

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:

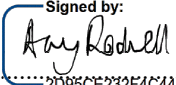
- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has 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.

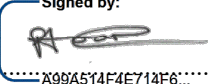
The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

and signed on its behalf by:

Signed by:


Amy Rodwell
Director

Signed by:


Richard Rennie Hoare
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 £
Income and Expenditure	Notes								
INCOME AND ENDOWMENTS FROM:									
Donations and legacies:-									
Endowments received	2	-	-	108,454,998	108,454,998	15,150	-	140,156,827	140,171,977
Investment income	3	378	5,275,694	-	5,276,072	-	2,229,788	-	2,229,788
TOTAL INCOME		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									
Investment management costs	6	1,080	-	549,460	550,540	1,026	-	337,089	338,115
Charitable activities	4	-	74,360,775	720,424	75,081,199	-	45,990,532	825,215	46,815,747
TOTAL EXPENDITURE		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)									
(Losses)/gains on Investments	8&9	59	-	4,305,241	4,305,300	(15,269)	-	(20,797,067)	(20,812,336)
Realised (loss) adjustment		-	-	-	-	-	-	-	-
Gains/(losses) on currency transactions		(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
Gross transfer between Funds	13	(3,370)	68,876,363	(68,872,993)	-	(41,897)	43,776,893	(43,734,996)	-
NET MOVEMENT IN FUNDS		(6,626)	(208,718)	42,330,063	42,114,719	(43,042)	16,149	76,338,621	76,311,728
RECONCILIATION OF FUNDS									
Total funds brought forward	14	351,586	208,718	312,510,712	313,071,016	394,628	192,569	236,172,091	236,759,288
BALANCES CARRIED FORWARD	14	344,960	-	354,840,775	355,185,735	351,586	208,718	312,510,712	313,071,016

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>

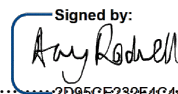
Approved by the Trustee and authorised for issue on:

and signed on its behalf by:

27/9/2024

.....
Date

Signed by:



Amy Rodwell

.....
Director

Signed by:



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>