

THE ITHACA TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE ITHACA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R Fiennes James Midgley J N R Wadham
Charity number	1145502
Registered office	c/o Two Matts LLP 151 Wardour Street London W1F 8WE
Accountants	Two Matts LLP 151 Wardour Street London W1F 8WE
Bankers	Arbuthnot Latham Arbuthnot House 7 Wilson Street London EC2M 2SN
Investment Managers	Evelyn Partners 45 Gresham Street London EC2V 7BG

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THE ITHACA TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The principal objective of the Trust is to advance, promote and carry out charitable purposes of the Founder and other trustees. In shaping our objectives for the year and planning our activities and donations, the trustees are mindful of the Charity Commission's guidance on public benefit, including the guidance 'Public benefit- running a charity (PB2)'. The charity meets the criteria of the charity commission on public benefit in prevention and relief of poverty, advancements of health and other areas.

Grants will be made to support::

- Humanitarian causes
- Green, environmental and wildlife issues; and
- Arts productions and students.

Achievements and performance

a. Main achievements of the Charity

The Trustees have continued a policy of supporting other charities and UNICEF remains beneficiary for the relief of poverty and in answering appeals to help with natural disasters throughout the world.

During the year under review, the trust supported a number of small charities where the Trustees believe a modest donation can make a significant difference.

b. Investment policy and performance

The Trustees have the general power of investment to invest the charity's assets as if they were entitled to the assets as conferred by the Trustee Act 2000.

The trustees wish to achieve a moderate but increasing return, whether achieved by capital gain or re-invested income. The initial investment horizon is ten years.

In managing the investments and making or varying the investments the Manager must have regard to the following:

- The suitability to the Charity of the particular investment to be made, or retained as an investment.
- The suitability of that particular investment as an investment of that kind.
- The need for diversification of the investments of the trust so far as is appropriate to the circumstances of the charity.
- The trustees wish to adopt the Tilney 'Growth' Risk Profile (as per the Tilney Investor Risk Profiles as at 31/8/16) to allow significant allocation to equities if and when appropriate.
- No withdrawals of income, or capital, are anticipated in the first ten years.
- The Manager is not to commit the trustees to any underwriting short positions or similar obligations.

The Trustees will review the Investment Policy Statement on a regular basis at intervals of not less than two years and any amendments will be discussed and agreed with the manager at meetings to be held at least biennially.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

c. Reserves

As at 31 December 2022 unrestricted reserves of the charity totalled £1,374,177 (2021: £1,561,108).

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The general fund accounts for all income and outgoings not designated as restricted. The trust does not have any restricted funds and no funds have been earmarked for specific grants.

Structure, governance and management

a. Constitution

The Ithaca Trust is a registered charity, number 1145502, and constitutes an unincorporated charity. The trust is controlled by its governing document, a deed of trust dated 6 December 2011. The trust was established by a donation from the Founder. The trust does not actively fundraise but does from time to time receive donations from interested benefactors.

b. Methods of appointment or election of Trustees

Terms of appointment are as set out in the deed of trust: new trustees may be appointed in writing by the Founder during his lifetime and thereafter by a resolution of the Trustees. There shall be at least three individual Trustees holding office at any one time.

c. Trustees

The charity is managed by its trustees, who act in an honorary capacity. The trustees have the power to appoint or terminate the appointment of trustees. New trustees are required to attend appropriate training courses. The trustees in the year to 31 December 2022 were as shown in the Reference and Administrative details.

The trustees give freely of their time and there are no employees.

d. Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have examined the major risks and confirm that systems have been established so that necessary steps can be taken to lessen these risks.

Plans for future periods

The trust will continue to make grant awards in accordance with its charitable objectives.

THE ITHACA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.



R J Midgley
Chair of Trustees

Date: 27-10-23

THE ITHACA TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ITHACA TRUST

I report to the trustees on my examination of the financial statements of The Ithaca Trust (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

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

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

Matthew Ashwood

Matthew Ashwood

Two Matts LLP
151 Wardour Street
London
W1F 8WE

Dated: 30/10/2023

THE ITHACA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from:			
Donations and legacies	2	25,000	50,000
Investments	3	4,021	8,688
Total income		29,021	58,688
Expenditure on:			
Raising funds	4	12,567	9,457
Charitable activities	5	58,790	69,367
Total expenditure		71,357	78,824
 Net gains/(losses) on investments	 9	 (144,595)	 204,942
Net expenditure and movement in funds		(186,931)	184,806
Reconciliation of funds:			
Fund balances at 1 January 2022		1,561,108	1,376,302
Net movement in funds		(186,931)	184,806
Fund balances at 31 December 2022		1,374,177	1,561,108

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

THE ITHACA TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Investments	11		1,342,357		1,506,883
Current assets					
Cash at bank and in hand		39,080		59,805	
Creditors: amounts falling due within one year	12				
		7,260		5,580	
Net current assets			31,820		54,225
Total assets less current liabilities			1,374,177		1,561,108
The funds of the charity					
Unrestricted funds			1,374,177		1,561,108
			1,374,177		1,561,108

The financial statements were approved by the trustees on 27th Oct 2023

R J Midgley

Trustee

THE ITHACA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.6 Fixed asset investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE ITHACA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Income from donations and legacies

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Donations and gifts	25,000	50,000

3 Income from investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Dividends	3,792	8,650
Interest	229	38
	4,021	8,688

4 Expenditure on raising funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Investment management	12,567	9,457

THE ITHACA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

5 Expenditure on charitable activities

	Humanitarian	Performing Arts	Total	Humanitarian	Performing Arts	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Direct costs						
Grant funding of activities (see note 6)	50,910	5,000	55,910	61,487	5,000	66,487
Share of support and governance costs (see note)						
Support	2,880	-	2,880	2,880	-	2,880
	<u>53,790</u>	<u>5,000</u>	<u>58,790</u>	<u>64,367</u>	<u>5,000</u>	<u>69,367</u>
Analysis by fund						
Unrestricted funds	<u>53,790</u>	<u>5,000</u>	<u>58,790</u>	<u>64,367</u>	<u>5,000</u>	<u>69,367</u>

6 Grants payable

	Humanitarian	Performing Arts	Total	Humanitarian	Performing Arts	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Grants to institutions:						
UNICEF	25,910	-	25,910	45,000	-	45,000
Conservation Collective	-	-	-	8,737	-	8,737
The Quay Theatre	-	-	-	5,050	-	5,050
Medicins Sans Frontiers	-	-	-	1,500	-	1,500
War Child UK	-	-	-	1,200	-	1,200
Help Ukraine	25,000	-	25,000	-	-	-
Other grants paid	-	5,000	5,000	-	5,000	5,000
	<u>50,910</u>	<u>5,000</u>	<u>55,910</u>	<u>61,487</u>	<u>5,000</u>	<u>66,487</u>

-

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

THE ITHACA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

9 Gains and losses on investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Gains/(losses) arising on:		
Revaluation of investments	(217,556)	195,804
Sale of investments	72,961	9,138
	(144,595)	204,942

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	1,506,883
Additions	179,704
Valuation changes	(144,548)
Disposals	(199,682)
At 31 December 2022	1,342,357
Carrying amount	
At 31 December 2022	1,342,357
At 31 December 2021	1,506,883

THE ITHACA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	4,380	1,200
Accruals and deferred income	2,880	4,380
	<u>7,260</u>	<u>5,580</u>

13 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2022 £
General funds	<u>1,561,108</u>	<u>29,021</u>	<u>(71,357)</u>	<u>(144,595)</u>	<u>1,374,177</u>
Previous year:	At 1 January 2021 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2021 £
General funds	<u>1,376,302</u>	<u>58,688</u>	<u>(78,824)</u>	<u>204,942</u>	<u>1,561,108</u>

14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).