

THE MASTER CHARITABLE TRUST

England & Wales · Charity number 1139904

Details

Status Registered

Legal form Trust

Registered 2011-01-19

Register [View on the Charity Commission register](#)

Contact

Address 37 Fleet Street
London
EC4P 4DQ

Phone 02073534522

Activities

Objects: THE TRUSTEES SHALL HOLD THE CAPITAL AND INCOME OF THE TRUST FUND UPON TRUST TO APPLY THE INCOME, AND ALL OR SUCH PART OR PARTS OF THE CAPITAL, AT SUCH TIME OR TIMES AND IN SUCH MANNER TO, OR FOR THE BENEFIT OF, SUCH EXCLUSIVELY CHARITABLE OBJECTS AND PURPOSES IN ANY PART OF THE WORLD AS THE TRUSTEES MAY IN THEIR DISCRETION THINK FIT.

Activities: Grant making trust.

Classification

- **How:** Makes Grants To Organisations, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Arts/culture/heritage/science, Amateur Sport, Animals, Environment/conservation/heritage, Economic/community Development/employment, Armed Forces/emergency Service Efficiency, Human Rights/religious Or Racial Harmony/equality Or Diversity, Recreation, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** ENGLAND AND WALES
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£107,879,000	£86,471,000	£386,281,000	0
2023-09-30	£113,731,070	£75,631,739	£355,185,735	0
2022-09-30	£142,401,765	£47,153,862	£313,071,016	0
2021-09-30	£88,591,833	£59,042,170	£236,759,288	0
2020-09-30	£87,899,943	£44,211,791	£181,321,719	0

Trustees

Name	Role	Appointed
HOARES TRUSTEES LIMITED		2024-02-28

THE MASTER CHARITABLE TRUST

England & Wales - Charity number 1139904

Accounts

THE MASTER CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

REGISTERED CHARITY NUMBER: 1139904

FOR THE YEAR ENDED 30th SEPTEMBER 2024

Hoares Trustees Limited
37 Fleet Street
London
EC4P 4DQ

THE MASTER CHARITABLE TRUST
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**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

Reference and administrative information

Dates of Deeds	Declaration of Trust - 23rd December 2009 Deed of Amendment - 5th January 2011
Trustee	Hoares Trustees Limited - (Appointed 28/02/2024) 37 Fleet Street London EC4P 4DQ (Messrs Hoare Trustees Limited retired 18/04/2024)
Directors of Hoares Trustees Limited	Mr A. S. Hoare Mrs V. E. Hoare Mr S. M. Hoare Mrs B. S. Hoare Mr A. R. Q. Hoare Mr R. R. Hoare Ms D. S. Brightmore-Armour (Resigned 08/05/2025) Ms. A. F. Rodwell (Appointed 13/08/2024) Ms. A. M. R. Little (Appointed 13/08/2024) A new Trustee or director may be appointed at any time and notwithstanding that the total number of Trustees may exceed four.
Nature of Trust	A registered charity, registered with the Charity Commission for England and Wales as number 1139904.
Independent Auditors	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	C. Hoare & Co. 37 Fleet Street London EC4P 4DQ
Solicitors	Birketts LLP Providence House 141-145 Princes Street Ipswich IP1 1QJ Withers LLP 20 Old Bailey London EC4M 7AN

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

Report of the Trustee for the year ended 30th September 2024

The Trustee of the Master Charitable Trust (the Charity) presents its report along with the financial statements of the Charity for the year to 30th September 2024. The financial statements have been prepared in accordance with the accounting policies set out on page 11 and 12 and comply with the Charity's Trust Deed, the Charities Act 2011 and the requirements of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

Structure, Governance and Management

The Charity's registration number is 1139904. The principal and registered address is 37 Fleet Street, London, EC4P 4DQ. The Charity is governed by a Declaration of Trust dated 23rd December 2009 (as amended by Deed on 5th January 2011). The Trustee, who is stated on page 1, is responsible for the management of the Charity.

The Charity's finances encompass the General Endowment Fund and individual Giving Funds. The Giving Funds comprise a bank account which is treated as expendable endowments under the Charities SORP, and all the Funds are unrestricted under the terms of the Trust Deed.

Donors have the ability to name their own Giving Fund subject to the Trustee's approval. Donors can make an initial lump sum contribution through cash, shares or other assets and replenish their Giving Fund when they wish. Donors can choose to invest the funds in a professionally managed portfolio in order to grow their fund.

Objectives and Activities

The Declaration of Trust directs that the capital (expendable endowment) and income of the Charity is to be held on trust for the benefit of such exclusively charitable objects and purposes in any part of the world as the Trustee may in its absolute discretion think fit.

The Charity provides a simple and cost effective way for donors to manage their charitable donations and input into the investment strategy or appoint an investment manager. The in-built flexibility and the way in which the Charity and the giving service are supporting customers throughout the process makes it easier for customers to be more philanthropic.

Many donors are attracted by the fact the Charity can be used to create an enduring legacy and appoint a successor.

Fundraising

No fundraising activities have been undertaken by the Charity. Some donors encourage other people to give to their giving fund but the Charity has not undertaken any specific activity and no complaints were received in the year regarding fund-raising practices.

Grant making policy

A wide variety of UK charitable causes have been supported. The policy is to make grants to UK registered charities or for charitable purposes in any part of the world as approved by the Trustee.

As required by the Charities Act 2011, the Trustee has referred to the Charity Commission's general guidance on public benefit when approving grants. In particular, the Trustee has considered how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries. The grants benefit a number of public causes, as detailed in note 5. In shaping objectives and planning activities for the year, the Trustee has considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements and Performance

Our donors have continued in their generosity in the past year, with donations totalling £85.24m to 1,018 different charities (2023: £74.36m to 1,429).

This year 28% of these donations supported health or saving lives causes, followed by 24% for grants in support of citizenship and community development. 12 donations of £1m or over were made in the year benefiting 11 different charities.

We continue to provide a flexible service for our donors, supporting a wide variety of charities and projects. Alongside growth in the UK Donor Advised Fund market, MCT has also grown, continuing to hold a significant proportion of the market share. We hope to continue to support our donors in having a positive impact in years to come.

Financial Review

The Trustee received donations during the year of £97.17m (2023: £108.46m) which includes £3.68m of Gift Aid claims (2023: £3.03m), and established a further 12 Giving Funds which among them donated new expendable endowments totalling £30.51m bringing the number of Giving Funds to 156 at the year end. The net inflow of funds after recognised gains and losses amounted to £31.01m (2023: £42.11m). The financial statements for the year are set out on pages 8 to 19.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

Risk Management

Hoares Trustees Limited is responsible for the oversight of the risks faced by the Charity. Hoares Trustees Limited regularly reviews the risk position, internal controls assessment and compliance with relevant statutory and financial regulations. The Trustee is supported by a Governance Committee and a Finance and Investment Committee. The committee members have a wide range of experience to support the Trustee to exercise its duties.

The Charity has a risk-management process designed to identify the major risks that could impact the Charity. This process identifies the major risks the Charity faces, the likelihood of occurrence, the significance of the risk, and any mitigating controls that are in place. It also seeks to identify any actions and resources required to manage these risks further.

The Charity's investment activities are its main financial risk. This risk is managed, with the support of professional or experienced investment advisers, through: an investment management policy; regular reviews of investments; diversification across a broad range of asset classes, geographies, investment managers and investment strategies.

To mitigate the possibility of any inappropriate donation being made, the Trustee has a Due Diligence Policy which requires due diligence on each beneficiary to ensure that it is either a UK registered charity with the Charity Commission, an exempt charitable body (church or school etc) or an entity or individual using the funds for charitable purposes and public benefit. Where a donation is to be made to a foreign body or individual, more extensive due diligence is undertaken in accordance with HMRC guidelines.

Investment Policy and Performance

Under the terms of Clause 22 of the Trust Deed the Trustee is able to apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate and whether involving liabilities or producing income or not, as it sees fit. For the avoidance of doubt, the Trustee may for investment purposes, pool all or part of the property held by them under the terms of this Deed.

Performance is measured in accordance with the risk profile of each Giving Fund.

Reserves Policy

According to the Charity Commission's guidance update in their Statement of Recommended Practice: "Accounting and Reporting by Charities" revised in July 2014, the Trust's expendable endowment is not considered part of the Charity's free reserves. However, this endowment is a considerable sum, and the capital can be used at the discretion of the Trustee to fund any deficit on expenditure. MCT aims to ensure there are sufficient liquid assets available in each Giving Fund to cover short and medium term disbursements.

Future Plans

In the medium to long term, the Trustee intends to increase the impact of charitable donations and investments by promoting increased charitable giving and impact investing and increasing the number of Giving funds.

It was approved by the Charity Commission on 24th January 2024 to transfer the assets of The Golden Bottle Trust to The Master Charitable Trust. The transfer progressed during the year and will be finalised in 2025. The effect of this post balance sheet event are detailed in the notes to these accounts on page 19.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustee to prepare financial statements for each financial period that 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is 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 Trustee is 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 Trustee and signed on its behalf by:

28/7/2025

.....
Date

Signed by:

Amy Rodwell

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Director of Hoares Trustees Limited

Signed by:

[Signature]

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Director of Hoares Trustees Limited

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

Opinion

We have audited the financial statements of The Master Charitable Trust for the year ended 30 September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 30 September 2024, 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 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 Trustee's 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 annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept adequate 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 required for our audit.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

Responsibilities of The Trustee

As explained more fully in the trustee's responsibilities statement set out on page 4, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is 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 Trustee either intends to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Charity.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the Charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the Charity's Trustee, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's Trustee 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 any party other than the Charity and Charity's Trustee as a body, for our audit work, for this report, or for the opinion we have formed.

Signed by:

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Adam Fullerton

(Statutory auditor)
Moore Kingston Smith LLP

28/7/2025

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE MASTER CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30th SEPTEMBER 2024

	Notes	-----Unrestricted Funds-----				-----Unrestricted Funds-----			
		General Endowment Fund (£ in '000)	-----Giving Funds----- Income (£ in '000)	Expendable Endowment (£ in '000)	Total Funds 2024 (£ in '000)	General Endowment Fund (£ in '000)	-----Giving Funds----- Income (£ in '000)	Expendable Endowment (£ in '000)	Total Funds 2023 (£ in '000)
Income and Expenditure									
INCOME AND ENDOWMENTS FROM:									
Donations and legacies:-									
Endowments received	2	584	-	96,588	97,172	-	-	108,455	108,455
Investment income	3	4	10,631	-	10,635	-	5,276	-	5,276
Other income	4	-	-	72	72	-	-	-	-
TOTAL INCOME		588	10,631	96,660	107,879	-	5,276	108,455	113,731
EXPENDITURE ON:									
Cost of raising funds									
Investment management costs	7	1	-	615	616	1	-	550	551
Charitable activities	5	8	85,243	604	85,855	-	74,361	720	75,081
TOTAL EXPENDITURE		9	85,243	1,219	86,471	1	74,361	1,270	75,632
NET OPERATING INCOME/(EXPENDITURE)		579	(74,612)	95,441	21,408	(1)	(69,085)	107,185	38,099
OTHER RECOGNISED GAINS/(LOSSES)									
Gains/(losses) on Investments	9&10	339	-	10,747	11,086	-	-	4,305	4,305
Gains/(losses) on currency transactions		-	-	(1,399)	(1,399)	(3)	-	(287)	(290)
NET INCOME/(EXPENDITURE)		918	(74,612)	104,789	31,095	(4)	(69,085)	111,203	42,114
Gross transfer between Funds	14	(711)	74,612	(73,901)	-	(3)	68,876	(68,873)	-
NET MOVEMENT IN FUNDS		207	-	30,888	31,095	(7)	(209)	42,330	42,114
RECONCILIATION OF FUNDS									
Total funds brought forward	15	345	-	354,841	355,186	352	209	312,511	313,072
BALANCES CARRIED FORWARD	15	552	-	385,729	386,281	345	-	354,841	355,186

All amounts relate to continuing activities. All recognised gains and losses are included in the Statement of Financial Activities.

THE MASTER CHARITABLE TRUST
BALANCE SHEET
AS AT 30th SEPTEMBER 2024

	Notes	2024 (£ in '000)	Restated 2023 (£ in '000)
FIXED ASSETS			
Listed Investments	9	227,585	187,366
Unlisted Investments	9	11,419	3,705
Programme Related Investments	10	1,060	228
Tangible fixed assets	11	-	13
Long term deposit accounts		<u>19,095</u>	<u>1,500</u>
		259,159	192,812
CURRENT ASSETS			
Cash at Bank		110,414	132,292
Short term deposit accounts		16,104	29,275
Debtors	12	<u>1,408</u>	<u>2,170</u>
		127,926	163,737
CURRENT LIABILITIES			
Creditors - falling due within one year	13	654	1,088
NON-CURRENT LIABILITIES			
Creditors - falling due more than one year	13	150	275
NET CURRENT ASSETS			
		<u>127,122</u>	<u>162,374</u>
Total assets plus current assets			
		<u>386,281</u>	<u>355,186</u>
NET ASSETS			
		<u><u>386,281</u></u>	<u><u>355,186</u></u>
UNRESTRICTED FUNDS			
General Endowment Fund	15	552	345
Giving Funds			
Expendable Endowment	15	385,729	354,841
Income Funds	15	<u>-</u>	<u>-</u>
		<u><u>386,281</u></u>	<u><u>355,186</u></u>

Approved and authorised for issue by the Trustee and signed on its behalf by:

28/7/2025

Date

Signed by:

Amy Rodwell

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Director of Hoares Trustees Limited

Signed by:

[Signature]

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Director of Hoares Trustees Limited

THE MASTER CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2024

	Notes	2024 (£ in '000)	Restated 2023 (£ in '000)	
Cash flows from operating activities				
Net cash (used in)/provided by operating activities	16	(87,473)	(76,997)	
Cash flows from investing activities				
Dividends and interest from investments	3	10,635	5,276	
Proceeds from sale of fixed asset investments	9	82,919	57,323	
Purchase of fixed asset investments	9	(101,745)	(80,087)	
Purchase of programme related investments	10	(104)	-	
Purchase of fixed bank deposits		(68,304)	(30,775)	
Redemption of fixed bank deposits		63,880	-	
Cost incurred on programme related investments capitalised	10	-	(3)	
Net cash used in investing activities		<u>(12,719)</u>	<u>(48,266)</u>	
Cash flows from financing activities				
Movement on loan		-	(15)	
Receipt of endowments		<u>78,314</u>	<u>105,274</u>	
Net cash used in financing activities		<u>78,314</u>	<u>105,259</u>	
Change in cash and cash equivalents in the reporting period		(21,878)	(20,004)	
Cash and cash equivalents at the beginning of the reporting period		<u>132,292</u>	<u>152,296</u>	
Cash and cash equivalents at the end of the reporting period		<u><u>110,414</u></u>	<u><u>132,292</u></u>	
<u>Net debt</u>				
	At start of year	Cash flows	Other movements	At end of year
Cash and cash equivalents	132,292	(21,878)	-	110,414
Loan	<u>(215)</u>	<u>-</u>	<u>65</u>	<u>(150)</u>
Net debt	<u><u>132,077</u></u>	<u><u>(21,878)</u></u>	<u><u>65</u></u>	<u><u>110,264</u></u>

The notes on pages 11 to 19 form part of these financial statements.

**THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

1 ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest one thousand pounds.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Fund Structure

The General Endowment Fund is a fund which the Trustee is free to use in accordance with the charitable objects.

Giving Funds comprise those funds that Donors have donated to their Giving Fund. Whilst these funds are technically unrestricted, donors are able to request The Trustee to make payments and understand that these are not legally binding instructions. Within the Giving Funds, the expendable endowment represents those assets which are held for the longer term of the Trust, in accordance with the terms of the Declaration of Trust.

Income arising within the General Endowment Fund and Giving Funds can be used in accordance with the objects of the Trust as well as the expendable endowment, which can be spent in certain circumstances in fulfilment of the Trust's objects.

Any capital gains or losses arising on the investments held in the Expendable Endowment Fund form part of that Fund.

(c) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met, the amount is measurable and receipt is probable. Where a claim for repayment of income tax has been or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

Grants and Donations Receivable

Grants and Donations are recognised in the SOFA when conditions for receipt have been complied with.

Investment Income

Interest receivable on deposit and securities is accounted for as it accrues. Dividend income receivable on securities is accounted for when received by the investment manager.

(d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Costs of Raising Funds

The costs of raising funds consist of investment management and certain legal fees.

Charitable Activities

Donations payable are recognised when they are approved by the trustees and the recipient of the grant has been informed of the amount to be paid.

Governance Costs

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit fees together with support costs.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024

1 ACCOUNTING POLICIES (Continued)

(e) Tangible Fixed Assets

Tangible fixed assets costing more than £100 are capitalised and depreciated over their useful lives and shown in the balance sheet at cost less accumulated depreciation. Depreciation has been calculated at the rate of 10% of original cost, per year.

(f) Investments

Investments are stated at market value at the Balance Sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(g) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value and book cost (opening market value adjusted with acquisition cost, cost of disposal, cost of gift of shares during the year and other costs if any) at the year end.

(h) Going Concern

The Trustee has assessed whether the use of the going concern basis is appropriate and has considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee has made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustee has taken account of investment income pressures and the likely impact of the volatile investment markets, as well as expenditure. The Trustee has the flexibility to draw down on the expendable endowment fund if required to support grant expenditure. After making enquiries the Trustee has concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

(i) Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when 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.

With the exceptions of prepayments and deferred income (which are not financial investments) and derivatives, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 12 and 13 for the debtor and creditor notes.

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

(j) Cash and Cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, balances held with investment manager, other short-term liquid investment with original maturities of three months or less.

(k) Key Estimates and Judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustee, in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2 ENDOWMENTS RECEIVED

	2024 (£ in '000)	2023 (£ in '000)
Cash:		
Donations received in year	74,632	102,242
Gift Aid reclaimable	3,682	3,032
Investments:		
Transferred into Trust at Market Value	18,858	3,181
	<u><u>97,172</u></u>	<u><u>108,455</u></u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024

3 INVESTMENT INCOME

	2024 (£ in '000)	2023 (£ in '000)
Investment income	5,611	3,137
Interest on cash deposits	5,024	2,123
Gain on cash currency difference	-	16
	10,635	5,276

4 OTHER INCOME

	2024 (£ in '000)	2023 (£ in '000)
Loan waiver	65	-
Other interest- Interest on gift aid claim	7	-
	72	-

5 CHARITABLE ACTIVITIES

The Charity undertook no direct charitable activities but awarded donations to a number of institutions in furtherance of its charitable activities.

	2024 (£ in '000)	2023 (£ in '000)
Grants made during the year	85,243	74,361
Support costs (see note 7)	612	720
	85,855	75,081

The total comprised grants to the following:

The prevention or relief of poverty	13,028	9,356
The advancement of education	11,101	18,234
The advancement of religion	2,306	1,180
The advancement of health or the saving of lives	23,892	14,657
The advancement of citizenship or community development	20,220	9,458
The advancement of the arts, culture, heritage or science	2,414	7,764
The advancement of amateur sport	2,233	374
The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity	872	213
The advancement of environmental protection or improvement	1,366	1,879
The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	4,539	3,065
The advancement of animal welfare	1,408	569
The promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services	1,427	291
Any other charitable purpose	437	7,321
	85,243	74,361

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024

5 CHARITABLE ACTIVITIES (continued)

Institutional Donations of £250,000 and over	2024 (£ in '000)
King's Trust	13,375
Substance Abuse Foundation	9,986
Centrepont Soho	5,051
UK Youth	4,157
Trussell Trust	3,673
Maudsley Charity	3,000
The Big Give Trust	1,651
Heathfield School	1,500
St James's PCC, Westminster	1,350
Forward Trust	1,126
Governors For Schools	1,050
Great Ormond Street Hospital	1,016
London Air Ambulance	1,001
Anna Freud Centre	800
Fareshare	677
Gloucester Cathedral	652
Carers Trust	545
Comic Relief	530
Mental Health Innovations	500
Medicinema	473
Christopher & Dana Reeve Foundation	464
SSPCA	455
Kindred Squared	450
Transparency International UK	430
National Literacy Trust	409
Maggie's Foundation	407
Dogs For Good	406
International Spinal Research Trust	400
Duke of Edinburgh's Award	399
Metabolic Terrain Institute of Health	373
Sue Ryder	371
Hestia Housing & Support	355
2020 Levels	350
Greenhouse Sports	350
Medecins Sans Frontieres (UK)	347
Strategic Resource Group Inc.	324
CSJ Foundation	323
Cancer Nutrition Research & Development Centre	306
St Martin-in-the-Fields Christmas Appeal Charity	301
RNLI	286
Tate Gallery	285
Dogs Trust	283
Tonic Music for Mental Health	265
Smart Works Charity	251
Now Teach	250
The Queen's Reading Room	250
	61,203

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024

6 RELATED PARTY TRANSACTIONS

	2024 (£ in '000)	2023 (£ in '000)
Donations received from a Director of the Trustee	325	91
Donation in kind received from the Trustee	2	-
Donations received from other charities where Hoare Trustees Limited is a Trustee:		
The Golden Bottle Trust (Charity Commission no. 327026)	12,885	31
Donations made to other charities where a director of Hoare Trustees Limited is a Trustee:		
David Nott Foundation	-	2
Intermission Youth Theatre	-	5
The Fore	123	100
Discount provided in Trustee's fees	7	-
	13,342	229

A S Hoare, a director of the Trustee, is also the Chair of the Board of Directors of Snowball Impact Management Limited. At the year-end the Trust had an investment in Snowball Impact Investments LP worth £8.10m (2023: £0.93m).

7 ANALYSIS OF SUPPORT COSTS

	2024 (£ in '000)	2023 (£ in '000)
Bank charges	2	1
Cost of printing voucher books	1	-
Depreciation of tangible fixed asset	-	3
Legal fees	12	25
Consultancy fees	23	23

GOVERNANCE COSTS

Trustee Administration Fee (including VAT)	446	652
Independent Auditor's Remuneration	21	21
Over provision of previous years audit fee	-	(5)
Accountancy fees	89	-
Professional fees	18	-
	612	720

INVESTMENT RELATED FEES

Investment Management fees	553	501
Custody Fees	63	50
	616	551

8 REMUNERATION OF TRUSTEE

For the year ended 30th September 2024, the Trustee charged £0.44m (2023: £0.65m) for their administrative fees in accordance with the power given to them by virtue of clause 28.3 of the Declaration of Trust. In addition, £0.01m (2023: £0.01m) was paid towards Trustee's due diligence fees. No out of pocket expenses were reimbursed by the Charity.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024

9 FIXED ASSET INVESTMENTS

Movement in fixed asset investments

	Listed Investments (£ in '000)	Unlisted Investments (£ in '000)	Total 2024 (£ in '000)	Total 2023 (£ in '000)
Investments				
Market Value Brought Forward	187,366	3,705	191,071	160,818
Reclassification of listed as unlisted	(56)	56	-	-
Investments gifted in	10,361	7,660	18,021	3,181
Acquisition costs	99,414	2,331	101,745	80,087
Disposal proceeds	(82,823)	(96)	(82,919)	(57,323)
Realised gains on disposals	(2,053)	-	(2,053)	2,161
Unrealised gains/(losses)	15,376	(2,237)	13,139	2,147
Market Value Carried Forward	227,585	11,419	239,004	191,071
Historical cost as at 30th September 2024	199,719	10,375	210,094	184,158

The market value of investments to 30th September 2024 includes an investment of unlisted shares in Beagle Bidco Limited, totalling £2.14m (2023: £2.14m) that was acquired on the 9th December 2020.

During the year, it was discovered that some of the unlisted investments were incorrectly categorised and disclosed under listed investments in the 2023 financial statements. The values brought forward have been reclassified to listed investments in the current year as a result.

10 PROGRAMME RELATED INVESTMENTS

Movement in programme related investments

	2024 (£ in '000)	2023 (£ in '000)
Unlisted programme related investments		
Value brought forward	228	228
Programme related investments gifted in	728	-
Programme related investments acquired	104	-
Legal fees paid for land capitalised	-	3
Unrealised loss on investments	-	(3)
Value Carried Forward	1,060	228
Historical cost as at 30th September 2024	1,060	225

All of the programme related investments were held in the United Kingdom and are unlisted. They have therefore been valued at par.

	2024 (£ in '000)	2023 (£ in '000)
Unlisted programme related investments held		
25,000 CW Renewable Energy EIS Fund	25	25
1 EcoPower Indian Ocean Ltd	23	23
10,623 Mission Housing Limited 1.25% Loan 30/11/2024	11	11
50,000 Mustard Seed Maze Social Entrepreneurship Fund	45	41
33.33 Oikocredit GBP Depository Receipts	5	5
39 Relational Analytics Ordinary £1 Shares	-	-
14,961 Relational Analytics Preference Shares of £1	15	15
25,000 Relational Analytics Subordinated Loan Notes	25	25
N/A Land retained at Warren Farm	83	83
N/A Pelican AG Limited (see narrative (i) below)	400	-
N/A Social Finance Ltd Loan (see narrative (ii) below)	300	-
143 Mustard Seed	100	-
26,881 Truestone	28	-
	1,060	228

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024

- (i) Pelican AG Limited is the UK's first early-stage venture firm powering sustainable food and natural systems; from farm to fork, including nature-based solutions. They invest early-stage for outsize impact and returns in pre-seed, seed and series A companies.
- (ii) Social Finance Ltd is a not for profit organisation that partners with the government, the social sector and the financial community to find better ways of tackling social problems in the UK and beyond. Their goal is to effect real social change that will deliver lasting impact.

11 TANGIBLE FIXED ASSETS

	2024	
	Motor vehicles	Totals
	(£ in '000)	(£ in '000)
Cost		
At 1st October 2023	25	25
Additions	-	-
Asset transferred as gift at book cost	(25)	(25)
At 30th September 2024	-	-
Depreciation		
At 1st October 2023	12	12
Charge for year	-	-
Accumulated depreciation on asset gifted	(12)	(12)
At 30th September 2024	-	-
Net book value		
At 30th September 2024	-	-
At 30th September 2023	13	13

12 DEBTORS

	2024	2023
	(£ in '000)	(£ in '000)
Donation due from donors	109	2
Gift aid tax reclaim	529	1,491
Investment income/interest due	632	646
Other debtors	138	31
	1,408	2,170

13 CREDITORS

	2024	2023
	(£ in '000)	(£ in '000)
Due within one year		
Loan	120	185
Grants payable	125	207
Investment trade to settle	22	219
Accrued expenses	380	327
Financial instruments	-	150
Other creditors	7	-
	654	1,088
Due more than one year		
Grants payable	150	275
	150	275

The loan is repayable on demand and does not bear any interest.

14 FUND TRANSFERS

The Trustee made a transfer of £0.71m from the General Endowment Fund as well as a transfer of £73.90m from the Expendable Endowment Fund, totalling £74.61m to the Giving Fund in order to meet the level of donations as suggested by donors and in accordance with the terms under which the Giving Funds are operated.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	-----Unrestricted Funds-----			
	General Endowment Fund 2024 (£ in '000)	Income 2024 (£ in '000)	Expendable Endowment 2024 (£ in '000)	Total Funds 2024 (£ in '000)
Fixed Assets				
Listed Investments	323	-	227,262	227,585
Unlisted Investments	-	-	11,419	11,419
Programme Related Investments	-	-	1,060	1,060
Tangible fixed assets	-	-	-	-
Fixed bank deposits	-	-	19,095	19,095
Current Assets				
Cash	231	-	110,183	110,414
Sundry Debtors	-	-	1,408	1,408
Creditors due within one year	(2)	-	(652)	(654)
Creditors due more than one year	-	-	(150)	(150)
Total	<u>552</u>	<u>-</u>	<u>369,625</u>	<u>370,177</u>

	-----Unrestricted Funds-----			
	General Endowment Fund 2023 (£ in '000)	Income 2023 (£ in '000)	Expendable Endowment 2023 (£ in '000)	Total Funds 2023 (£ in '000)
Fixed Assets				
Listed Investments	330	-	187,036	187,366
Unlisted Investments	-	-	3,705	3,705
Programme Related Investments	-	-	228	228
Tangible fixed assets	-	-	13	13
Fixed bank deposits	-	-	30,775	30,775
Current Assets				
Cash	16	-	132,276	132,292
Sundry Debtors	-	-	2,170	2,170
Creditors due within one year	(1)	-	(1,087)	(1,088)
Creditors due more than one year	-	-	(275)	(275)
Total	<u>345</u>	<u>-</u>	<u>354,841</u>	<u>355,186</u>

**16 RECONCILIATION OF OPERATING SURPLUS TO NET CASH
(OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2024 (£ in '000)	Restated 2023 (£ in '000)
Net operating income	21,408	38,099
Investment income	(10,635)	(5,276)
Endowment Donations	(97,172)	(108,455)
Gift in kind (Tangible fixed asset granted out)	13	-
Loan waiver	(65)	-
Gains on Currency transactions	(1,399)	(290)
Depreciation	-	3
Decrease/(increase) in Debtors	871	(1,934)
Increase/(decrease) in Creditors	(494)	856
Net cash (outflow)/inflow from operating activities	<u>(87,473)</u>	<u>(76,997.00)</u>

**THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2024**

17 POST BALANCE SHEET EVENTS

Following the year-end, Golden Bottle Trust, a charity for which Hoare Trustees Limited serves as Trustee, transferred assets valued at £6.03m to The Master Charitable Trust.

18 PRIOR YEAR ADJUSTMENT

It was discovered in year that in the prior year, deposit accounts were incorrectly classified as fixed assets instead of current assets. Accounting for this prior year adjustment had the following effect in 2023:

- Long term deposit accounts – decrease of £29.28m
- Short term deposit accounts – increase of £29.28m

THE MASTER CHARITABLE TRUST

England & Wales - Charity number 1139904

Accounts

THE MASTER CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

REGISTERED CHARITY NUMBER: 1139904

FOR THE YEAR ENDED 30th SEPTEMBER 2023

Hoares Trustees Limited
37 Fleet Street
London
EC4P 4DQ

THE MASTER CHARITABLE TRUST
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**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT
FOR THE YEAR ENDED 30th SEPTEMBER 2023**

Reference and administrative information

Dates of Deeds	Declaration of Trust - 23rd December 2009 Deed of Amendment - 5th January 2011
Trustee	Hoares Trustees Limited - (Appointed 28/02/2024) (Messrs Hoare Trustees Limited retired 18/04/2024)
Directors of Hoare Trustees Limited	Mr A. S. Hoare Mrs V. E. Hoare Mr S. M. Hoare Mrs B. S. Hoare Mr A. R. Q. Hoare Mr R. R. Hoare Ms D. S. Brightmore-Armour (Appointed 06/12/2023) Ms. A. F. Rodwell (Appointed 13/08/2024) Ms. A. M. R. Little (Appointed 13/08/2024) A new Trustee or director may be appointed at any time and notwithstanding that the total number of Trustees may exceed four.
Nature of Trust	A registered charity, registered with the Charity Commissioners for England and Wales as number 1139904.
Trustee(s)	Hoares Trustees Limited 37 Fleet Street London EC4P 4DQ
Independent Auditors	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	C. Hoare & Co. 37 Fleet Street London EC4P 4DQ
Solicitors	Birketts LLP Providence House 141-145 Princes Street Ipswich IP1 1QJ

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023**

Report of the Trustee for the year ended 30th September 2023.

The Trustee of the Master Charitable Trust (the Charity) presents its report along with the financial statements of the Charity for the year to 30th September 2023. The financial statements have been prepared in accordance with the accounting policies set out on page 11 and 12 and comply with the Charity's Trust Deed, the Charities Act 2011 and the requirements of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

Structure, Governance and Management

The Charity's registration number is 1139904. The principal and registered address is 37 Fleet Street, London EC4P 4DQ. The Charity is governed by a Declaration of Trust dated 23rd December 2009 (as amended by Deed on 5th January 2011). The Trustee, who is stated on page 1, is responsible for the management of the Charity.

The Charity's finances encompass the General Endowment Fund and individual Giving Funds. The Giving Funds comprise a bank account which is treated as expendable endowments under the Charities SORP, and all the Funds are unrestricted under the terms of the Trust Deed.

Donors have the ability to name their own Giving Fund subject to the Trustee's approval. Donors can make an initial lump sum contribution through cash, shares or other assets and replenish their Giving Fund when they wish. Donors can receive a charity cheque book in the name of the Giving Fund and Donors can choose to invest the funds in a professionally managed portfolio in order to grow their fund.

Objectives and Activities

The Declaration of Trust directs that the capital (expendable endowment) and income of the Charity is to be held on trust for the benefit of such exclusively charitable objects and purposes in any part of the world as the Trustee may in its absolute discretion think fit.

The Charity provides a simple and cost effective way for donors to manage their charitable donations and input into the investment strategy or appoint an investment manager. The in-built flexibility and the way in which the Charity and the Giving service is supporting customers throughout the process makes it easier for customers to be more philanthropic.

Many donors are attracted by the fact the Charity can be used to create an enduring legacy and appoint a successor.

Fundraising

No fundraising activities were undertaken during the year ending 30th September 2023 (2022: nil) and as such, no complaints were received in the year regarding fund-raising practices.

Grant making policy

A wide variety of UK charitable causes have been supported. The policy is to make grants to UK registered charities or for charitable purposes in any part of the world as approved by the Trustee.

As required by the Charities Act 2011, the Trustee has referred to the Charity Commission's general guidance on public benefit when approving grants. In particular, the Trustee has considered how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries. The grants benefit a number of public causes, as detailed in note 4. In shaping objectives and planning activities for the year, the trustee has considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements and Performance

Our donors have continued in their generosity in the past year, with donations totalling £74,360,775 to 1,429 different charities (2022: £45,335,450 to 759). This year we saw a quarter of these donations go towards education, closely followed by grants in support of the health or saving lives causes. 13 donations of £1m or over were made in the year benefiting 11 different charities. We continue to provide a flexible service for our donors, supporting a wide variety of charities and projects. Alongside growth in the UK DAF market, MCT has also grown, continuing to hold a significant proportion of the market share. We hope to continue to support our donors in having a positive impact in years to come.

Financial Review

The Trustee received donations during the year of £108,454,998 (2022: £140,171,977) which includes £3,032,366 of Gift Aid claims (2022: £1,560,049), and established a further 18 Giving Funds which between them donated new expendable endowments totalling £1,650,901 bringing the number of Giving Funds to 146 at the year end. The net inflow of funds after recognised gains and losses amounted to £42,114,719 (2022: £76,311,728). The financial statements for the year are set out on pages 8 to 18.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023**

Risk Management

Hoares Trustees Limited is responsible for the oversight of the risks faced by the Charity. Hoares Trustees Limited regularly review the risk position, internal controls assessment and compliance with relevant statutory and finance regulations.

The Charity has a risk-management process designed to identify the major risks that could impact the Charity.

This process identifies the major risks the Charity faces, the likelihood of occurrence, the significance of the risk, and any mitigating controls that are in place. It also seeks to identify any actions and resources required to manage these risks further.

The Charity's investment activities are its main financial risk. This risk is managed, with the support of investment advisers, through: regular reviews of investments; independent valuation and performance reporting; diversification across a broad range of asset classes, geographies, investment managers and investment strategies.

To mitigate the possibility of any inappropriate donation being made, the Trustee undertakes due diligence on each beneficiary to ensure that it is either a UK registered charity with the Charity Commission, an exempt charitable body (church or school etc) or a charity limited by guarantee. Where a donation is to be made to a foreign body or individual, more extensive due diligence is undertaken in accordance with HMRC guidelines.

Investment Policy and Performance

Under the terms of Clause 22 of the Trust Deed the Trustee is able to apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate and whether involving liabilities or producing income or not, as it sees fit. For the avoidance of doubt, the Trustee may for investment purposes, pool all or part of the property held by them under the terms of this Deed.

Performance is measured in accordance with the risk profile of each Giving Fund.

Reserves Policy

According to the Charity Commission's guidance update in their Statement of Recommended Practice: "Accounting and Reporting by Charities" revised in July 2014, the Trust's expendable endowment is not considered part of the Charity's free reserves. However, this endowment is a considerable sum, and the capital can be used at the discretion of the Trustee to fund any deficit on expenditure. It is therefore the view of the Trustee that the Trust does not need to hold any additional money in reserve.

Future Plans

In the medium to long term, the Trustee intends to increase the impact of charitable donations and investments by promoting increased giving and impact investing and increasing the number of Giving funds.

It was approved by the Charity Commission on 24th January 2024 to transfer the assets of The Golden Bottle Trust to The Master Charitable Trust. This was agreed to be in the best interest of the Charity and is expected to complete before the end of 2024. The assets transferred will form a new Giving fund and will operate as such in the future.

THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

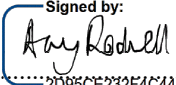
Charity law requires the Trustee to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing those financial statements, the Trustee is required to:

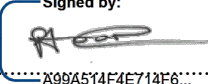
- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is 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 Trustee is 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.

27/9/2024
Approved by the Trustee on:..... Date

Signed by:  Amy Rodwell
and signed on its behalf by:..... 2D95CE232F4C44A... Director

Signed by:  Richard Rennie Hoare
..... X99A514F4E714F6... Director

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST
FOR THE YEAR ENDED 30th SEPTEMBER 2023**

Opinion

We have audited the financial statements of The Master Charitable Trust for the year ended 30 September 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, including FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 30 September 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 Auditor's Responsibilities for the audit of 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 Trustee's 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 annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept adequate 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 required for our audit.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023**

Responsibilities of The Trustee

As explained more fully in the trustee's responsibilities statement set out on page 4, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is 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 Trustee either intends to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Charity.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the Charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the Charity's trustee, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustee 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 any party other than the Charity and Charity's trustee as a body, for our audit work, for this report, or for the opinion we have formed.



**James Cross (Senior statutory auditor)
Moore Kingston Smith LLP**

30 September 2024

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE MASTER CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30th SEPTEMBER 2023

		-----Unrestricted Funds-----				-----Unrestricted Funds-----			
		General Endowment Fund £	Income £	Expendable Endowment £	Total Funds 2023 £	General Endowment Fund £	Income £	Expendable Endowment £	Total Funds 2022 £
	Notes								
Income and Expenditure									
INCOME AND ENDOWMENTS FROM:									
Donations and legacies:-									
		-	-	108,454,998	108,454,998	15,150	-	140,156,827	140,171,977
	2								
	3	378	5,275,694	-	5,276,072	-	2,229,788	-	2,229,788
		378	5,275,694	108,454,998	113,731,070	15,150	2,229,788	140,156,827	142,401,765
EXPENDITURE ON:									
Cost of raising funds									
		1,080	-	549,460	550,540	1,026	-	337,089	338,115
	6								
	4	-	74,360,775	720,424	75,081,199	-	45,990,532	825,215	46,815,747
		1,080	74,360,775	1,269,884	75,631,739	1,026	45,990,532	1,162,304	47,153,862
NET OPERATING INCOME/(EXPENDITURE)									
		(702)	(69,085,081)	107,185,114	38,099,331	14,124	(43,760,744)	138,994,523	95,247,903
OTHER RECOGNISED GAINS/(LOSSES)									
		59	-	4,305,241	4,305,300	(15,269)	-	(20,797,067)	(20,812,336)
	8&9								
		-	-	-	-	-	-	-	-
		(2,613)	-	(287,299)	(289,912)	-	-	1,876,161	1,876,161
NET INCOME/(EXPENDITURE)									
		(3,256)	(69,085,081)	111,203,056	42,114,719	(1,145)	(43,760,744)	120,073,617	76,311,728
	13								
		(3,370)	68,876,363	(68,872,993)	-	(41,897)	43,776,893	(43,734,996)	-
Gross transfer between Funds									
		(6,626)	(208,718)	42,330,063	42,114,719	(43,042)	16,149	76,338,621	76,311,728
NET MOVEMENT IN FUNDS									
RECONCILIATION OF FUNDS									
		351,586	208,718	312,510,712	313,071,016	394,628	192,569	236,172,091	236,759,288
	14								
		344,960	-	354,840,775	355,185,735	351,586	208,718	312,510,712	313,071,016
BALANCES CARRIED FORWARD									

All amounts relate to continuing activities. All recognised gains and losses are included in the Statement of Financial Activities.

THE MASTER CHARITABLE TRUST
BALANCE SHEET
AS AT 30th SEPTEMBER 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Listed Investments	8	187,366,417	159,867,653
Unlisted Investments	8	3,704,882	949,689
Programme Related Investments	9	228,046	228,198
Tangible fixed assets	10	12,625	15,150
Fixed bank deposits		<u>30,775,000</u>	<u>-</u>
		222,086,970	161,060,690
CURRENT ASSETS			
Cash at Bank		132,292,073	152,295,914
Debtors	11	<u>2,169,766</u>	<u>235,880</u>
		134,461,839	152,531,794
CURRENT LIABILITIES			
Creditors - falling due within one year	12	1,088,074	521,468
NON-CURRENT LIABILITIES			
Creditors - falling due more than one year	12	275,000	-
NET CURRENT ASSETS		<u>133,098,765</u>	<u>152,010,326</u>
Total assets plus current assets		<u>355,185,735</u>	<u>313,071,016</u>
NET ASSETS		<u><u>355,185,735</u></u>	<u><u>313,071,016</u></u>
UNRESTRICTED FUNDS			
General Endowment Fund	14	344,960	351,586
Giving Funds			
Expendable Endowment	14	354,840,775	312,510,712
Income Funds	14	<u>-</u>	<u>208,718</u>
		<u><u>355,185,735</u></u>	<u><u>313,071,016</u></u>

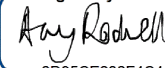
Approved by the Trustee and authorised for issue on:

and signed on its behalf by:

27/9/2024

.....
Date

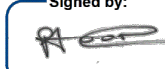
Signed by:


.....
2D95CE232F4C44A...

Amy Rodwell

Director

Signed by:


.....
A99A314F4E714F8...

Richard Rennie Hoare

Director

THE MASTER CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2023

	Notes	2023 £	2022 £	
Cash flows from operating activities				
Net cash provided by operating activities	15	28,277,667	78,266,297	
Cash flows from investing activities				
Dividends and interest from investments	3	5,276,072	2,229,788	
Proceeds from sale of fixed asset investments	8	57,322,724	82,625,597	
Proceeds from sale of programme related investments	9	-	6,211	
Purchase of fixed asset investments	8	(80,087,266)	(105,928,880)	
Purchase of programme related investments	9	-	(1,445,673)	
Purchase of fixed bank deposits		(30,775,000)	-	
Redemption of programme related investments	9	-	1,469,317	
Cost incurred on programme related investments capitalised	9	(3,038)	-	
Net cash used in investing activities		(48,266,508)	(21,043,640)	
Cash flows from financing activities				
Movement on loan		(15,000)	(1,350,000)	
Net cash used in financing activities		(15,000)	(1,350,000)	
Change in cash and cash equivalents in the reporting period		(20,003,841)	55,872,657	
Cash and cash equivalents at the beginning of the reporting period		152,295,914	96,423,257	
Cash and cash equivalents at the end of the reporting period		132,292,073	152,295,914	
<u>Net debt</u>				
	At start of year	Cash flows	Other movements	At end of year
Cash and cash equivalents	152,495,914	(19,988,841)	-	132,507,073
Loan	(200,000)	(15,000)	-	(215,000)
Net debt	152,295,914	(20,003,841)	-	132,292,073

The notes on pages 11 to 18 form part of these financial statements.

**THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2023**

1 ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Fund Structure

The General Endowment Fund is a fund which the Trustee is free to use in accordance with the charitable objects.

Giving Funds comprise those funds that Donors have donated to their Giving Fund. Whilst these funds are technically unrestricted, donors are able to request The Trustee to make payments and understand that these are not legally binding instructions. Within the Giving Funds, the expendable endowment represents those assets which are held for the longer term of the Trust, in accordance with the terms of the Declaration of Trust.

Income arising within the General Endowment Fund and Giving Funds can be used in accordance with the objects of the Trust as well as the expendable endowment, which can be spent in certain circumstances in fulfilment of the Trust's objects.

Any capital gains or losses arising on the investments held in the Expendable Endowment Fund form part of that Fund.

(c) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met, the amount is measurable and receipt is probable. Where a claim for repayment of income tax has been or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

Grants and Donations Receivable

Grants and Donations are recognised in the SOFA when conditions for receipt have been complied with.

Investment Income

Interest receivable on deposit and securities is accounted for as it accrues. Dividend income receivable on securities is accounted for when received by the investment manager.

(d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Costs of Raising Funds

The costs of raising funds consist of investment management and certain legal fees.

Charitable Activities

Donations payable are recognised when they are approved by the trustees and the recipient of the grant has been informed of the amount to be paid.

Governance Costs

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit fees together with support costs.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2023

1 ACCOUNTING POLICIES (Continued)

(e) Tangible Fixed Assets

Tangible fixed assets costing more than £100 are capitalised and depreciated over their useful lives and shown in the balance sheet at cost less accumulated depreciation. Depreciation has been calculated at the rate of 10% of original cost, per year.

(f) Investments

Investments are stated at market value at the Balance Sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(g) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

(h) Going Concern

The Trustee has assessed whether the use of the going concern basis is appropriate and has considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee has made this assessment for a period of at least one year from the date of approval of the financial statements

. In particular the Trustee has taken account of investment income pressures and the likely impact of the volatile investment markets, as well as expenditure. The Trustee has the flexibility to draw down on the expendable endowment fund if required to support grant expenditure. After making enquiries the Trustee has concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

(i) Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when 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.

With the exceptions of prepayments and deferred income (which are not financial investments) and derivatives, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 11 and 12 for the debtor and creditor notes.

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

(j) Cash and Cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investment with original maturities of three months or less.

(k) Key Estimates and Judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustee in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2 ENDOWMENTS RECEIVED

	2023	2022
	£	£
Cash:		
Donations received in year	102,241,707	119,506,925
Gift Aid reclaimable	3,032,366	1,560,049
Investments:		
Transferred into Trust at Market Value	3,180,925	19,105,003
	<u>108,454,998</u>	<u>140,171,977</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023

3 INVESTMENT INCOME

	2023	2022
	£	£
Investment income	3,136,468	2,058,270
Interest on cash deposits	2,123,415	164,316
Gain on cash currency difference	16,189	7,202
	<u>5,276,072</u>	<u>2,229,788</u>

4 CHARITABLE ACTIVITIES

The Charity undertook no direct charitable activities but awarded donations to a number of institutions in furtherance of its charitable activities.

	2023	2022
	£	£
Grants made during the year	74,360,775	45,335,450
Support costs (see note 6)	720,424	655,082
Realised loss on lease of Warren Farm	-	825,215
	<u>75,081,199</u>	<u>46,815,747</u>

The total comprised grants to the following:

The prevention or relief of poverty	9,355,838	4,921,615
The advancement of education	18,233,553	6,336,483
The advancement of religion	1,180,299	401,943
The advancement of health or the saving of lives	14,657,041	6,398,245
The advancement of citizenship or community development	9,458,015	9,699,276
The advancement of the arts, culture, heritage or science	7,763,823	8,395,247
The advancement of amateur sport	374,380	381,320
The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity	213,260	385,791
The advancement of environmental protection or improvement	1,879,205	1,261,459
The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	3,065,468	2,429,689
The advancement of animal welfare	569,283	377,750
The promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services	291,009	76,120
Any other charitable purpose	7,319,601	4,270,512
	<u>74,360,775</u>	<u>45,335,450</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023

4 CHARITABLE ACTIVITIES (continued)

	2023
	£
Institutional Donations of £250,000 and over	
Royal College of Art	6,103,451
Royal Opera House Covent Garden Foundation	4,012,550
London Clinic	4,000,000
Trussell Trust	3,605,000
UK Youth	3,071,271
Prince's Trust	2,275,000
GiveWell UK	2,100,000
Clink Charity	2,000,000
National Gallery Trust	1,621,123
National Association of Citizens Advice Bureaux	1,178,583
Duke of Edinburgh's Award	1,160,000
Macmillan Cancer Support	1,011,220
National Portrait Gallery	950,000
Forward Trust	915,254
Substance Abuse Foundation	901,229
Strategic Resource Group Inc.	660,000
Governors For Schools	618,312
The Big Give Trust	610,700
Maggie's	605,000
Stowe School Foundation	600,000
Kindred Squared	550,000
World Land Trust	532,000
St Martin-in-the-Fields Christmas Appeal Charity	500,500
Barnardo's	500,050
English Heritage Trust	500,000
Medecins Sans Frontieres (UK)	473,980
Institute for Cancer Vaccines and Immunotherapy	450,000
National Star	440,000
Fareshare	392,528
Sue Ryder	350,500
The Foundling Museum	325,000
Greenhouse Sports	318,760
Gloucester Cathedral	318,571
The Felix Project	310,000
The Branch Trust, Chipping Norton	280,000
Wentworth Woodhouse Preservation Trust	275,000
British Exploring Society	255,381
Science Museum Group	255,000
Comic Relief	250,000
Dogs Trust	250,000
Glass Door Homeless Charity	250,000
North Western Reform Synagogue	250,000
Royal Trinity Hospice	250,000
University College London	250,000
	46,525,963

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023

5 RELATED PARTY TRANSACTIONS

	2023	2022
	£	£
Donations received from a Director of the Trustee	91,000	62,500
Donations received from other charities where Hoare Trustees Limited is a Trustee:		
The Golden Bottle Trust (Charity Commission no. 327026)	31,000	20,000
Donations made to other charities where a director of Hoare Trustees Limited is a Trustee:		
David Nott Foundation	2,000	-
Intermission Youth Theatre	5,000	-
The Fore	100,000	-
	229,000	82,500

A S Hoare, a director of the trustee, is also the Chair of the Board of Directors of Snowball Impact Investments LP. At the year-end the Trust had an investment in Snowball Impact Investments LP worth £929,520 (2022: £744,506).

6 ANALYSIS OF SUPPORT COSTS

	2023	2022
	£	£
Bank charges	989	783
Cost of printing voucher books	204	2,760
Depreciation of tangible fixed asset	2,525	2,525
Legal fees	24,861	12,404
Administration	23,735	38,349

GOVERNANCE COSTS

Trustee Administration Fee (including VAT)	652,497	577,821
Independent Auditor's Remuneration	21,034	28,825
Over provision of previous years audit fee	(5,421)	(8,385)
	720,424	655,082

INVESTMENT RELATED FEES

Investment Management fees	500,216	290,865
Custody Fees	50,324	45,500
Enhance Investment Review Fees	-	1,750
	550,540	338,115

7 REMUNERATION OF TRUSTEE

For the year ended 30th September 2023, the Trustee charged £645,897 (2022: £572,361) for their administrative fees in accordance with the power given to them by virtue of clause 28.3 of the Declaration of Trust. In addition, £6,600 (2022 : £5,460) was paid towards Trustees' due diligence fees. No out of pocket expenses were reimbursed by the Charity.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023

8 FIXED ASSET INVESTMENTS

Movement in fixed asset investments

	Listed	Unlisted	Total	
			2023	2022
Investments	£	£	£	£
Market Value Brought Forward (restated)	159,013,553	1,803,789	160,817,342	139,241,149
Investments gifted in	2,162,067	1,018,858	3,180,925	19,105,003
Add: Acquisition costs	79,173,475	913,791	80,087,266	105,928,880
Less: Disposal proceeds	(56,990,583)	(332,141)	(57,322,724)	(82,625,597)
Realised (losses)/gains on disposals	2,041,405	119,741	2,161,146	(4,883,538)
Unrealised (losses)/gains	1,966,500	180,844	2,147,344	(15,948,555)
Market Value Carried Forward	187,366,417	3,704,882	191,071,299	160,817,342
Historical cost as at 30th September 2023	180,471,054	3,686,573	184,157,627	159,231,940

The market value of investments to 30th September 2023 includes an investment of unlisted shares in Beagle Bidco Limited, totalling £2,143,824 (2022: £868,795) that was acquired on the 9th December 2020.

During the year, it was discovered that some of the unlisted investments were incorrectly categorised and disclosed under listed investments in the 2022 financial statements. The values brought forward have been reclassified to listed investments in the current year as a result.

9 PROGRAMME RELATED INVESTMENTS

Movement in programme related investments

	2023	2022
	£	£
Unlisted programme related investments		
Value brought forward	228,198	238,298
Programme related investments Acquired:		
Land at Warren Farm	-	1,445,673
Programme related investments Redeemed:		
Mustard Seed Maze equalisation payment	-	(6,211)
40,000 Adoption UK Charity 5% Fixed Rate Unsecured Loan Notes 2022	-	(53,607)
813 Herddle Group Limited	-	(50,039)
Land at Warren Farm leased to Surrey Wildlife Trust	-	(1,365,673)
Legal fees paid for land capitalised	3,038	
Gain on investments	-	19,757
Unrealised loss on investments	(3,190)	-
Value Carried Forward	228,046	228,198
Historical cost as at 30th September 2023	224,577	221,539

All of the programme related investments were held in the United Kingdom and are unlisted. They have therefore been valued at par.

Unlisted programme related investments held	2023	2022
	£	£
25,000 CW Renewable Energy EIS Fund	25,000	25,000
1 EcoPower Indian Ocean Ltd	23,165	23,165
10,623 Mission Housing Limited 1.25% Loan 30/11/2024	10,623	10,623
50,000 Mustard Seed Maze Social Entrepreneurship Fund	41,220	44,410
33.33333 Oikocredit GBP Depository Receipts	5,000	5,000
39 Relational Analytics Ordinary £1 Shares	39	39
14,961 Relational Analytics Preference Shares of £1	14,961	14,961
25,000 Relational Analytics Subordinated Loan Notes	25,000	25,000
Land retained at Warren Farm	83,038	80,000
	228,046	228,198

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023

10 TANGIBLE FIXED ASSETS

	2023	
	Motor vehicles £	Totals £
Cost		
At 1st October 2022	25,250	25,250
Additions	-	-
Disposals	-	-
At 30th September 2023	<u>25,250</u>	<u>25,250</u>
Depreciation		
At 1st October 2022	10,100	10,100
Charge for year	2,525	2,525
At 30th September 2023	<u>12,625</u>	<u>12,625</u>
Net book value		
At 30th September 2023	<u>12,625</u>	<u>12,625</u>
At 30th September 2022	<u>15,150</u>	<u>15,150</u>

11 DEBTORS

	2023 £	2022 £
Cash due from donors	2,030	-
Gift aid tax reclaim	1,490,877	142,500
Investment income/interest due	646,159	7,396
Recoverable tax on investment income	-	997
Other debtors and prepayments	30,700	84,987
	<u>2,169,766</u>	<u>235,880</u>

12 CREDITORS

	2023 £	2022 £
Due within one year		
Loan	185,000	200,000
Trustee administration fees	192,817	164,206
Independent auditor's remuneration	26,910	29,340
Investment management fees	107,888	68,253
Investment trade to settle	218,630	-
Custody fees	-	10,361
Grants payable	207,207	-
Financial instruments	149,622	-
Other creditors	-	49,308
	<u>1,088,074</u>	<u>521,468</u>
Due more than one year		
Grants payable	275,000	-
	<u>275,000</u>	<u>-</u>

The loan is repayable on demand and does not bear any interest.

13 FUND TRANSFERS

The Trustee made a transfer of £3,370 from the General Endowment Fund as well as a transfer of £68,872,993 from the Expendable Endowment Fund, totalling £68,876,363 to the Giving Fund in order to meet the level of donations as suggested by donors and in accordance with the terms under which the Giving Funds are operated.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2023

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	-----Unrestricted Funds-----			
	General Endowment Fund 2023	Income 2023 £	Expendable Endowment 2023 £	Total Funds 2023 £
Fixed Assets				
Listed Investments	329,502	-	187,036,915	187,366,417
Unlisted Investments	-	-	3,704,882	3,704,882
Programme Related Investments	-	-	228,046	228,046
Tangible fixed assets	-	-	12,625	12,625
Fixed bank deposits	-	-	30,775,000	30,775,000
Current Assets				
Cash	16,337	-	132,275,736	132,292,073
Sundry Debtors	425	-	2,169,341	2,169,766
Creditors due within one year	(1,304)	-	(1,086,770)	(1,088,074)
Creditors due more than one year	-	-	(275,000)	(275,000)
Total	<u>344,960</u>	<u>-</u>	<u>354,840,775</u>	<u>355,185,735</u>

	-----Unrestricted Funds-----			
	General Endowment Fund 2022 £	Income 2022 £	Expendable Endowment 2022 £	Total Funds 2022 £
Fixed Assets				
Listed Investments	333,556	-	159,534,097	159,867,653
Unlisted Investments	-	-	949,689	949,689
Programme Related Investments	-	-	228,198	228,198
Tangible fixed assets	-	-	15,150	15,150
Current Assets				
Cash	31,224	208,718	152,055,972	152,295,914
Sundry Debtors	425	-	235,455	235,880
Creditors due within one year	(13,619)	-	(507,849)	(521,468)
Total	<u>351,586</u>	<u>208,718</u>	<u>312,510,712</u>	<u>313,071,016</u>

**15 RECONCILIATION OF OPERATING SURPLUS TO NET CASH
INFLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
Net operating income	38,099,331	95,247,903
Investment income	(5,276,072)	(2,229,788)
Investments gifted	(3,180,925)	(19,105,003)
Gains on Currency transactions	(289,912)	1,876,161
Depreciation	2,525	2,525
(Increase)/decrease in Debtors	(1,933,886)	2,670,485
Increase/(decrease) in Creditors	856,606	(195,989)
Net cash inflow from operating activities	<u>28,277,667</u>	<u>78,266,296</u>

THE MASTER CHARITABLE TRUST

England & Wales - Charity number 1139904

Accounts

THE MASTER CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

REGISTERED CHARITY NUMBER: 1139904

FOR THE YEAR ENDED 30th SEPTEMBER 2022

Messrs. Hoare Trustees
37 Fleet Street
London
EC4P 4DQ

**THE MASTER CHARITABLE TRUST
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**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT
FOR THE YEAR ENDED 30th SEPTEMBER 2022**

Reference and administrative information

Dates of Deeds	Declaration of Trust - 23rd December 2009 Deed of Amendment - 5th January 2011
Trustee	Messrs. Hoare Trustees
Directors of Messrs. Hoare Trustees	A S Hoare V E Hoare S M Hoare B S Hoare A R Q Hoare R R Hoare (appointed 10 May 2022) N I Macpherson (resigned 10 May 2022)

A new Trustee or director may be appointed at any time and notwithstanding that the total number of Trustees may exceed four.

Training is provided to the Trustee(s) on an on going basis.

Nature of Trust	A registered charity, registered with the Charity Commissioners for England and Wales as number 1139904.
Nicholas	Messrs. Hoare Trustees 37 Fleet Street London EC4P 4DQ
Independent Auditors	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	C. Hoare & Co. 37 Fleet Street London EC4P 4DQ
Solicitors	Bates Wells LLP 10 Queen Street Place London EC4R 1BE

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022**

Report of the Trustee for the year ended 30th September 2022.

The Trustee of the Master Charitable Trust (the Charity) presents its report along with the financial statements of the charity for the year to 30th September 2022. The financial statements have been prepared in accordance with the accounting policies set out on page 11 and 12 and comply with the charity's Trust Deed, the Charities Act 2011 and the requirements of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

Structure, Governance and Management

The Charity's registration number is 1139904. The principal and registered address is 37 Fleet Street, London EC4P 4DQ. The Charity is governed by a Declaration of Trust dated 23rd December 2009 (as amended by Deed on 5th January 2011). The Trustee, who is stated on page 1, is responsible for the management of the Charity.

The Charity's finances encompass the General Endowment Fund and individual Giving Funds. The Giving Funds comprise an account which are treated as expendable endowments under the Charities SORP, and all the Funds are unrestricted under the terms of the Trust Deed.

Donors have the ability to name their own Giving Fund subject to the Trustee's approval. Donors can make an initial lump sum contribution through cash, shares or other assets and replenish their Giving Fund when they wish. Donors will receive a charity cheque book in the name of the Giving Fund and Donors can choose to invest the funds in a professionally managed portfolio in order to grow their fund.

Objectives and Activities

The Declaration of Trust directs that the capital (expendable endowment) and income of the Charity is to be held on trust for the benefit of such exclusively charitable objects and purposes in any part of the world as the Trustee may in its absolute discretion think fit.

The Charity provides a simple and cost effective way for donors to manage their charitable donations and input into the investment strategy or appoint an investment manager. The in-built flexibility and the way in which the Charity and the Giving service is supporting customers throughout the process makes it easier for customers to be more philanthropic.

Many donors are attracted by the fact the Charity can be used to create an enduring legacy and appoint a successor.

Fundraising

No fundraising activities were undertaken during the year ending 30th September 2022 (2021; nil) and as such, no complaints were received in the year regarding fund-raising practices.

Grant making policy

A wide variety of UK charitable causes have been supported. The policy is to make grants to UK registered charities or for charitable purposes in any part of the world as approved by the Trustee.

As required by the Charities Act 2011, the Trustee has referred to the Charity Commission's general guidance on public benefit when approving grants. In particular, the Trustee has considered how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries. The grants benefit a number of public causes, as detailed in note 4. In shaping objectives and planning activities for the year, the trustee has considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements and Performance

Our donors have continued in their generosity in the past year, with donations totalling £45,335,450 to 759 different charities (2021; £58,183,436 to 1,125). This year we saw a fifth of these donations go towards citizenship and community development, closely followed by grants in support of the arts, culture, heritage and science related causes. Once again eight donations of £1m or over were made in the year benefiting seven different charities. We continue to provide a flexible service for our donors, supporting a wide variety of charities and projects. Alongside growth in the UK DAF market, MCT has also grown, continuing to hold around 10% of the market share. We hope to continue to support our donors in having a positive impact in years to come.

Financial Review

The Trustee received donations during the year of £140,171,977 (2021; £87,103,685) which includes £1,560,049 of Gift Aid claims (2021; £4,517,914), and established a further 24 Giving Funds which between them donated new expendable endowments totalling £49,426,813 bringing the number of Giving Funds to 128 at the year end. The net inflow of funds after recognised gains and losses amounted to £76,311,728 (2021; £55,437,569). The financial statements for the year are set out on pages 8 to 18.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022**

Risk Management

Messrs. Hoare Trustees is responsible for the oversight of the risks faced by the Charity. Messrs. Hoare Trustees regularly review the risk position, internal controls assessment and compliance with relevant statutory and finance regulations.

The Charity has a risk-management process designed to identify the major risks that could impact the Charity.

This process identifies the major risks the Charity faces, the likelihood of occurrence, the significance of the risk, and any mitigating controls that are in place. It also seeks to identify any actions and resources required to manage these risks further.

The Charity's investment activities are its main financial risk. This risk is managed, with the support of investment advisers, through: regular reviews of investments; independent valuation and performance reporting; diversification across a broad range of asset classes, geographies, investment managers and investment strategies.

To mitigate the possibility of any inappropriate donation being made, the Trustee undertakes certain due diligence on each beneficiary charity to ensure that it is either a UK registered charity with the Charity Commission, an exempt charitable body (church or school etc) or a charity limited by guarantee. Where a donation is to be made to a foreign body or individual, more extensive due diligence is undertaken in accordance with HMRC guidelines.

Investment Policy and Performance

Under the terms of Clause 22 of the Trust Deed the Trustee is able to apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate and whether involving liabilities or producing income or not, as it sees fit. For the avoidance of doubt, the Trustee may for investment purposes, pool all or part of the property held by them under the terms of this Deed.

Performance is measured in accordance with the risk profile of each Trust Fund.

Reserves Policy

According to the Charity Commission's guidance update in their Statement of Recommended Practice: "Accounting and Reporting by Charities" revised in July 2014, the Trust's expendable endowment is not considered part of the charity's free reserves. However, this endowment is a considerable sum, and the capital can be used at the discretion of the Trustee to fund any deficit on expenditure. It is therefore the view of the Trustee that the Trust does not need to hold any additional money in reserve.

Future Plans

In the medium to long term, the Trustee intends to increase the level of charitable donations by promoting increased participation and increasing the number of Giving funds.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022**

Statement of Trustee's responsibilities

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

Charity law requires the Trustee to prepare financial statements for each financial period that 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is 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 Trustee is 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 Trustee on: 25.07.23 Date

and signed on its behalf by:  Director

 Director

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST
FOR THE YEAR ENDED 30th SEPTEMBER 2022**

Opinion

We have audited the financial statements of The Master Charitable Trust for the year ended 30 September 2022 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, including FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 30 September 2022, 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 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 annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate 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 required for our audit.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022**

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement set out on page 4, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 any party other than the charity and charity's trustee as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor

26 July 2023

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE MASTER CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30th SEPTEMBER 2022

	Notes	-----Unrestricted Funds-----			-----Unrestricted Funds-----		
		General	-----Giving Funds-----		General	-----Giving Funds-----	
		Endowment	Income	Expendable	Endowment	Income	Expendable
		Fund	£	£	Fund	£	£
Income and Expenditure							
INCOME AND ENDOWMENTS FROM:							
Donations and legacies:-							
Endowments received	2	15,150	-	140,156,827	65,072	-	87,038,613
Investment income	3	-	2,229,788	-	-	1,488,148	-
TOTAL INCOME		15,150	2,229,788	140,156,827	65,072	1,488,148	87,038,613
EXPENDITURE ON:							
Cost of raising funds							
Investment management costs	6	1,026	-	337,089	1,493	-	291,684
Charitable activities	4	-	45,990,532	825,215	-	58,748,993	-
TOTAL EXPENDITURE		1,026	45,990,532	1,162,304	1,493	58,748,993	291,684
NET OPERATING INCOME/(EXPENDITURE)		14,124	(43,760,744)	138,994,523	63,579	(57,260,845)	86,746,929
OTHER RECOGNISED GAINS/(LOSSES)							
(Losses)/gains on Investments	8&9	(15,269)	-	(20,797,067)	16,155	-	26,314,831
Realised (loss) adjustment		-	-	-	-	-	(6)
Gains/(losses) on currency transactions		-	-	1,876,161	-	-	(443,074)
NET INCOME/(EXPENDITURE)		(1,145)	(43,760,744)	120,073,617	79,734	(57,260,845)	112,618,680
Gross transfer between Funds	13	(41,897)	43,776,893	(43,734,996)	(64,410)	57,265,945	(57,201,535)
NET MOVEMENT IN FUNDS		(43,042)	16,149	76,338,621	15,324	5,100	55,417,145
RECONCILIATION OF FUNDS							
Total funds brought forward	14	394,628	192,569	236,172,091	379,304	187,469	180,754,946
BALANCES CARRIED FORWARD	14	351,586	208,718	312,510,712	394,628	192,569	236,172,091

All amounts relate to continuing activities. All recognised gains and losses are included in the Statement of Financial Activities.

THE MASTER CHARITABLE TRUST
BALANCE SHEET
AS AT 30th SEPTEMBER 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Listed Investments	8	159,867,653	138,372,354
Unlisted Investments	8	949,689	868,795
Programme Related Investments	9	228,198	238,298
Tangible fixed assets	10	<u>15,150</u>	<u>17,675</u>
		161,060,690	139,497,122
CURRENT ASSETS			
Cash at Bank		152,295,914	96,423,258
Sundry Debtors	11	<u>235,880</u>	<u>2,906,365</u>
		152,531,794	99,329,623
CURRENT LIABILITIES			
Creditors - falling due within one year	12	<u>521,468</u>	<u>2,067,457</u>
NET CURRENT ASSETS		<u>152,010,326</u>	<u>97,262,166</u>
Total assets plus current assets		313,071,016	236,759,288
NET ASSETS		<u><u>313,071,016</u></u>	<u><u>236,759,288</u></u>
UNRESTRICTED FUNDS			
General Endowment Fund	14	351,586	394,628
Giving Funds			
Expendable Endowment	14	312,510,712	236,172,091
Income Funds	14	<u>208,718</u>	<u>192,569</u>
		<u><u>313,071,016</u></u>	<u><u>236,759,288</u></u>

Approved by the Trustee and authorised for issue on:

and signed on its behalf by:

25.07.23

Date



Director



Director

THE MASTER CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2022

	Notes	2022 £	2021 £	
Cash flows from operating activities				
Net cash provided by operating activities	15	78,266,296	14,961,090	
Cash flows from investing activities				
Dividends and interest from investments	3	2,229,788	1,488,148	
Proceeds from sale of fixed asset investments	8	82,625,597	41,630,514	
Proceeds from sale of programme related investments	9	6,211	679	
Purchase of fixed asset investments	8	(105,928,880)	(59,315,162)	
Purchase of programme related investments	9	(1,445,673)	-	
Redemption of programme related investments	9	1,469,317	-	
Net cash (used in) investing activities		(21,043,640)	(16,195,822)	
Cash flows from investing activities				
Movement on loan		(1,350,000)	1,550,000	
Net cash (used in) investing activities		(1,350,000)	1,550,000	
Change in cash and cash equivalents in the reporting period		55,872,656	315,268	
Cash and cash equivalents at the beginning of the reporting period		96,423,258	96,107,990	
Cash and cash equivalents at the end of the reporting period		152,295,914	96,423,258	
<u>Net debt</u>				
	At start of year	Cash flows	Other movements	At end of year
Cash and cash equivalents	96,423,258	55,872,656	-	152,295,914
Loan	(1,550,000)	612,000	738,000	(200,000)
Net debt	94,873,258	56,484,656	738,000	152,095,914

The notes on pages 11 to 18 form part of these financial statements.

**THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2022**

1 ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Fund Structure

The General Endowment Fund is a fund which the Trustee is free to use in accordance with the charitable objects.

Giving Funds comprise those funds that Donors have donated to their Giving Fund. Whilst these funds are technically unrestricted, donors are able to request Messrs. Hoare Trustees to make payments and understand that these are not legally binding instructions. Within the Giving Funds, the expendable endowment represents those assets which are held for the longer term of the Trust, in accordance with the terms of the Declaration of Trust.

Income arising within the General Endowment Fund and Giving Funds can be used in accordance with the objects of the Trust as well as the expendable endowment, which can be spent in certain circumstances in fulfilment of the Trust's objects.

Any capital gains or losses arising on the investments held in the Expendable Endowment Fund form part of that Fund.

(c) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met, the amount is measurable and receipt is probable. Where a claim for repayment of income tax has been or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

Grants and Donations Receivable

Grants and Donations are recognised in the SOFA when conditions for receipt have been complied with.

Investment Income

Interest receivable on deposit and securities is accounted for as it accrues. Dividend income receivable on securities is accounted for when received by the investment manager.

(d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Costs of Raising Funds

The costs of raising funds consist of investment management and certain legal fees.

Charitable Activities

Donations payable are recognised when they are approved by the trustees and the recipient of the grant has been informed of the amount to be paid.

Governance Costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit fees together with support costs.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2022

1 ACCOUNTING POLICIES (Continued)

(e) Tangible Fixed Assets

Tangible fixed assets costing more than £100 are capitalised and depreciated over their useful lives and shown in the balance sheet at cost less accumulated depreciation. Depreciation has been calculated at the rate of 10% of original cost, per year.

(f) Investments

Investments are stated at market value at the Balance Sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(g) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

(h) Going concern

The Trustee has assessed whether the use of the going concern basis is appropriate and has considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustee has made this assessment for a period of at least one year from the date of approval of the financial statements and has considered the potential impact of the Covid-19 pandemic. In particular the Trustee has taken account of investment income pressures and the likely impact of the pandemic on investment values, as well as expenditure. The Trustee has the flexibility to draw down on the expendable endowment fund if required to support grant expenditure. After making enquiries the Trustee has concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

(i) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when 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.

With the exceptions of prepayments and deferred income (which are not financial investments), all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 11 and 12 for the debtor and creditor notes.

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investment with original maturities of three months or less.

(k) Key Estimates and Judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustee in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2 ENDOWMENTS RECEIVED

	2022	2021
	£	£
Cash:		
Donations received in year	119,506,925	72,373,388
Gift Aid reclaimable	1,560,049	4,517,914
Investments:		
Transferred into Trust at Market Value	19,105,003	10,212,383
	<u>140,171,977</u>	<u>87,103,685</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022

3 INVESTMENT INCOME

	2022	2021
	£	£
Investment income	2,058,270	1,231,089
Interest on cash deposits	164,316	2,413
Interest on loan notes	-	252,255
Income cash currency gain/(loss)	7,202	2,391
	<u>2,229,788</u>	<u>1,488,148</u>

4 CHARITABLE ACTIVITIES

The charity undertook no direct charitable activities but awarded donations to a number of institutions in furtherance of its charitable activities.

	2022	2021
	£	£
Grants made during the year	45,335,450	58,183,436
Support costs (see note 6)	655,082	565,557
Realised loss on lease of Warren Farm	825,215	-
	<u>46,815,747</u>	<u>58,748,993</u>

The total comprised grants to the following:

The prevention or relief of poverty	4,921,615	4,774,552
The advancement of education	6,336,483	13,695,443
The advancement of religion	401,943	487,760
The advancement of health or the saving of lives	6,398,245	10,141,625
The advancement of citizenship or community development	9,699,276	10,690,567
The advancement of the arts, culture, heritage or science	8,395,247	9,955,351
The advancement of amateur sport	381,320	450,057
The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity	385,791	131,321
The advancement of environmental protection or improvement	1,261,459	1,006,892
The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	2,429,689	4,636,572
The advancement of animal welfare	377,750	318,594
The promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services	76,120	124,820
Any other charitable purpose	4,270,512	1,769,882
	<u>45,335,450</u>	<u>58,183,436</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022

4 CHARITABLE ACTIVITIES (continued)

	2022
	£
Institutional Donations of £250,000 and over	
Royal Academy of Arts	5,014,000
Prince's Trust	3,143,758
Centrepont Soho	3,000,350
UK Youth	2,771,435
Charities Aid Foundation	1,764,619
National Portrait Gallery	1,500,607
Shai Fund, Inc.	1,200,763
Duke of Edinburgh's Award	970,000
Substance Abuse Foundation	904,270
One Small Thing	888,500
Governors For Schools	884,024
Forward Trust	773,672
Strategic Resource Group Inc.	700,000
National Gallery Trust	655,800
The Branch Trust, Chipping Norton	650,500
Cancer Research UK	644,465
Woolf Institute	500,000
British Red Cross	436,100
Stanhill Foundation	420,000
Institute for Cancer Vaccines and Immunotherapy	400,000
Kindred Squared	400,000
Disasters Emergency Committee	387,672
Roundhouse Trust	375,000
ShelterBox	356,000
Stowe School Foundation	355,000
Barnardo's	325,000
Greenhouse Sports	306,950
Canine Partners For Independence	300,000
Kensington & Chelsea Foundation	300,000
Synchronicity Earth	300,000
The Big Give Trust	266,500
Boston Children's Hospital	266,000
Christian Aid	250,450
	<u>31,411,435</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022

5 RELATED PARTY TRANSACTIONS

	2022 £	2021 £
Donations received from a Director of the Trustee	62,500	50,000
Donations received from other charities where Messrs. Hoare Trustees is a Trustee:		
The Golden Bottle Trust (Charity Commission no. 327026)	20,000	41,000
	<u>82,500</u>	<u>91,000</u>

A S Hoare, a director of the trustee, is also the Chair of the Board of Directors of Snowball Impact Investments LP. At the year-end the Trust had an investment in Snowball Impact Investments LP worth £744,506 (2021: £516,768)

6 ANALYSIS OF SUPPORT COSTS

	2022 £	2021 £
Bank charges	783	757
Cost of printing voucher books	2,760	2,532
Depreciation of tangible fixed asset	2,525	2,525
Legal fees	12,404	26,123
Administration	38,349	28,360

GOVERNANCE COSTS

Trustee Administration Fee (including VAT)	577,821	482,415
Independent Auditor's Remuneration	28,825	25,500
(Over)/Under provision of previous years audit fee	(8,385)	(2,655)
	<u>655,082</u>	<u>565,557</u>

INVESTMENT RELATED FEES

Investment Management fees	290,865	283,343
Custody Fees	45,500	8,334
Enhance Investment Review Fees	1,750	1,500
	<u>338,115</u>	<u>293,177</u>

7 REMUNERATION OF TRUSTEE

For the year ended 30th September 2022, the Trustee charged £572,361 (2021: £477,015) for their administrative fees in accordance with the power given to them by virtue of clause 28.3 of the Declaration of Trust. In addition, £5,460 (2021 : £5,400) was paid towards Trustees' due diligence fees. No out of pocket expenses were reimbursed by the Charity.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022

8 FIXED ASSET INVESTMENTS

Movement in fixed asset investments	Listed	Unlisted	Total	
	£	£	2022	2021
Investments	£	£	£	£
Market Value Brought Forward	138,372,354	868,795	139,241,149	85,013,811
Investments gifted in	19,105,003	-	19,105,003	10,212,383
Add: Acquisition costs	105,928,880	-	105,928,880	59,315,162
Less: Disposal proceeds	(82,625,597)	-	(82,625,597)	(41,630,514)
Realised (losses)/gains on disposals	(4,883,538)	-	(4,883,538)	7,458,171
Unrealised (losses)/gains	(16,029,449)	80,894	(15,948,555)	18,872,136
Market Value Carried Forward	159,867,653	949,689	160,817,342	139,241,149
Historical cost as at 30th September 2022	159,184,370	47,570	159,231,940	114,314,473

The market value of investments to 30th September 2022 includes an investment of unlisted shares in Beagle Bidco Limited, totalling £949,689 (2021: £868,795) that was acquired on the 9th December 2020.

9 PROGRAMME RELATED INVESTMENTS

Movement in programme related investments	2022	2021
	£	£
Unlisted programme related investments		
Value brought forward	238,298	238,298
Programme related investments Acquired:		
Land at Warren Farm	1,445,673	-
Programme related investments Redeemed:		
Mustard Seed Maze equalisation payment	(6,211)	(679)
40,000 Adoption UK Charity 5% Fixed Rate Unsecured Loan Notes 2021	(53,607)	-
813 Herddle Group Limited	(50,039)	-
Land at Warren Farm leased to Surrey Wildlife Trust	(1,365,673)	-
Gain on investments	19,757	679
Value Carried Forward	228,198	238,298
Historical cost as at 30th September 2022	221,539	238,469

All of the programme related investments were held in the United Kingdom and are unlisted. They have therefore been valued at par.

Unlisted programme related investments held	2022	2021
	£	£
0 Adoption UK Charity 5% Fixed Rate Unsecured Loan Notes 2021	-	40,000
25,000 CW Renewable Energy EIS Fund	25,000	25,000
1 EcoPower Indian Ocean Ltd	23,165	23,165
0 Herddle Group Limited	-	50,040
10,000 Mission Housing Limited 1.25% Loan 30/11/2024	10,623	10,623
50,000 Mustard Seed Maze Social Entrepreneurship Fund	44,410	44,470
33.33333 Oikocredit GBP Depository Receipts	5,000	5,000
39 Relational Analytics Ordinary £1 Shares	39	39
14,961 Relational Analytics Preference Shares of £1	14,961	14,961
25,000 Relational Analytics Subordinated Loan Notes	25,000	25,000
Land retained at Warren Farm	80,000	-
	228,198	238,298

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022

10 TANGIBLE FIXED ASSETS

	2022	
	Motor vehicles £	Totals £
Cost		
At 1st October 2021	25,250	25,250
Additions	-	-
Disposals	-	-
At 30th September 2022	<u>25,250</u>	<u>25,250</u>
Depreciation		
At 1st October 2021	7,575	7,575
Charge for year	2,525	2,525
At 30th September 2022	<u>10,100</u>	<u>10,100</u>
Net book value		
At 30th September 2022	<u>15,150</u>	<u>15,150</u>
At 30th September 2021	<u>17,675</u>	<u>17,675</u>

11 DEBTORS

	2022 £	2021 £
Cash due from donors	-	400
Gift Aid tax reclaim	142,500	1,293,524
Investment income/interest due	7,396	66
Recoverable tax on investment income	997	64,612
Donations to be repaid/to be received	-	30,000
Loan to Herddle Limited	-	5,000
Other Debtors and prepayments	84,987	1,512,763
	<u>235,880</u>	<u>2,906,365</u>

12 CREDITORS

	2022 £	2021 £
Due within one year		
Loan	200,000	1,550,000
Trustee Administration Fees	164,206	357,216
Independent Auditor's Remuneration	29,340	48,555
Investment Management Fees	68,253	59,767
Custody fees	10,361	8,782
Other creditors	49,308	43,137
	<u>521,468</u>	<u>2,067,457</u>

The loan is repayable on demand and does not bear any interest.

13 FUND TRANSFERS

The Trustee made a transfer of £41,897 from the General Endowment Fund as well as a transfer of £43,734,996 from the Expendable Endowment Fund, totalling £43,776,893 to the Giving Fund in order to meet the level of donations as suggested by donors and in accordance with the terms under which the Giving Funds are operated.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2022

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	-----Unrestricted Funds-----			
	General Endowment Fund 2022	Income 2022	Expendable Endowment 2022	Total Funds 2022
		£	£	£
Fixed Assets				
Listed Investments	333,556	-	159,534,097	159,867,653
Unlisted Investments	-	-	949,689	949,689
Programme Related Investments	-	-	228,198	228,198
Tangible fixed assets	-	-	15,150	15,150
Current Assets				
Cash	31,224	208,718	152,055,972	152,295,914
Sundry Debtors	425	-	235,455	235,880
Creditors due within one year	(13,619)	-	(507,849)	(521,468)
Total	<u>351,586</u>	<u>208,718</u>	<u>312,510,712</u>	<u>313,071,016</u>

	-----Unrestricted Funds-----			
	General Endowment Fund 2021	Income 2021	Expendable Endowment 2021	Total Funds 2021
	£	£	£	£
Fixed Assets				
Listed Investments	349,145	-	138,023,209	138,372,354
Unlisted Investments	-	-	868,795	868,795
Programme Related Investments	-	-	238,298	238,298
Tangible fixed assets	-	-	17,675	17,675
Current Assets				
Cash	47,022	192,569	96,183,667	96,423,258
Sundry Debtors		-	2,906,365	2,906,365
Creditors due within one year	(1,539)	-	(2,065,918)	(2,067,457)
Total	<u>394,628</u>	<u>192,569</u>	<u>236,172,091</u>	<u>236,759,288</u>

**15 RECONCILIATION OF OPERATING SURPLUS TO NET CASH
INFLOW FROM OPERATING ACTIVITIES**

	2022	2021
	£	£
Net operating income	95,247,903	29,549,663
Investment income	(2,229,788)	(1,488,148)
Investments gifted	(19,105,003)	(10,212,383)
Gains on Currency transactions	1,876,161	(443,080)
Depreciation	2,525	2,525
(Increase)/decrease in Debtors	2,670,485	(2,695,919)
Increase/(decrease) in Creditors	(195,989)	248,431
Net cash inflow from operating activities	<u>78,266,296</u>	<u>14,961,090</u>

THE MASTER CHARITABLE TRUST

England & Wales - Charity number 1139904

Accounts

THE MASTER CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

REGISTERED CHARITY NUMBER: 1139904

FOR THE YEAR ENDED 30th SEPTEMBER 2021

Messrs. Hoare Trustees
37 Fleet Street
London
EC4P 4DQ

THE MASTER CHARITABLE TRUST
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**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT
FOR THE YEAR ENDED 30th SEPTEMBER 2021**

Reference and administrative information

Dates of Deeds Declaration of Trust - 23rd December 2009
Deed of Amendment - 5th January 2011

Trustee Messrs. Hoare Trustees

Directors of Messrs. Hoare Trustees A S Hoare
V E Hoare
S M Hoare
B S Hoare
A R Q Hoare
R R Hoare (appointed 10 May 2022)
N I Macpherson (resigned 10 May 2022)

A new Trustee or director may be appointed at any time and notwithstanding that the total number of Trustees may exceed four.

Training is provided to the Trustee(s) on an on going basis.

Nature of Trust A registered charity, registered with the Charity Commissioners for England and Wales as number 1139904.

Nicholas Messrs. Hoare Trustees
37 Fleet Street
London
EC4P 4DQ

Independent Auditors Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

Bankers C. Hoare & Co.
37 Fleet Street
London
EC4P 4DQ

Solicitors Bates Wells LLP
10 Queen Street Place
London
EC4R 1BE

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021**

Report of the Trustee for the year ended 30th September 2021.

The Trustee of the Master Charitable Trust (the Charity) presents its report along with the financial statements of the charity for the year to 30th September 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 11 and 12 and comply with the charity's Trust Deed, the Charities Act 2011 and the requirements of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

Structure, Governance and Management

The Charity's registration number is 1139904. The principal and registered address is 37 Fleet Street, London EC4P 4DQ. The Charity is governed by a Declaration of Trust dated 23rd December 2009 (as amended by Deed on 5th January 2011). The Trustee, who is stated on page 1, is responsible for the management of the Charity.

The Charity's finances encompass the General Endowment Fund and individual Giving Funds. The Giving Funds comprise a capital account, an income account and a Giving Account. The capital accounts are treated as expendable endowments under the Charities SORP, and all the Funds are unrestricted under the terms of the Trust Deed.

Donors have the ability to name their own Giving Fund subject to the Trustee's approval. Donors can make an initial lump sum contribution through cash, shares or other assets and replenish their Giving Fund when they wish. Donors will receive a charity "cheque book" in the name of the Giving Fund and Donors can choose to invest the funds in a professionally managed portfolio in order to grow their fund.

Objectives and Activities

The Declaration of Trust directs that the capital (expendable endowment) and income of the Charity is to be held on trust for the benefit of such exclusively charitable objects and purposes in any part of the world as the Trustee may in its absolute discretion think fit.

The Charity provides a simple and cost effective way for donors to manage their charitable donations retaining the ability to direct the investment strategy or appoint an investment manager. The in-built flexibility and the way in which the Bank's Philanthropy and Giving service is supporting customers throughout the process makes it easier for customers to be more philanthropic.

Many donors are attracted by the fact the Charity can be used to create an enduring legacy and appoint a successor.

Fundraising

Due to the Coronavirus pandemic, no fundraising activities were undertaken during the year ending 30th September 2021 (2020; nil) As no fund raising was undertaken, no complaints were received in the year regarding fund-raising practices.

Grant making policy

A wide variety of UK charitable causes have been supported. The policy is to make grants to UK registered charities or for charitable purposes in any part of the world as approved by the Trustee.

As required by the Charities Act 2011, the Trustee has referred to the Charity Commission's general guidance on public benefit when formulating the grant making policy. In particular, the Trustee has considered how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries. The grants benefit a number of public causes, as detailed in note 4. In shaping objectives and planning activities for the year, the trustee has considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements and Performance

Our donors have continued in their generosity in the past year, with donations totalling £58,183,436 to 1,125 different charities (2020; £43,533,342 to 627). Around a quarter of these donations have been given to educational causes. This year we saw 8 donations over £1m, an increase on 5 in the previous year. We continue to provide a uniquely flexible service for our donors, supporting a wide variety of charities and projects. The Master Charitable Trust still sits at one tenth of the UK Donor Advised Fund market and we hope to continue to support our donors in having a positive impact in years to come.

Financial Review

The Trustee received donations during the year of £87,103,685 (2020; £86,745,231) which includes £4,517,914 of Gift Aid claims (2020; £5,239,012), and established a further 16 Giving Funds which between them donated new expendable endowments totalling £10,545,654 bringing the number of Giving Funds to 104 at the year end. The net inflow of funds after recognised gains and losses amounted to £55,437,569 (2020; £46,112,232). The financial statements for the year are set out on pages 8 to 18.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021**

Risk Management

Messrs. Hoare Trustees is responsible for the oversight of the risks faced by the Charity. Messrs. Hoare Trustees regularly review the risk position, internal controls assessment and compliance with relevant statutory and finance regulations.

The Charity has a risk-management process designed to identify the major risks that could impact the Charity.

This process identifies the major risks the Charity faces, the likelihood of occurrence, the significance of the risk, and any mitigating controls that are in place. It also seeks to identify any actions and resources required to manage these risks further.

The Charity's investment activities are its main financial risk. This risk is managed, with the support of investment advisers, through: regular review of the investment policy; management of strategic asset allocation; risk measurement and reporting; independent valuation and performance reporting; diversification across a broad range of asset classes, geographies, investment managers and investment strategies.

To mitigate the possibility of any inappropriate donation being made, the Trustee undertakes certain due diligence on each benefitting charity to ensure that it is either a UK registered charity with the Charity Commission, an exempt charitable body (church or school etc) or a charity limited by guarantee. Where a donation is to be made to a foreign body or individual, more extensive due diligence is undertaken in accordance with HMRC guidelines.

Investment Policy and Performance

Under the terms of Clause 22 of the Trust Deed the Trustee is able to apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate and whether involving liabilities or producing income or not, as it sees fit. For the avoidance of doubt, the Trustee may for investment purposes, pool all the property held by them under the terms of this Deed.

The Trustee has a policy statement in place for each of the Giving funds which is invested in line with the criteria and may differ for each fund. Performance is measured in accordance with the risk profile of each Trust Fund.

A donor may approach the Trustee with a suggestion of investing in a social investment project. Certain due diligence would then be carried out and the findings presented to the donor and Trustee. Once the donor and Messrs. Hoare Trustees are satisfied with the due diligence report both parties sign the report and the investment may proceed.

Reserves Policy

According to the Charity Commissioners guidance update in their Statement of Recommended Practice: "Accounting and Reporting by Charities" revised in July 2014, the Trust's expendable endowment is not considered part of the charity's free reserves. However, this endowment is a considerable sum, and the capital can be used at the discretion of the Trustee to fund any deficit on expenditure. It is therefore the view of the Trustee that the Trust does not need to hold any additional money in reserve.

Future Plans

In the medium to long term, the Trustee intends to increase the level of charitable donations by promoting increased participation and increasing the number of Giving funds. The Trustee is mindful of the potential impact that Covid-19 may have on the growth of the trust in terms of new Giving funds being established as well as the possible fall of investment value and income.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021**

Statement of Trustee's responsibilities

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

Charity law requires the Trustee to prepare financial statements for each financial period that 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is 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 Trustee is 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.

Jul 27, 2022

Approved by the Trustee on:..... Date

and signed on its behalf by: ..... Director


..... Director

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST
FOR THE YEAR ENDED 30th SEPTEMBER 2021**

Opinion

We have audited the financial statements of The Master Charitable Trust for the year ended 30 September 2021 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, including FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 30 September 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 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 annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate 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 required for our audit.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021**

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement set out on page 4, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 any party other than the charity and charity's trustee as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE MASTER CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30th SEPTEMBER 2021

	Notes	-----Unrestricted Funds-----				-----Unrestricted Funds-----			
		General Endowment Fund £	-----Giving Funds----- Income £	Expendable Endowment £	Total Funds 2021 £	General Endowment Fund	-----Giving Funds----- Income	Expendable Endowment	Total Funds 2020 £
Income and Expenditure									
INCOME AND ENDOWMENTS FROM:									
Donations and legacies:-									
Endowments received	2	65,072	-	87,038,613	87,103,685	1,100	-	86,744,131	86,745,231
Investment income	3	-	1,488,148	-	1,488,148	-	1,154,712	-	1,154,712
TOTAL INCOME		65,072	1,488,148	87,038,613	88,591,833	1,100	1,154,712	86,744,131	87,899,943
EXPENDITURE ON:									
Cost of raising funds									
Investment management costs	6	1,493	-	291,684	293,177	2,155	-	178,340	180,495
Charitable activities	4	-	58,748,993	-	58,748,993	-	44,031,296	-	44,031,296
TOTAL EXPENDITURE		1,493	58,748,993	291,684	59,042,170	2,155	44,031,296	178,340	44,211,791
NET OPERATING INCOME/(EXPENDITURE)		63,579	(57,260,845)	86,746,929	29,549,663	(1,055)	(42,876,584)	86,565,791	43,688,152
OTHER RECOGNISED GAINS/(LOSSES)									
Gains on Investments	8&9	16,155	-	26,314,831	26,330,986	12,972	-	2,450,144	2,463,116
Realised (loss) adjustment		-	-	(6)	(6)	-	-	(1,271)	(1,271)
Losses on currency transactions		-	-	(443,074)	(443,074)	-	-	(37,765)	(37,765)
NET INCOME/(EXPENDITURE)		79,734	(57,260,845)	112,618,680	55,437,569	11,917	(42,876,584)	88,976,899	46,112,232
Gross transfer between Funds	13	(64,410)	57,265,945	(57,201,535)	-	(4,522)	42,904,005	(42,899,483)	-
NET MOVEMENT IN FUNDS		15,324	5,100	55,417,145	55,437,569	7,395	27,421	46,077,416	46,112,232
RECONCILIATION OF FUNDS									
Total funds brought forward	14	379,304	187,469	180,754,946	181,321,719	371,909	160,048	134,677,530	135,209,487
BALANCES CARRIED FORWARD	14	394,628	192,569	236,172,091	236,759,288	379,304	187,469	180,754,946	181,321,719

All amounts relate to continuing activities. All recognised gains and losses are included in the Statement of Financial Activities.

THE MASTER CHARITABLE TRUST
BALANCE SHEET
AS AT 30th SEPTEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Listed Investments	8	138,372,354	83,726,504
Unlisted Investments	8	868,795	1,287,307
Programme Related Investments	9	238,298	238,298
Tangible fixed assets	10	<u>17,675</u>	<u>20,200</u>
		139,497,122	85,272,309
CURRENT ASSETS			
Cash at Bank		96,423,258	96,107,990
Sundry Debtors	11	<u>2,906,365</u>	<u>210,446</u>
		99,329,623	96,318,436
CURRENT LIABILITIES			
Creditors - falling due within one year	12	<u>2,067,457</u>	<u>269,026</u>
NET CURRENT ASSETS		<u>97,262,166</u>	<u>96,049,410</u>
Total assets plus current assets		<u>236,759,288</u>	<u>181,321,719</u>
NET ASSETS		<u>236,759,288</u>	<u>181,321,719</u>
UNRESTRICTED FUNDS			
General Endowment Fund	14	394,628	379,304
Giving Funds			
Expendable Endowment	14	236,172,091	180,754,946
Income Funds	14	<u>192,569</u>	<u>187,469</u>
		<u>236,759,288</u>	<u>181,321,719</u>

Approved by the Trustee and authorised for issue on:

and signed on its behalf by:

Jul 27, 2022

.....
Date



.....
Director



.....
Director

THE MASTER CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2021

	Notes	2021 £	2020 £	
Cash flows from operating activities				
Net cash provided by operating activities	15	14,961,090	15,252,898	
Cash flows from investing activities				
Dividends and interest from investments	3	1,488,148	1,154,712	
Proceeds from sale of fixed asset investments	8	41,630,514	49,253,821	
Proceeds from sale of programme related investments	9	679	10,000	
Purchase of fixed asset investments	8	(59,315,162)	(42,603,099)	
Purchase of programme related investments	9	-	(78,242)	
Net cash (used in) investing activities		<u>(16,195,822)</u>	<u>7,737,191</u>	
Cash flows from financing activities				
New loan		1,550,000	-	
Net cash (used in) investing activities		<u>1,550,000</u>	<u>-</u>	
Change in cash and cash equivalents in the reporting period		315,268	22,990,089	
Cash and cash equivalents at the beginning of the reporting period		<u>96,107,990</u>	<u>73,117,901</u>	
Cash and cash equivalents at the end of the reporting period		<u>96,423,258</u>	<u>96,107,990</u>	
<u>Net debt</u>				
	At start of year	Cash flows	Other movements	At end of year
Cash and cash equivalents	96,107,990	315,268	-	96,423,258
Loan	<u>-</u>	<u>(1,550,000)</u>	<u>-</u>	<u>(1,550,000)</u>
Net debt	<u>96,107,990</u>	<u>(1,234,732)</u>	<u>-</u>	<u>94,873,258</u>

The notes on pages 11 to 18 form part of these financial statements.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2021

1 ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Fund Structure

The General Endowment Fund is a fund which the Trustee is free to use in accordance with the charitable objects.

Giving Funds comprise those funds that Donors have donated to their Giving Fund. Whilst these funds are technically unrestricted, donors are able to request Messrs. Hoare Trustees to make payments and understand that these are not legally binding instructions. Within the Giving Funds, the expendable endowment represents those assets which are held for the longer term of the Trust, in accordance with the terms of the Declaration of Trust.

Income arising within the General Endowment Fund and Giving Funds can be used in accordance with the objects of the Trust as well as the expendable endowment, which can be spent in certain circumstances in fulfilment of the Trust's objects.

Any capital gains or losses arising on the investments held in the Expendable Endowment Fund form part of that Fund.

(c) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met, the amount is measurable and receipt is probable. Where a claim for repayment of income tax has been or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

Grants and Donations Receivable

Grants and Donations are recognised in the SOFA when conditions for receipt have been complied with.

Investment Income

Interest receivable on deposit and securities is accounted for as it accrues. Dividend income receivable on securities is accounted for when received by the investment manager.

(d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Costs of Raising Funds

The costs of raising funds consist of investment management and certain legal fees.

Charitable Activities

Donations payable are recognised when they are approved by the trustees and the recipient of the grant has been informed of the amount to be paid.

Governance Costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit fees together with support costs.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2021

1 ACCOUNTING POLICIES (Continued)

(e) Tangible Fixed Assets

Tangible fixed assets costing more than £100 are capitalised and depreciated over their useful lives and shown in the balance sheet at cost less accumulated depreciation. Depreciation has been calculated at the rate of 10% of original cost, per year.

(f) Investments

Investments are stated at market value at the Balance Sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(g) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

(h) Going concern

The Trustee has assessed whether the use of the going concern basis is appropriate and has considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustee has made this assessment for a period of at least one year from the date of approval of the financial statements and has considered the potential impact of the Covid-19 pandemic. In particular the Trustee has taken account of investment income pressures and the likely impact of the pandemic on investment values, as well as expenditure. The Trustee has the flexibility to draw down on the expendable endowment fund if required to support grant expenditure. After making enquiries the Trustee has concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

(i) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when 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.

With the exceptions of prepayments and deferred income (which are not financial investments), all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 11 and 12 for the debtor and creditor notes.

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investment with original maturities of three months or less.

(k) Key Estimates and Judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustee in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2 ENDOWMENTS RECEIVED

	2021	2020
	£	£
Cash:		
Donations received in year	72,373,388	53,651,393
Gift Aid reclaimable	4,517,914	5,239,012
Investments:		
Transferred into Trust at Market Value	10,212,383	27,854,826
	<u>87,103,685</u>	<u>86,745,231</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021

3 INVESTMENT INCOME

	2021	2020
	£	£
Investment income	1,231,089	800,821
Interest on cash deposits	2,413	116,176
Interest on loan notes	252,255	238,022
Income cash currency gain/(loss)	2,391	(307)
	<u>1,488,148</u>	<u>1,154,712</u>

4 CHARITABLE ACTIVITIES

The charity undertook no direct charitable activities but awarded donations to a number of institutions in furtherance of its charitable activities.

	2021	2020
	£	£
Grants made during the year	58,183,436	43,533,342
Previous years donation adjustments - Over provision of previous year	-	(2,284)
Support costs (see note 6)	565,557	500,238
	<u>58,748,993</u>	<u>44,031,296</u>

The total comprised grants to the following:

The prevention or relief of poverty	4,774,552	3,779,801
The advancement of education	13,695,443	5,993,814
The advancement of religion	487,760	813,853
The advancement of health or the saving of lives	10,141,625	15,778,193
The advancement of citizenship or community development	10,690,567	1,775,869
The advancement of the arts, culture, heritage or science	9,955,351	4,744,601
The advancement of amateur sport	450,057	108,940
The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity	131,321	51,030
The advancement of environmental protection or improvement	1,006,892	787,987
The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	4,636,572	3,975,834
The advancement of animal welfare	318,594	473,072
The promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services	124,820	218,545
Any other charitable purpose	1,769,882	5,031,803
	<u>58,183,436</u>	<u>43,533,342</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021

4 CHARITABLE ACTIVITIES (continued)

	2021
	£
Institutional Donations of £250,000 and over	
Action on Addiction	287,103
Bradfield Foundation	250,000
British Film Institute	353,000
Canine Partners For Independence	310,000
Clink Charity	2,000,000
Down's Syndrome Association	250,000
Federation of London Youth Clubs	267,000
Forward Trust	1,120,676
Governors For Schools	433,083
Greenhouse Sports	330,000
Helpforce Community Trust	250,000
Institute for Cancer Vaccines and Immunotherapy	400,000
International Spinal Research Trust	320,000
Kindred Squared	698,846
Mail Force Charity CIO	500,000
Mayor's Fund for London	250,000
National Gallery Trust	753,209
National Portrait Gallery	1,000,000
One Small Thing	458,500
Passage 2000	2,001,000
Prince's Trust	2,426,242
Rock UK Adventure Centres	255,343
Roundhouse Trust	428,155
Royal Academy of Arts	2,503,000
Royal National Theatre	263,712
Royal Opera House Covent Garden Foundation	2,662,700
Sheerness Dockyard Preservation Trust	500,000
Stowe School Foundation	350,000
Strategic Resource Group Inc.	700,000
Substance Abuse Foundation	729,328
The Big Give Trust	326,000
UK Youth	1,892,900
Young Minds Trust	250,000
Total grants of £250,000 or over	<u>25,519,797</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021

5 RELATED PARTY TRANSACTIONS

	2021	2020
	£	£
Donations received from a Director of the Trustee	50,000	45,000
Donations received from other charities where Messrs. Hoare Trustees is a Trustee:		
The Golden Bottle Trust (Charity Commission no. 327026)	41,000	108,000
	91,000	153,000

A S Hoare, a director of the trustee, is also the Chair of the Board of Directors of Snowball Impact Investments LP. At the year-end the Trust had an investment in Snowball Impact Investments LP worth £516,768 (2020: £nil)

6 ANALYSIS OF SUPPORT COSTS

	2021	2020
	£	£
Bank charges	757	322
Cost of printing voucher books	2,532	5,988
Depreciation of tangible fixed asset	2,525	2,525
Legal fees	26,123	50,046
Administration	28,360	58,626

GOVERNANCE COSTS

Trustee Administration Fee (including VAT)	482,415	359,676
Independent Auditor's Remuneration	25,500	23,055
(Over)/Under provision of previous years audit fee	(2,655)	-
	565,557	500,238

INVESTMENT RELATED FEES

Investment Management fees	283,343	156,499
Custody Fees	8,334	22,646
Enhance Investment Review Fees	1,500	1,350
	293,177	180,495

7 REMUNERATION OF TRUSTEE

For the year ended 30th September 2021, the Trustee charged £477,015 (2020: £359,676) for their administrative fees in accordance with the power given to them by virtue of clause 28.3 of the Declaration of Trust. In addition, £5,400 (2020: Nil) was paid towards Trustees' due diligence fees. No out of pocket expenses were reimbursed by the Charity.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021

8 FIXED ASSET INVESTMENTS

Movement in fixed asset investments	Listed	Unlisted	Total	
	£	£	2021	2020
Investments	£	£	£	£
Market Value Brought Forward	83,726,504	1,287,307	85,013,811	61,867,522
Investments gifted in	10,212,383	-	10,212,383	27,333,911
Add: Acquisition costs	59,303,816	11,346	59,315,162	42,603,099
Less: Disposal proceeds	(39,619,989)	(2,010,525)	(41,630,514)	(49,253,821)
Realised (losses)/gains on disposals	6,349,962	1,108,209	7,458,171	(1,476,629)
Unrealised gains:	18,399,678	472,458	18,872,136	3,939,729
Market Value Carried Forward	138,372,354	868,795	139,241,149	85,013,811
Historical cost as at 30th September 2021	114,266,903	47,570	114,314,473	76,402,893

The market value of investments to 30th September 2021 includes an investment of unlisted shares in Beagle Bidco Limited, totalling £868,795 that was acquired on the 9th Decemebr 2020.

9 PROGRAMME RELATED INVESTMENTS

Movement in programme related investments	2021	2020
	£	£
Unlisted programme related investments		
Value brought forward	238,298	170,040
Programme related investments Acquired:		
813 Herddle Group Limited	-	78,242
Programme related investments Redeemed:		
Mustard Seed Maze equalisation payment	(679)	-
100 London Missional Housing Bond	-	(10,000)
Gain on investments	679	16
Value Carried Forward	238,298	238,298
Historical cost as at 30th September 2021	238,469	238,469

All of the programme related investments were held in the United Kingdom and are unlisted. They have therefore been valued at par.

The Herddle Group Limited strives for cost efficient, socially responsible, fully intergrated, data driven property management. For responsible owner, residents and communities.

Unlisted programme related investments held	2021	2020
	£	£
40,000 Adoption UK Charity 5% Fixed Rate Unsecured Loan Notes 2021	40,000	40,000
25,000 CW Renewable Energy EIS Fund	25,000	25,000
1 EcoPower Indian Ocean Ltd	23,165	23,165
813 Herddle Group Limited	50,040	50,040
10,000 Mission Housing Limited 1.25% Loan 30/11/2024	10,623	10,623
50,000 Mustard Seed Maze Social Entrepreneurship Fund	44,470	44,470
33.33333 Oikocredit GBP Depository Receipts	5,000	5,000
39 Relational Analytics Ordinary £1 Shares	39	39
14,961 Relational Analytics Preference Shares of £1	14,961	14,961
25,000 Relational Analytics Subordinated Loan Notes	25,000	25,000
	238,298	238,298

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021

10 TANGIBLE FIXED ASSETS

	2021	
	Motor vehicles £	Totals £
Cost		
At 1st October 2020	25,250	25,250
Additions	-	-
At 30th September 2021	<u>25,250</u>	<u>25,250</u>
Depreciation		
At 1st October 2020	5,050	5,050
Charge for year	2,525	2,525
At 30th September 2021	<u>7,575</u>	<u>7,575</u>
Net book value		
At 30th September 2021	<u>17,675</u>	<u>17,675</u>
At 30th September 2020	<u>20,200</u>	<u>20,200</u>

11 DEBTORS

	2021 £	2020 £
Cash due from donors	400	-
Gift Aid tax reclaim	1,293,524	62,688
Investment income/interest due	66	1,186
Recoverable tax on investment income	64,612	64,131
Donations to be repaid/to be received	30,000	25,000
Loan to Herddle Limited	5,000	5,000
Other Debtors and prepayments	<u>1,512,763</u>	<u>52,441</u>
	<u>2,906,365</u>	<u>210,446</u>

12 CREDITORS

	2021 £	2020 £
Due within one year		
Loan	1,550,000	-
Trustee Administration Fees	357,216	102,620
Independent Auditor's Remuneration	48,555	40,305
Investment Management Fees	59,767	43,259
Custody fees	8,782	5,581
Other creditors	<u>43,137</u>	<u>77,261</u>
	<u>2,067,457</u>	<u>269,026</u>

The loan is repayable on demand and does not bear any interest.

13 FUND TRANSFERS

The Trustee made a transfer of £64,410 from the General Endowment Fund as well as a transfer of £57,201,535 from the Expendable Endowment Fund, totalling £57,265,945 to the Giving Fund in order to meet the level of donations as suggested by donors and in accordance with the terms under which the Giving Funds are operated.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2021

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	-----Unrestricted Funds-----			
	General Endowment Fund 2021	Income 2021 £	Expendable Endowment 2021 £	Total Funds 2021 £
Fixed Assets				
Listed Investments	349,145	-	138,023,209	138,372,354
Unlisted Investments	-	-	868,795	868,795
Programme Related Investments	-	-	238,298	238,298
Tangible fixed assets	-	-	17,675	17,675
Current Assets				
Cash	47,022	192,569	96,183,667	96,423,258
Sundry Debtors	-	-	2,906,365	2,906,365
Creditors due within one year	(1,539)	-	(2,065,918)	(2,067,457)
Total	<u>394,628</u>	<u>192,569</u>	<u>236,172,091</u>	<u>236,759,288</u>

	-----Unrestricted Funds-----			
	General Endowment Fund 2020 £	Income 2020 £	Expendable Endowment 2020 £	Total Funds 2020 £
Fixed Assets				
Listed Investments	350,727	-	83,375,777	83,726,504
Unlisted Investments	-	-	1,287,307	1,287,307
Programme Related Investments	-	-	238,298	238,298
Tangible fixed assets	-	-	20,200	20,200
Current Assets				
Cash	29,917	187,469	95,890,604	96,107,990
Sundry Debtors	-	-	210,446	210,446
Creditors due within one year	(1,340)	-	(267,686)	(269,026)
Total	<u>379,304</u>	<u>187,469</u>	<u>180,754,946</u>	<u>181,321,719</u>

**15 RECONCILIATION OF OPERATING SURPLUS TO NET CASH
INFLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net operating income	29,549,663	43,688,152
Investment income	(1,488,148)	(1,154,712)
Investments gifted	(10,212,383)	(27,333,911)
Gains on Currency transactions	(443,080)	(39,036)
Depreciation	2,525	2,525
(Increase)/decrease in Debtors	(2,695,919)	411,507
Increase/(decrease) in Creditors	248,431	(321,628)
Net cash inflow from operating activities	<u>14,961,090</u>	<u>15,252,898</u>

THE MASTER CHARITABLE TRUST

England & Wales - Charity number 1139904

Accounts

THE MASTER CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

REGISTERED CHARITY NUMBER: 1139904

FOR THE YEAR ENDED 30th SEPTEMBER 2020

Messrs. Hoare Trustees
37 Fleet Street
London
EC4P 4DQ

**THE MASTER CHARITABLE TRUST
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**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT
FOR THE YEAR ENDED 30th SEPTEMBER 2020**

Reference and administrative information

Dates of Deeds Declaration of Trust - 23rd December 2009
Deed of Amendment - 5th January 2011

Trustee Messrs. Hoare Trustees

Directors of Messrs. Hoare Trustees A S Hoare
V E Hoare
S M Hoare
B S Hoare
A R Q Hoare
N I Macpherson

A new Trustee or director may be appointed at any time and notwithstanding that the total number of Trustees may exceed four.

Training is provided to the Trustee(s) on an on going basis.

Nature of Trust A registered charity, registered with the Charity Commissioners for England and Wales as number 1139904.

Principal Office Messrs. Hoare Trustees
37 Fleet Street
London
EC4P 4DQ

Independent Auditors Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Bankers C. Hoare & Co.
37 Fleet Street
London
EC4P 4DQ

Solicitors Bates Wells LLP
10 Queen Street Place
London
EC4R 1BE

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020**

Report of the Trustee for the year ended 30th September 2020.

The Trustee of the Master Charitable Trust (the Charity) presents its report along with the financial statements of the charity for the year to 30th September 2020. The financial statements have been prepared in accordance with the accounting policies set out on page 11 and 12 and comply with the charity's Trust Deed, the Charities Act 2011 and the requirements of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

Structure, Governance and Management

The Charity's registration number is 1139904. The principal and registered address is 37 Fleet Street, London EC4P 4DQ. The Charity is governed by a Declaration of Trust dated 23rd December 2009 (as amended by Deed on 5th January 2011). The Trustee, who is stated on page 1, is responsible for the management of the Charity.

The Charity's finances encompass the General Endowment Fund and individual Giving Funds. The Giving Funds comprise a capital account, an income account and a Giving Account. The capital accounts are treated as expendable endowments under the Charities SORP, and all the Funds are unrestricted under the terms of the Trust Deed.

Donors have the ability to name their own Giving Fund subject to the Trustee's approval. Donors can make an initial lump sum contribution through cash, shares or other assets and replenish their Giving Fund when they wish. Donors will receive a charity "cheque book" in the name of the Giving Fund and Donors can choose to invest the funds in a professionally managed portfolio in order to grow their fund.

Objectives and Activities

The Declaration of Trust directs that the capital (expendable endowment) and income of the Charity is to be held on trust for the benefit of such exclusively charitable objects and purposes in any part of the world as the Trustee may in its absolute discretion think fit.

The Charity provides a simple and cost effective way for donors to manage their charitable donations retaining the ability to direct the investment strategy or appoint an investment manager. The in-built flexibility and the way in which the Bank's Philanthropy and Giving service is supporting customers throughout the process makes it easier for customers to be more philanthropic.

Many donors are attracted by the fact the Charity can be used to create an enduring legacy and appoint a successor.

Fundraising

Due to the Coronavirus pandemic, no fundraising activities were undertaken during the year ending 30th September 2020. During the previous year donations were received from the public as a result of a specific programme run internally by the charity. An external provider was employed by the Trustee with the specific programme to assist with an event and an appropriate agreement was signed to consider such aspects as data protection. The amount raised from this activity in the prior year amounted to £292,825. No complaints were received in the year regarding our fund-raising practices.

Grant making policy

A wide variety of UK charitable causes have been supported. The policy is to make grants to UK registered charities or for charitable purposes in any part of the world as approved by the Trustee.

As required by the Charities Act 2011, the Trustee has referred to the Charity Commission's general guidance on public benefit when formulating the grant making policy. In particular, the Trustee has considered how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries. The grants benefit a number of public causes, as detailed in note 5. In shaping objectives and planning activities for the year, the trustee has considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements and Performance

It has been incredibly heartening to see that our donors have reacted to the pandemic with an increase in generosity. During the year, the Trustee made donations totaling £43,533,342 to 627 registered charities (2019: £25,027,469 to 495). This included five single donations of over £1m. Over half of all donations were directed towards Healthcare and Education. We pride ourselves on our flexibility and, in the last year, this has continued to prove valuable. The Master Charitable Trust currently sits at around 10% of the UK Donor Advised Fund Market and the Trustee looks forward to continuing to find ways to assist donors in being impactful philanthropists.

Financial Review

The Trustee received donations during the year of £86,745,231 (2019: £57,496,628) which includes £5,239,012 of Gift Aid claims (2019: £1,571,315), and established a further 19 Giving Funds which between them donated new expendable endowments totalling £27,917,893 bringing the number of Giving Funds to 89 at the year end. The net inflow of funds after recognised gains and losses amounted to £46,112,232 (2019: £36,425,309). The financial statements for the year are set out on pages 8 to 19.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020**

Risk Management

Messrs. Hoare Trustees is responsible for the oversight of the risks faced by the Charity. Messrs. Hoare Trustees regularly review the risk position, internal controls assessment and compliance with relevant statutory and finance regulations.

The Charity has a risk-management process designed to identify the major risks that could impact the Charity.

This process identifies the major risks the Charity faces, the likelihood of occurrence, the significance of the risk, and any mitigating controls that are in place. It also seeks to identify any actions and resources required to manage these risks further.

The Charity's investment activities are its main financial risk. This risk is managed, with the support of investment advisers, through: regular review of the investment policy; management of strategic asset allocation; risk measurement and reporting; independent valuation and performance reporting; diversification across a broad range of asset classes, geographies, investment managers and investment strategies.

To mitigate the possibility of any inappropriate donation being made, the Trustee undertakes certain due diligence on each benefitting charity to ensure that it is either a UK registered charity with the Charity Commission, an exempt charitable body (church or school etc) or a charity limited by guarantee. Where a donation is to be made to a foreign body or individual, more extensive due diligence is undertaken in accordance with HMRC guidelines.

Investment Policy and Performance

Under the terms of Clause 22 of the Trust Deed the Trustee is able to apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate and whether involving liabilities or producing income or not, as it sees fit. For the avoidance of doubt, the Trustee may for investment purposes, pool all the property held by them under the terms of this Deed.

The Trustee has a policy statement in place for each of the Giving funds which is invested in line with the criteria and may differ for each fund. Performance is measured in accordance with the risk profile of each Trust Fund.

A donor may approach the Trustee with a suggestion of investing in a social investment project. Certain due diligence would then be carried out and the findings presented to the donor and Trustee. Once the donor and Messrs. Hoare Trustees are satisfied with the due diligence report both parties sign the report and the investment may proceed.

Reserves Policy

According to the Charity Commissioners guidance update in their Statement of Recommended Practice: "Accounting and Reporting by Charities" revised in July 2014, the Trust's expendable endowment is not considered part of the charity's free reserves. However, this endowment is a considerable sum, and the capital can be used at the discretion of the Trustee to fund any deficit on expenditure. It is therefore the view of the Trustee that the Trust does not need to hold any additional money in reserve.

Future Plans

In the medium to long term, the Trustee intends to increase the level of charitable donations by promoting increased participation and increasing the number of Giving funds. The Trustee is mindful of the potential impact that Covid-19 may have on the growth of the trust in terms of new Giving funds being established as well as the possible fall of investment value and income.

**THE MASTER CHARITABLE TRUST
TRUSTEE'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020**

Statement of Trustee's responsibilities

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

Charity law requires the Trustee to prepare financial statements for each financial period that 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is 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 Trustee is 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.

Dec 13, 2021

Approved by the Trustee on:..... Date

and signed on its behalf by: ..... Director

Alexander RQ Hoare

Alexander RQ Hoare (Dec 13, 2021 16:32 GMT)..... Director

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST
FOR THE YEAR ENDED 30th SEPTEMBER 2020**

Opinion

We have audited the financial statements of The Master Charitable Trust for the year ended 30 September 2020 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, including FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 30 September 2020, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020**

Matters on which we are required to report by exception

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate 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 required for our audit.

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement set out on page 4, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MASTER CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 any party other than the charity and charity's trustee as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 14 December 2021

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE MASTER CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30th SEPTEMBER 2020

		Unrestricted Funds-----			Unrestricted Funds-----			Total	
		General	-----Giving Funds-----		General	-----Giving Funds-----		Funds	Total
		Endowment	Income	Expendable	Endowment	Income	Expendable	2020	2019
	Notes	£	£	£	Fund		Fund	£	£
Income and Expenditure									
INCOME AND ENDOWMENTS FROM:									
Donations and legacies:-									
Endowments received	2	1,100	-	86,744,131	10,493	-	57,486,135	86,745,231	57,496,628
Investment income	3	-	1,154,712	-	-	1,514,188	1,608	1,154,712	1,515,796
Other trading activities	4	-	-	-	-	-	292,825	-	292,825
TOTAL INCOME		1,100	1,154,712	86,744,131	10,493	1,514,188	57,780,568	87,899,943	59,305,249
EXPENDITURE ON:									
Cost of raising funds									
Investment management costs	7	2,155	-	178,340	2,094	-	126,531	180,495	128,625
Fundraising costs		-	-	-	-	153,538	-	-	153,538
Charitable activities	5	-	44,031,296	-	-	25,466,846	-	44,031,296	25,466,846
TOTAL EXPENDITURE		2,155	44,031,296	178,340	2,094	25,620,384	126,531	44,211,791	25,749,009
NET OPERATING INCOME/(EXPENDITURE)		(1,055)	(42,876,584)	86,565,791	8,399	(24,106,195)	57,654,037	43,688,152	33,556,241
OTHER RECOGNISED GAINS/(LOSSES)									
Gains on Investments	9	12,972	-	2,450,144	9,193	-	2,599,159	2,463,116	2,608,352
Realised (loss) adjustment		-	-	(1,271)	(77)	-	(1,780)	(1,271)	(1,857)
(Losses)/Gains on Currency transactions		-	-	(37,765)	-	-	262,573	(37,765)	262,573
NET INCOME/(EXPENDITURE)		11,917	(42,876,584)	88,976,899	17,515	(24,106,195)	60,513,989	46,112,232	36,425,309
Gross transfer between Funds	12	(4,522)	42,904,005	(42,899,483)	(4,183)	24,185,161	(24,180,978)	-	-
NET MOVEMENT IN FUNDS		7,395	27,421	46,077,416	13,332	78,966	36,333,011	46,112,232	36,425,309
RECONCILIATION OF FUNDS									
Total funds brought forward		371,909	160,048	134,677,530	358,577	81,082	98,344,519	135,209,487	98,784,178
BALANCES CARRIED FORWARD		379,304	187,469	180,754,946	371,909	160,048	134,677,530	181,321,719	135,209,487

All amounts relate to continuing activities. All recognised gains and losses are included in the Statement of Financial Activities.

THE MASTER CHARITABLE TRUST
BALANCE SHEET
AS AT 30th SEPTEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Listed Investments	9	83,726,504	59,623,796
Unlisted Investments	9	1,287,307	2,243,726
Programme Related Investments	10	238,298	170,040
Tangible fixed assets	11	<u>20,200</u>	<u>22,725</u>
		85,272,309	62,060,287
CURRENT ASSETS			
Cash at Bank		96,107,990	73,117,901
Sundry Debtors	13	<u>210,446</u>	<u>621,953</u>
		96,318,436	73,739,854
CURRENT LIABILITIES			
Creditors - falling due within one year	14	<u>269,026</u>	<u>590,654</u>
NET CURRENT ASSETS		<u>96,049,410</u>	<u>73,149,200</u>
Total assets plus current assets		<u>181,321,719</u>	<u>135,209,487</u>
NET ASSETS		<u><u>181,321,719</u></u>	<u><u>135,209,487</u></u>
UNRESTRICTED FUNDS			
General Endowment Fund		379,304	371,909
Giving Funds			
Expendable Endowment		180,754,946	134,677,530
Income Funds		<u>187,469</u>	<u>160,048</u>
		<u><u>181,321,719</u></u>	<u><u>135,209,487</u></u>

Approved by the Trustee and authorised for issue on:

and signed on its behalf by:

Dec 13, 2021
 Date


 Director

Alexander R. Hoare
 Alexander R. Hoare (Dec 13, 2021 16:01 GMT)
 Director

THE MASTER CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th SEPTEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	16	15,252,898	25,562,486
Cash flows from investing activities			
Dividends and interest from investments	3	1,154,712	1,515,796
Proceeds from sale of fixed asset investments	9	49,253,821	28,274,714
Proceeds from sale of programme related investments	10	10,000	10,188
Purchase of fixed asset investments	9	(42,603,099)	(39,675,843)
Purchase of programme related investments	10	(78,242)	(50,040)
Purchase of tangible fixed assets	11	-	(25,250)
Net cash (used in) investing activities		<u>7,737,191</u>	<u>(9,950,436)</u>
Change in cash and cash equivalents in the reporting period		22,990,089	15,612,051
Cash and cash equivalents at the beginning of the reporting period		<u>73,117,901</u>	<u>57,505,850</u>
Cash and cash equivalents at the end of the reporting period		<u><u>96,107,990</u></u>	<u><u>73,117,901</u></u>

The charity has no net debt and accordingly no net debt note is presented.

The notes on pages 11 to 19 form part of these financial statements.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2020

1 ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Fund Structure

The General Endowment Fund is a fund which the Trustee is free to use in accordance with the charitable objects.

Giving Funds comprise those funds that Donors have donated to their Giving Fund. Whilst these funds are technically unrestricted, donors are able to request Messrs. Hoare Trustees to make payments and understand that these are not legally binding instructions. Within the Giving Funds, the expendable endowment represents those assets which are held for the longer term of the Trust, in accordance with the terms of the Declaration of Trust.

Income arising within the General Endowment Fund and Giving Funds can be used in accordance with the objects of the Trust as well as the expendable endowment, which can be spent in certain circumstances in fulfilment of the Trust's objects.

Any capital gains or losses arising on the investments held in the Expendable Endowment Fund form part of that Fund.

(c) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met, the amount is measurable and receipt is probable. Where a claim for repayment of income tax has been or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

Grants and Donations Receivable

Grants and Donations are recognised in the SOFA when conditions for receipt have been complied with.

Investment Income

Interest receivable on deposit and securities is accounted for as it accrues. Dividend income receivable on securities is accounted for when received by the investment manager.

(d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Costs of Raising Funds

The costs of raising funds consist of investment management and certain legal fees.

Charitable Activities

Donations payable are recognised when they are approved by the trustees and the recipient of the grant has been informed of the amount to be paid.

Governance Costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit fees together with support costs.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2020

1 ACCOUNTING POLICIES (Continued)

(e) Tangible Fixed Assets

Tangible fixed assets costing more than £100 are capitalised and depreciated over their useful lives and shown in the balance sheet at cost less accumulated depreciation. Depreciation has been calculated at the rate of 10% of original cost, per year.

(f) Investments

Investments are stated at market value at the Balance Sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(g) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

(h) Going concern

The Trustee has assessed whether the use of the going concern basis is appropriate and has considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustee has made this assessment for a period of at least one year from the date of approval of the financial statements and has considered the potential impact of the Covid-19 pandemic. In particular the Trustee has taken account of investment income pressures and the likely impact of the pandemic on investment values, as well as expenditure. The Trustee has the flexibility to draw down on the expendable endowment fund if required to support grant expenditure. After making enquiries the Trustee has concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

(i) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when 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.

With the exceptions of prepayments and deferred income (which are not financial investments), all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 13 and 14 for the debtor and creditor notes.

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investment with original maturities of three months or less.

(k) Key Estimates and Judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustee in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2 ENDOWMENTS RECEIVED

	2020	2019
	£	£
Cash:		
Donations received in year	53,651,393	49,597,314
Gift Aid reclaimable	5,239,012	1,571,127
Investments:		
Transferred into Trust at Market Value	27,854,826	6,302,937
Tangible fixed asset - Valtra A750 2 wheel drive tractor	-	25,250
	<u>86,745,231</u>	<u>57,496,628</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020

3 INVESTMENT INCOME

	2020 £	2019 £
Investment income	800,821	874,889
Interest on cash deposits	116,176	272,986
Interest on loan notes	238,022	366,260
Compensatory sum received re incorrect stock transfer	-	1,608
Income cash currency (loss)/gain	(307)	53
	<u>1,154,712</u>	<u>1,515,796</u>

4 INCOME FROM OTHER TRADING ACTIVITIES

	2020 £	2019 £
Hurlingham Club charity ball and auction	-	292,825
	<u>-</u>	<u>292,825</u>

5 CHARITABLE ACTIVITIES

The charity undertook no direct charitable activities but awarded donations to a number of institutions in furtherance of its charitable activities.

	2020 £	2019 £
Grants made during the year	43,533,342	25,027,469
Previous years donation adjustments - Over provision of previous year	(2,284)	-
- Under provision of Hod HaCamel committed payments	-	15,933
Support costs (see note 7)	500,238	423,444
	<u>44,031,296</u>	<u>25,466,846</u>

The total comprised grants to the following:

The prevention or relief of poverty	3,779,801	980,634
The advancement of education	5,993,814	4,015,328
The advancement of religion	813,853	491,191
The advancement of health or the saving of lives	15,778,193	4,545,753
The advancement of citizenship or community development	1,775,869	8,865,987
The advancement of the arts, culture, heritage or science	4,744,601	2,290,355
The advancement of amateur sport	108,940	156,980
The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity	51,030	316,000
The advancement of environmental protection or improvement	787,987	319,080
The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	3,975,834	1,297,700
The advancement of animal welfare	473,072	165,600
The promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services	218,545	575,319
Any other charitable purpose	5,031,803	1,007,542
	<u>43,533,342</u>	<u>25,027,469</u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020

5 CHARITABLE ACTIVITIES (continued)

Institutional Donations of £100,000 and over	2020 £
Action on Addiction	624,873
Advance Advocacy & Non-Violence Community Education	150,000
Age UK	260,650
Age UK Kensington & Chelsea	125,000
Alzheimer's Society	150,475
British Exploring Society	170,254
British Red Cross	600,500
Chelsea and Westminster Hospital NHS Foundation Trust	500,000
Christopher & Dana Reeve Foundation	241,594
City Bridge Trust	200,000
Clink Charity	2,000,000
Cornwall Air Ambulance	104,500
COVID-19 Relief & Recovery, Barbados	1,301,556
Crisis UK	260,000
Dementia UK	160,500
Edith Cavell Fund for Nurses	250,000
Emmaus Gloucestershire	200,000
Fareshare	745,000
Film & Television Charity	100,000
Five Towns Plus Hospice Fund	157,500
Forward Trust	451,500
Glass Door Homeless Charity	250,000
Gloucester Cathedral	250,000
Gloucestershire Community Foundation	100,000
Governors For Schools	985,000
Heart-Based Living Initiative	195,000
Helpforce Community Trust	250,000
Hestia Housing & Support	100,000
Hospice UK	500,000
Institute for Cancer Vaccines and Immunotherapy	400,000
Kensington & Chelsea Foundation	110,000
Longfield Hospice Care	155,000
Machynlleth Tabernacle Trust	100,000
Macmillan Cancer Support	252,425
Maggie Keswick Jencks Cancer Caring Centres Trust	655,000
Mailforce Charity CIO	1,000,000
Marylebone Project	150,000
National Emergencies Trust	500,000
National Gallery Trust	346,067
Neurokinex Charitable Trust	262,000
NHS Charities Together	5,250,000
One Small Thing	471,000
Passage 2000	560,000
Pepper Foundation	100,000
Ramsdell Church & Village Hall	200,000
Refuge	600,000
Royal Academy of Arts	2,506,000
Royal Foundation	255,110
Royal Opera House Covent Garden Foundation	522,750
Royal Osteoporosis Society	250,000
Royal Trinity Hospice	251,225
Royal Voluntary Service	200,000

Balance carried forward

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020

5 CHARITABLE ACTIVITIES (continued)

	2020
	£
Institutional Donations of £100,000 and over	
Balance brought forward	26,480,479
Safelives	150,000
Samaritans	250,225
Smart Works Charity	112,000
Solace Women's Aid	150,000
St Martin-in-the-Fields Charity	600,500
St Mary's Bourne Street	100,000
St Mary's PCC, Chipping Norton	100,000
St Mungo Community Housing Association	251,450
Stewardship Services Ltd	490,000
Stowe School Foundation	350,000
Strategic Resource Group Inc.	700,000
Substance Abuse Foundation	870,803
Sue Ryder	205,000
Sutton's Hospital In Charterhouse	100,000
Synchronicity Earth	335,000
Target Ovarian Cancer	120,000
Teenage Cancer Trust	130,000
Temple Church	109,843
The Big Give Trust	200,000
The Care Workers Charity	250,000
The Prudence Trust	3,250,876
Trussell Trust	360,500
UK Friends of the Association for the Wellbeing of Israel's Soldiers	100,000
United World Schools	100,571
University of Buckingham	100,000
Victoria and Albert Museum	502,000
Whitley Fund for Nature	114,000
Winnie Mabaso Foundation	175,000
Women's Aid Federation of England	150,000
Zoological Society of London	160,000
Total grants over £100,000	<u><u>37,068,247</u></u>

6 RELATED PARTY TRANSACTIONS

	2020	2019
	£	£
Donations received from a Director of the Trustee	45,000	93,750
Donations received from other charities where Messrs. Hoare Trustees is a Trustee:		
The Golden Bottle Trust (Charity Commission no. 327026)	108,000	82,000
	<u><u>153,000</u></u>	<u><u>175,750</u></u>

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020

7 ANALYSIS OF SUPPORT COSTS

	2020 £	2019 £
Bank charges	322	190
Cost of printing voucher books	5,988	3,048
Miscellaneous expenses	-	772
Depreciation of tangible fixed asset	2,525	2,525
Legal fees	50,046	36,050
Administration	58,626	104,304

GOVERNANCE COSTS

Trustee Administration Fee (including VAT)	359,676	247,291
Independent Auditor's Remuneration	23,055	17,500
(Over)/Under provision of previous years audit fee	-	(20)
Legal Costs	-	11,784
	<u>500,238</u>	<u>423,444</u>

INVESTMENT RELATED FEES

Investment Management fees	156,499	115,049
Custody Fees	22,646	12,626
Enhance Investment Review Fees	1,350	950
	<u>180,495</u>	<u>128,625</u>

8 REMUNERATION OF TRUSTEE

For the year ended 30th September 2020, the Trustee charged £359,676 (2019; £247,291) for their administrative fees in accordance with the power given to them by virtue of clause 28.3 of the Declaration of Trust. No out of pocket expenses were reimbursed by the Charity.

9 FIXED ASSET INVESTMENTS

Movement in fixed asset investments	Listed £	Unlisted £	Total 2020 £	2019 £
Investments				
Market Value Brought Forward	59,623,796	2,243,726	61,867,522	41,555,104
Investments gifted in	27,333,911	-	27,333,911	6,302,937
Add: Acquisition costs	42,542,045	61,054	42,603,099	39,675,843
Less: Disposal proceeds	(48,236,348)	(1,017,473)	(49,253,821)	(28,274,714)
Realised (losses)/gains on disposals	(1,476,629)	-	(1,476,629)	1,120,433
Unrealised gains:	3,939,729	-	3,939,729	1,487,919
Market Value Carried Forward	<u>83,726,504</u>	<u>1,287,307</u>	<u>85,013,811</u>	<u>61,867,522</u>
Historical cost as at 30th September 2020	<u>76,340,372</u>	<u>62,521</u>	<u>76,402,893</u>	<u>57,379,590</u>

The market value of investments to 30th September 2020 includes an investment of unlisted shares in Darwin Acquisitions Limited, totalling £1.287 million that was originally purchased on the 17th March 2014.

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020

10 PROGRAMME RELATED INVESTMENTS

Movement in programme related investments

	2020 £	2019 £
Unlisted programme related investments		
Value brought forward	170,040	130,188
Adjustment to previous year - CW Renewable Energy	-	(188)
Programme related investments Acquired:		
813 Herddle Group Limited	78,242	50,040
Programme related investments Redeemed:		
100 London Missional Housing Bond	(10,000)	(10,000)
Unrealised profit on investments	16	-
Value Carried Forward	238,298	170,040
Historical cost as at 30th September 2020	238,469	170,227

All of the programme related investments were held in the United Kingdom and are unlisted. They have therefore been valued at par.

The Herddle Group Limited strives for cost efficient, socially responsible, fully intergrated, data driven property management. For responsible owner, residents and communities.

	2020 £	2019 £
Unlisted programme related investments held		
40,000 Adoption UK Charity 5% Fixed Rate Unsecured Loan Notes 2021	40,000	40,000
25,000 CW Renewable Energy EIS Fund	25,000	25,000
1 EcoPower Indian Ocean Ltd	23,165	-
813 Herddle Group Limited	50,040	50,040
100 London Missional Housing Bond	-	10,000
10,000 Mission Housing Limited 1.25% Loan 30/11/2024	10,623	-
50,000 Mustard Seed Maze Social Entrepreneurship Fund	44,470	-
33.33333 Oikocredit GBP Depository Receipts	5,000	5,000
39 Relational Analytics Ordinary £1 Shares	39	39
14,961 Relational Analytics Preference Shares of £1	14,961	14,961
25,000 Relational Analytics Subordinated Loan Notes	25,000	25,000
	238,298	170,040

11 TANGIBLE FIXED ASSETS

	2020	
	Motor vehicles £	Totals £
Cost		
At 1st October 2019 and 30 September 2020	25,250	25,250
Depreciation		
At 1st October 2019	2,525	2,525
Charge for year	2,525	2,525
Disposals	-	-
At 30th September 2020	5,050	5,050
Net book value		
At 30th September 2020	20,200	20,200
At 30th September 2019	22,725	22,725

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020

12 FUND TRANSFERS

The Trustee made a transfer £4,522 from the General Endowment Fund as well as a transfer of £42,899,483 from the Expendable Endowment Fund, totalling £42,904,005 to the Giving Fund in order to meet the level of donations as suggested by donors and in accordance with the terms under which the Giving Funds are operated.

13 DEBTORS

	2020	2019
	£	£
Cash due from donors	-	371,150
Gift Aid tax reclaim	62,688	5,091
Investment income/interest due	1,186	1,036
Recoverable tax on investment income	64,131	43,305
Donations to be repaid/to be received	25,000	145,973
Loan to Herddle Limited	5,000	-
Other Debtors and prepayments	52,441	55,398
	210,446	621,953

14 CREDITORS

	2020	2019
	£	£
Due within one year		
Trustee Administration Fees	102,620	180,833
Independent Auditor's Remuneration	40,305	17,500
Investment Management Fees	43,259	28,380
Custody fees	5,581	3,923
Donation Committed -		
- Hod HaCarmel Educational Centre for Children	-	220,658
- University of Exeter Social Mobility Scholarships Fund	-	100,000
Other creditors	77,261	39,360
	269,026	590,654

THE MASTER CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30th SEPTEMBER 2020

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	-----Unrestricted Funds-----			
	General Endowment Fund 2020	Income 2020 £	Expendable Endowment 2020 £	Total Funds 2020 £
Fixed Assets				
Listed Investments	350,727	-	83,375,777	83,726,504
Unlisted Investments	-	-	1,287,307	1,287,307
Programme Related Investments	-	-	238,298	238,298
Tangible fixed assets	-	-	20,200	20,200
Current Assets				
Cash	29,917	187,469	95,890,604	96,107,990
Sundry Debtors	-	-	210,446	210,446
Creditors due within one year	(1,340)	-	(267,686)	(269,026)
Creditors due over one year	-	-	-	-
Total	<u>379,304</u>	<u>187,469</u>	<u>180,754,946</u>	<u>181,321,719</u>

	-----Unrestricted Funds-----			
	General Endowment Fund 2019 £	Income 2019 £	Expendable Endowment 2019 £	Total Funds 2019 £
Fixed Assets				
Listed Investments	353,244	-	59,270,552	59,623,796
Unlisted Investments	-	-	2,243,726	2,243,726
Programme Related Investments	-	-	170,040	170,040
Tangible fixed assets	-	-	22,725	22,725
Current Assets				
Cash	19,811	160,048	72,938,042	73,117,901
Sundry Debtors	458	-	621,495	621,953
Creditors due within one year	(1,604)	-	(589,050)	(590,654)
Creditors due over one year	-	-	-	-
Total	<u>371,909</u>	<u>160,048</u>	<u>134,677,530</u>	<u>135,209,487</u>

**16 RECONCILIATION OF OPERATING SURPLUS TO NET CASH
INFLOW FROM OPERATING ACTIVITIES**

	2020 £	2019 £
Net operating income	43,688,152	33,556,241
Investment income	(1,154,712)	(1,515,796)
Investments gifted	(27,333,911)	(6,302,937)
Gains on Currency transactions	(39,036)	260,716
Depreciation	2,525	2,525
(Increase) in Debtors	411,507	(199,277)
(Decrease)/increase in Creditors	(321,628)	(238,986)
Net cash inflow from operating activities	<u>15,252,898</u>	<u>25,562,486</u>