP (FRS 102).

Thornton-Smith and Plevins Trust meets the definition of a public benefit under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the charity's accounting policies. Estimates and judgments are continually evaluated by the Trustees based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. There have been no estimates or judgments.

The financial statements are prepared in pounds sterling and are rounded to the nearest pound.

#### 1.2 Preparation of the accounts on a going concern basis

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustee's Responsibilities.

The Trust has sufficient liquid resources available for any committed costs for at least 12 months from the approval of the financial statements. The Trustees have concluded that whilst there is uncertainty, the COVID-19 pandemic does not pose a material uncertainty on the Trust's ability to continue as a going concern.

#### 1.3 Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments to market value.

#### 1.4 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, which is at cost, with the exception of:

- Investments are measured at their fair value as at the balance sheet date;
- Fixed assets are measured at cost less depreciation;

The investments note 8 details the historical cost of the investments and the unrealised gains to arrive at their fair value.

#### 1.5 Funds

The Trust comprises three funds being:

##### Permanent endowment

This fund represents the capital originally settled into The Wilfred Maurice Plevins fund, ascertained to comply with the Order of the Charity Commissioners of 13 April 2004, as the amount that should be retained as permanent endowment. It is held to generate income to be applied for charitable purposes.

##### Expendable endowment

This fund comprises unapplied return and represents capital appreciation that has accrued since the original settlement of the constituent charities. Although it may be applied for charitable purposes, the Trustees intend to retain such an amount as will protect the value of the permanent endowment against the effect of inflation.

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# Thornton-Smith and Plevins Trust

## Notes to the financial statements

Year ended 31 July 2021

### 1. Accounting Policies (continued)

#### 1.5 Funds (continued)

##### Unrestricted income account

This fund represents the balance of unexpended income and is available for charitable objects, subject to the working requirements of the charity.

#### 1.6 Investments

The carrying value of the investments at the accounting date, represents the bid value of the underlying quoted investments and deposits.

The net realised and unrealised gains and losses of the underlying investments is reflected through the statement of financial activities and applied as considered appropriate to the permanent and expendable endowment funds.

#### 1.7 Unquoted investments

Unquoted investments are valued in accordance with the advice of the Trustees' investment managers, Waverton Investment Management.

#### 1.8 Income

Income receivable from investments is brought into account on an accruals basis. Interest and dividends on the unquoted investments are credited when receivable. All income is credited to the unrestricted income account. Donated items are brought in at a valuation to reflect a cost equivalent to the acquisition cost.

#### 1.9 Expenses

Costs are accounted for on an accruals basis. Fees payable in respect of the investment managers are charged against the permanent and expendable endowment funds having regard to the relative value each derives from the service.

#### 1.10 Grants to beneficiaries

The Trust recognises the constructive obligation arising on the awarding of grants at the point of approval and communicate to recipient. Any loans made in lieu of grants are provided against in full upon being advanced. Recoveries of such loans are credited to income upon receipt.

### 2. Donations and legacies

	2021	2020
	£	£
- Eleanor Hamilton Educational Trust donation	55,000	55,000
- Other donation	1,240	240
	<u>56,240</u>	<u>55,240</u>

### 3. Gross income – investment income

	2021	2020
	£	£
<b>Dividends on quoted investments</b>		
- UK holdings	70,904	78,277
- Income from property	9,683	14,996
- Overseas holdings	205,228	201,020
	<u>285,815</u>	<u>294,293</u>
<b>Fixed interest securities - UK</b>	9,390	31,530
	<u>295,205</u>	<u>325,823</u>
<b>Bank interest</b>	134	1,043
	<u>295,339</u>	<u>326,866</u>

# Thornton-Smith and Plevins Trust

## Notes to the financial statements

Year ended 31 July 2021

### 4. Charitable activities

	Unrestricted income	Permanent endowment	2021 Total	2020 Total
	£	£	£	£
Grants payable (see Note 5)	163,633	-	163,633	172,744
Salary and administration expenses of the grants secretary	59,934	-	59,934	54,848
Pension of retired grants secretary	3,920	-	3,920	3,680
Accountancy fees	25,200	-	25,200	25,200
Legal and advisory fees	13,132	-	13,132	20,292
Rent, rates, light and heat and insurance	-	-	-	(1,797)
Auditor's remuneration	11,250	-	11,250	12,410
Reimbursement of Trustees' expenses (see Note 7)	-	-	-	301
Bank charges	610	-	610	318
Gains on foreign exchange	2,647	-	2,647	3,400
	<u>280,326</u>	<u>-</u>	<u>280,326</u>	<u>291,096</u>

### 5. Grants payable

	2021	2020
	£	£
Opening provision	(49,874)	(45,948)
Paid during the year	169,825	168,818
Closing provision	43,682	49,874
	<u>163,633</u>	<u>172,744</u>

Grants are payable to 52 individuals (2020 – 61) based at different institutions.

### 6. Staff costs

The Trust has 1 (2020: 1) direct employee and their salary is disclosed in note 4 above and they did not receive employee benefits in excess of £60,000 (2020 – £60,000).

### 7. Trustees' remuneration and expenses and related party note

No remuneration was paid to any of the Trustees, who are also the key management personnel (2020 - £nil). Travelling expenses of two Trustees amounting to £nil (2020 - £301) were reimbursed. There has been no other related party transactions in the year (2020 - £nil).



# Thornton-Smith and Plevins Trust

## Notes to the financial statements

Year ended 31 July 2021

8. Quoted investments Investment summary	2021		2020	
	Market value £	% of total	Market value £	% of total
<b>Quoted investments</b>				
UK - fixed interest	2,162,632	13.5	2,362,656	16.7
UK - equities	1,656,707	10.4	864,764	6.1
North America - equities	5,436,849	34.0	3,884,526	27.5
Europe - equities	1,504,598	9.4	1,391,744	9.8
Japanese - equities	1,333,903	8.3	1,154,337	8.2
Rest of World - equities	951,375	6.0	840,883	6.0
Alternative investment funds	2,689,936	16.8	2,193,143	15.5
See 8.1 and 8.2 for movements	15,736,000	98.4	12,692,053	89.8
<b>Cash deposits</b>	252,859	1.6	1,446,931	10.2
	15,988,859	100.0	14,138,984	100.0
<b>Historical cost</b>	11,535,318		10,400,433	

Note: Equities include unit and investment trusts.

### 8.1 Investments – carrying value

	2021 £	2020 £
Carrying value brought forward	12,692,053	13,286,264
Additions	3,281,721	4,107,318
Less: disposals	(2,189,761)	(4,568,316)
Unrealised gains/(losses) on revaluation	1,951,987	(133,213)
<b>Carrying value carried forward</b>	<b>15,736,000</b>	<b>12,692,053</b>

No individual investment exceeded 5% of the investment portfolio valuation at 31 July 2021 or 31 July 2020.

**Thornton-Smith and Plevins Trust**  
**Notes to the financial statements**

**Year ended 31 July 2021**

**9. Unquoted investments**

During the prior year, all the shares held in Ralph Martindale & Co Ltd were sold for £260,372 and the profit arising on the disposal was £143,373.

**10. Debtors**

	2021 £	2020 £
<b>Unrestricted income</b>		
Grants secretary cash float	300	300
Income due from investments	25,300	29,335
Income due from Eleanor Hamilton Educational Trust	55,000	55,000
	<u>80,600</u>	<u>84,635</u>

**11. Cash balances**

	2021 £	2020 £
<b>Expendable endowment</b>		
Barclays Bank - Business premium account	13,065	13,065
<b>Unrestricted income</b>		
Barclays Bank - Business premium account	507,595	442,187
- Current account	3,000	3,000
NatWest - Current account	42,823	10,992
	<u>566,483</u>	<u>469,244</u>

**12. Creditors**

	2021 £	2020 £
<b>Unrestricted income</b>		
Trade creditors	12,000	-
Provision for grants	43,682	49,874
Accruals	24,999	11,910
Social security	1,326	919
	<u>82,007</u>	<u>62,703</u>

**Thornton-Smith and Plevins Trust**  
**Notes to the financial statements**

**Year ended 31 July 2021**

**13. Analysis of assets between funds**

	Investments £	Current Assets £	Current Liabilities £	Total £
<b>Unrestricted income</b>				
Thornton-Smith	-	407,120	(8,201)	<b>398,919</b>
Thornton-Smith Young People	-	93,758	(41,003)	<b>52,755</b>
Wilfred Maurice Plevins	-	133,145	(32,803)	<b>100,342</b>
<b>Expendable endowment</b>				
Thornton-Smith	1,700,326	-	-	<b>1,700,326</b>
Thornton-Smith Young People	9,153,617	-	-	<b>9,153,617</b>
Wilfred Maurice Plevins	4,065,011	13,060	-	<b>4,078,071</b>
<b>Permanent endowment</b>				
Wilfred Maurice Plevins	1,069,905	-	-	<b>1,069,905</b>
	<b>15,988,859</b>	<b>647,083</b>	<b>(82,007)</b>	<b>16,553,935</b>
<b>2020</b>				
	Investments £	Current Assets £	Current Liabilities £	Total £
<b>Unrestricted income</b>				
Thornton-Smith	-	313,232	(6,270)	<b>306,962</b>
Thornton-Smith Young People	-	(14,867)	(31,353)	<b>(46,220)</b>
Wilfred Maurice Plevins	-	242,455	(25,080)	<b>217,375</b>
<b>Expendable endowment</b>				
Thornton-Smith	1,504,749	-	-	<b>1,504,749</b>
Thornton-Smith Young People	8,099,795	-	-	<b>8,099,795</b>
Wilfred Maurice Plevins	3,464,535	13,059	-	<b>3,477,594</b>
<b>Permanent endowment</b>				
Wilfred Maurice Plevins	1,069,905	-	-	<b>1,069,905</b>
	<b>14,138,984</b>	<b>553,879</b>	<b>(62,703)</b>	<b>14,630,160</b>

# Thornton-Smith and Plevins Trust

## Notes to the financial statements

Year ended 31 July 2021

### 14. Unrestricted funds

	Balance at 31 July 2020 £	Net income £	Realised gains £	Unrealised gains £	Transfers £	Balance at 31 July 2021 £
<b>Unrestricted income</b>						
Thornton-Smith	340,295	58,624	-	-	-	<b>398,919</b>
Thornton-Smith Young People	23,233	29,522	-	-	-	<b>52,755</b>
Wilfred Maurice Plevins	114,589	(14,247)	-	-	-	<b>100,342</b>
	<u>478,117</u>	<u>73,899</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b><u>552,016</u></b>
<b>Expendable endowment</b>						
Thornton-Smith	1,504,749	(8,301)	(2,015)	205,893	-	<b>1,700,326</b>
Thornton-Smith Young People	8,099,795	(41,506)	(10,824)	1,106,152	-	<b>9,153,617</b>
Wilfred Maurice Plevins	3,477,594	(33,205)	(6,261)	639,942	-	<b>4,078,070</b>
	<u>13,082,138</u>	<u>(83,012)</u>	<u>(19,100)</u>	<u>1,951,987</u>	<u>-</u>	<b><u>14,932,013</u></b>
	<b><u>13,560,255</u></b>	<b><u>(9,112)</u></b>	<b><u>(19,100)</u></b>	<b><u>1,951,987</u></b>	<b><u>-</u></b>	<b><u>15,484,030</u></b>

### 2020

	Balance at 31 July 2019 £	Net income £	Realised gains £	Unrealised gains £	Transfers £	Balance at 31 July 2020 £
<b>Unrestricted income</b>						
Thornton-Smith	329,347	60,948	-	-	(50,000)	<b>340,295</b>
Thornton-Smith Young People	31,853	41,380	-	-	(50,000)	<b>23,233</b>
Wilfred Maurice Plevins	272,507	(7,918)	-	-	(150,000)	<b>114,589</b>
	<u>633,707</u>	<u>94,410</u>	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<b><u>478,117</u></b>
<b>Expendable endowment</b>						
Thornton-Smith	1,456,275	(8,150)	20,676	(14,052)	50,000	<b>1,504,749</b>
Thornton-Smith Young People	8,057,866	(43,662)	111,080	(75,489)	50,000	<b>8,099,795</b>
Wilfred Maurice Plevins	3,332,640	(25,636)	64,262	(43,672)	150,000	<b>3,477,594</b>
	<u>12,846,781</u>	<u>(77,448)</u>	<u>196,018</u>	<u>(133,213)</u>	<u>250,000</u>	<b><u>13,082,138</u></b>
	<b><u>13,480,488</u></b>	<b><u>16,962</u></b>	<b><u>196,018</u></b>	<b><u>(133,213)</u></b>	<b><u>-</u></b>	<b><u>13,560,255</u></b>

The transfer shown between restricted funds represents the investment in quoted investments during the year.

**Thornton-Smith and Plevins Trust**  
**Notes to the financial statements**

**Year ended 31 July 2021**

**15. Notes to the cash flow statement**

**(a) Reconciliation of net income for the year to net cash used in operating activities**

	<b>2021</b>	2020
	£	£
<b>Net income for the year</b>	<b>(9,112)</b>	16,962
Interest receivable	<b>(134)</b>	(1,043)
Investment income	<b>(295,205)</b>	(325,823)
Decrease/(increase) in debtors	<b>4,035</b>	(4,809)
Increase/(decrease) in creditors	<b>19,304</b>	(5,653)
Net cash used in/provided by operating activities	<b>(281,112)</b>	(320,366)

**(b) Analysis of changes in net debt**

	At 31 July 2020	Cash flow	At 31 July 2021
	£	£	£
Cash in hand and at bank	469,244	97,239	<b>566,483</b>
Cash held by investment manager	1,446,931	(1,194,072)	<b>252,859</b>
	<u>1,916,175</u>	<u>(1,096,833)</u>	<u><b>819,342</b></u>

**(c) Reconciliation of net cash flow to movement in net debt**

	<b>2021</b>	2020
	£	£
(Decrease)/Increase in cash in the year	<b>(1,096,833)</b>	780,515
Net funds at the beginning of the year	<b>1,916,175</b>	1,135,660
Net funds at the end of the year	<b>819,342</b>	1,916,175