

Charity Registration Number: 1150784
Company Registration Number: 08395296

COUTTS CHARITABLE FOUNDATION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 1 April 2021

COUTTS CHARITABLE FOUNDATION

CONTENTS

Page

Legal and administrative details

1

Trustees' report

3

Statement of trustees' responsibilities

7

Independent auditor's report

8

Statement of financial activities

11

Balance sheet

12

Notes to the financial statements

13

COUTTS CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

TRUSTEES

The Rt Hon Lord Waldegrave of North Hill (Chair)

Francesca Barnes

Peter Flavel

Rachel Harrington

Thomas Kenrick
(resigned 1 March 2021)

Laura Lines

Dr Judith McNeill

Alison Rose

Camilla Stowell

Dr Linda Yueh

COMPANY SECRETARY

Mark Elliott
(appointed 19 March 2021)

Ralph Ricks
(resigned 19 March 2021)

CORRESPONDENT AND ADMINISTRATOR

Gerald Child
(resigned 31 December 2020)

Charlotte Kimberley
(resigned 19 March 2021)

Tamara Lee
(appointed 19 March 2021)

ADVISOR

Thom Kenrick
(Voluntary capacity appointed 1 March 2021)

CONSULTANTS

Rachel Billett

Sue Cook

REGISTERED OFFICE

440 Strand
London
WC2R 0QS

COUTTS CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

AUDITOR

Buzzacott
130 Wood Street
London
EC2V 6DL

BANKER

Coutts & Company
440 Strand
London
WC2R 0QS

INVESTMENT MANAGER

Coutts & Company
440 Strand
London
WC2R 0QS

CHARITY REGISTRATION NUMBER

1150784

COMPANY REGISTRATION NUMBER

08395296

COUTTS CHARITABLE FOUNDATION

TRUSTEES' REPORT

The Trustees present their report and audited financial statements for the Coutts Charitable Foundation (known as The Coutts Foundation) ("the Charity") for the period 2 April 2020 to 1 April 2021.

The Charity was set up to effect Coutts & Company's ("Coutts") commitment to the community.

The mission of the Coutts Foundation is to support sustainable solutions to tackle the causes and consequences of poverty, focusing on the communities where Coutts has a presence. During the reporting period, the Charity had a particular focus on supporting organisations that benefit women and girls facing disadvantage.

As a grant-making foundation, the Trustees distribute funds to a limited number of charitable organisations based in the UK that reflect the Charity's mission and focus. Details of organisations supported by the Charity can be found at www.coutts.com/foundation. The Charity achieves its mission and objectives by pro-actively identifying appropriate organisations to support and tracking their progress through receipt of written narrative and financial reports and through site visits.

OBJECTIVES OF THE CHARITY

The objective of the Charity is to assist charitable bodies which undertake activities for the public benefit. The Trustees confirm that in carrying out the objectives of the Charity due regard has been paid to the public benefit guidance published by the Charity Commission.

ORGANISATIONAL STRUCTURE, GOVERNANCE AND DECISION-MAKING

The Charity is a charitable company limited by guarantee, incorporated on 8 February 2013 and registered as a charity on 12 February 2013. The Charity was established under a Memorandum of Association which established the objects and powers of the Charity and is governed under its Articles of Association. In the event of the Charity being wound up members are required to contribute an amount not exceeding £1.

The Charity is governed by a Board of Directors who are Trustees for the purposes of charity law. The founding Trustees of the Charity were Senior Executives of Coutts, with subsequent Trustees being appointed by the Board. Coutts may, by written notice to the Trustees, appoint up to 60% of the total number of Trustees from time to time. Trustees serve terms of three years and are eligible for re-election at the end of the term. All new Trustees undertake an induction programme and receive a structured introduction to the operation of the Charity. The Trustees are mindful that due to recent appointments and resignations, 70% of the current Trustees are connected to Coutts, and a plan is in place to redress this balance during the next round of Trustee recruitment, which will take place in 2021-2022.

The relationship between Coutts and the Charity is set out in an agreed Memorandum of Understanding, which references financial and other support given to the Charity by Coutts.

There were no employees in respect of the current period. Coutts provides direct and indirect pro-bono services/expertise to the Charity in a number of areas, including office space and IT services, staff support from a part-time Administrator and volunteer support from the Company Secretary and other staff members. During the reporting period, the value of this staff time and direct services relating to investment management and payments was calculated at £50,197 (2020: £46,387). The Charity is undertaking a review of the overall value of the direct and indirect support it receives from Coutts and is in the process of recruiting a Foundation Director as the Charity's first dedicated member of staff.

Trustee meetings are held a minimum of three times a year to review and agree areas of grant-making, governance, policy, strategy, performance of investments and risk management. In addition, the Charity has an Audit, Finance and Investment Committee and a Governance and Nominations Committee, which have delegated authority by the Trustees. Members of Committees are all Trustees of the Charity.

The Trustees take all decisions on which charities the Charity will support. The Charity adopts a pro-active approach to identifying organisations to support that reflect its mission and focus. A detailed due-diligence process is undertaken before Trustees approve any funding, which includes making a site visit to organisations that are considered for funding.

COUTTS CHARITABLE FOUNDATION

TRUSTEES' REPORT

RISK MANAGEMENT

The Trustees have identified five main areas of risks:

Governance – looks at board skills, composition, attendance, succession planning, management of conflicts of interest/loyalty and management of the relationship with the primary funder, Coutts & Co.

Funding and management of reserves – looks at the income of the Charity and the management of the Charity's reserves.

Strategy and the work of charities supported – looks at progress of organisations supported by the Charity and potential risks, and at the strategy of the Charity.

Human resourcing – looks at the day-to-day management of the Charity's work.

Communications – looks at reputational risks and media.

Having assessed the major risks the Trustees believe that by ensuring adequate controls and processes exist, they mitigate those risks. During the reporting period the Trustees were especially mindful of the potential risks posed by the Covid-19 pandemic to the assets and operations of both the Charity and its grantees. The relevant risks and means of mitigation formed part of the risk register.

The detailed risk register, which includes means of mitigation, is reviewed annually by the Governance and Nominations Committee and by the Trustees.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

As at 1 April 2021, the Charity had committed to making donations amounting to £942,679 (2020: £904,526). Payments of £746,590 (2020: £568,195) were made to charitable organisations. Support costs of £91,962 (2020: £64,297) include fees for consultants to assist with due diligence on potential grantees.

The Charity maintains on-going communication with all organisations supported. To understand the impact of the organisations supported (and therefore of the Coutts Foundation's grant-making) all charities supported provide the Charity with reports every six months on progress. Trustees also look to meet with the supported charities; during the Covid-19 pandemic these meetings have taken place on Zoom.

Responding to the Covid-19 pandemic

Throughout the reporting period Trustees continued to hold all Board and Committee meetings online, using Zoom. Following the temporary significant decrease in the value of the Charity's investment portfolio, the Trustees ensured that sufficient funds were held in cash to meet all existing commitments, and ringfenced the remaining cash to provide emergency funding relating to Covid-19 for existing grantees.

Recognising the significant impact of the pandemic and its associated restrictions on grantees and their beneficiaries, the Trustees took a proactive approach to contacting grantees to understand their needs, and a more flexible approach to reporting requirements. Emergency grants were provided to grantees to meet needs including additional staffing to meet increased demands, provision of PPE, enhanced IT facilities to enable home-working, and addressing fundraising shortfalls.

Supporting women and girls

In 2021 the Trustees commissioned long-term consultant Rachel Billet to undertake a review of the Foundation's funding for the women and girls' sector to date. The review process included focus groups which enabled Trustees to hear directly from grantees – and grantees to connect with one another – as well as desk reviews of the reporting on grants made to date. The report found that the Foundation's grantees provided long-term support to over 38,000 women over the six years to August 2020. Feedback from grantees highlighted that one of the most significant areas of impact from the funding has been the impact of unrestricted, long term funding on the organisations themselves.

COUTTS CHARITABLE FOUNDATION

TRUSTEES' REPORT

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS (continued)

Supporting women and girls (continued)

It has enabled them to:

- Employ sufficient core management and support staff, providing the capacity to plan and deliver behind the scenes tasks such as implementing GDPR measures, new risk assessments, organisational reviews, office moves and website redesigns. In one case, it meant the difference between a part-time and full-time Chief Executive.
- Support a leadership role and voice for the organisations and their beneficiaries – sharing expertise and influence nationally and developing external communications and fundraising
- Be more flexible, outward and forward focused.
- Fund activities that are difficult to fund from other sources, such as support for women with no recourse to public funds.
- Maintain quality approaches, and support the training, skills development and wellbeing of staff and Trustees
- “Test out” new approaches

The Trustees are drawing on the findings of the report to review and refresh the Foundation's women and girls strategy during the rest of 2021.

During the reporting period the Trustees also sought to enhance their work in the women and girls sector by collaborating with other organisations on ways to strengthen the work of grantees. In particular, the Charity agreed to fund places for up to four of its grantees on the Clore Social Leadership Programme for Emerging Leaders in the Women and Girls' Sector. Two staff members from Foundation grantees took up this opportunity during 2020 and reported very positively on the experience, even with the programme being held online due to the Covid-19 restrictions. The Trustees are in discussions with grantees and with Clore to agree the best use of the remaining funding during 2021-2022.

Young people and the performing arts

During the reporting period the Trustees were also able to revisit the additional grant-making strand that they had begun to explore in 2019-2020, focusing on the role of the performing arts in tackling the causes and consequences of poverty. With support from our arts consultant, Sue Cook, the Trustees agreed an initial focus on organisations which harness the performing arts to engage and empower young people who are disadvantaged and marginalised.

Following in-depth research a number of organisations were identified for further due diligence, and Trustees were delighted to approve the first grants under this theme in March 2021 – to Contact Theatre in Manchester and to Immediate Theatre in London. Trustees also awarded a one-off donation to the Theatre Artists Fund as part of its emergency response to the Covid-19 pandemic.

Investment performance

The investment portfolio is managed by an asset manager appointed by the Trustees. Trustees and the Audit, Finance and Investment Committee review performance against the objectives set in the Investment Policy and are satisfied that the performance in 2020 and 2021 met their expectations.

The value of the investment portfolio recovered during the period. The Charity's investment strategy aims to grow the real value of investments over long term, and to deliver a cash flow to help meet charitable grants and donations.

Future plans

The Charity intends to operate within existing objectives, policies and governance structure for the forthcoming year. The Charity will continue to further its mission through its support of existing grantees and the exploration of possible new opportunities. The Charity will continue to focus on developing its grants portfolio focusing on the communities where Coutts has a presence. The total annual volume of donations may vary depending on the number of organisations identified to support and the value of grant commitments and annual payments made to each organisation.

COUTTS CHARITABLE FOUNDATION

TRUSTEES' REPORT

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS (continued)

Subsequent events

During the reporting period, the Trustees continued to liaise with the Charity's funder, Coutts & Co, on the longer-term funding arrangement. The new agreement is due to be in place by the end of 2021 with the funding mechanism to begin in early 2022.

Since its inception, the day-to-day operations of the Charity have been managed by volunteers from within Coutts & Co. During the reporting period the Trustees reviewed the suitability and sustainability of this approach and agreed that it would be appropriate for the Charity to recruit its own staff member. The Trustees have engaged a specialist recruitment firm to support them in this process and the successful candidate is anticipated to be in post by late 2021/early 2022.

FINANCIAL REVIEW

The Trustees are satisfied with the Charity's performance during the year. The Charity's income consisted of donations received and investment income.

Total income during the period was £316,281 (2020: £591,901). After donations to beneficiaries of £784,743 (2020: £686,182), support costs of £91,962 (2020: £64,297) and net gain on investments of £1,000,612 (2020: net loss of £496,046), there was a net increase in funds of £440,188 (2020: net decrease of £653,955).

The increase of the Charity's funds by £440,188 (2020: net decrease of £653,955) was driven primarily by investment gains.

During the period, the Trustees continued to follow its Reserves Policy, which covers three years of commitments but does not build an endowment. The Trustees wish to ensure that the Foundation could fulfil its grant-making commitments and other expenditure to spend down in an orderly manner, if required. Given that the Foundation generally makes three-year grant commitments, a time horizon for reserves of at least three years' expenditure is necessary. At the Charity's current level of grant-making, this requires reserves of at least £3m

The Trustees therefore continued to draw down from the investment portfolio to make funds available for grant-making, retaining at least £3m to provide appropriate reserves. Coutts & Co confirmed their continued support of the Charity and it is expected that annual expenditure of up to £1m will in future be covered by regular donations from Coutts & Co.

The Trustees will maintain sufficient liquidity and cash reserves outside of any investment portfolio at all times to meet near-term expenditure (of at least one year). Trustees are mindful that all the Charity's funds are in fact unrestricted and that, in the case of urgent need, further liquid assets can be generated.

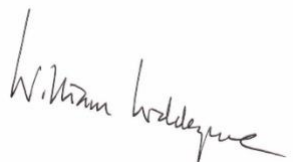
SMALL COMPANIES EXEMPTION

The Trustees have taken the small companies exemption contained in s414B of the Companies Act 2006 from the requirements to prepare a strategic report.

Approved by the Trustees and signed on their behalf by:



Dr Linda Yueh
Trustee and Chair of Audit, Finance and Investment
Committee
9 December 2021



The Rt Hon Lord Waldegrave of North Hill
Chair of Trustees

9 December 2021

COUTTS CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of the Charity for the purposes of company law) 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) and to the Financial Reporting Standard 102 ("FRS 102").

Company law requires the Trustees to prepare financial statements for each financial period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 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 UK accounting standards have been followed including FRS 102, 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 not appropriate to assume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Companies Act 2006. 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.

In so far as the Trustees are aware:

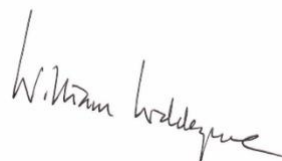
- there is no relevant audit information of which the Charity's auditor is unaware, and
- the Trustees have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of the Companies Act 2006 s418.

Approved by the Trustees and signed on their behalf by:



Dr Linda Yueh
Trustee and Chair of Audit, Finance and Investment
Committee
9 December 2021



The Rt Hon Lord Waldegrave of North Hill
Chair of Trustees

9 December 2021

Independent auditor's report to the trustees of Coutts Charitable Foundation

Opinion

We have audited the financial statements of Coutts Charitable Foundation (the 'charitable company') for the year ended 1 April 2021 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 1 April 2021 and of its income and expenditure 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized 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 trustees are responsible for the other information contained within the annual report [and financial statements]. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Independent auditor's report to the trustees of Coutts Charitable Foundation

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements..

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are 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 trustees determine 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following laws and regulations were most significant: The Statement of Recommended Practice (SORP (FRS102)).
- We understood how the Charity is complying with these legal and regulatory Frameworks by making enquiries of management and those responsible for legal and compliance procedures. Through our enquiries we corroborated these views by our review of minutes of the trust

Independent auditor's report to the trustees of Coutts Charitable Foundation

Auditor's responsibilities for the audit of the financial statements (continued)

- We assessed the susceptibility of the Financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
 - Enquiries with the Trustees, whether they have any knowledge of any actual, suspected or alleged fraud;
 - Challenging assumptions and judgements made by Trustees in their significant accounting estimates.
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures.

We have assessed the design and effectiveness of controls to prevent and detect fraud. This includes considering the incentives and opportunities management may have for fraud. We have also performed audit procedures to identify management override of controls. We have reviewed assumptions and judgements and considered any accounting estimates and reviewed compliance with laws and regulations.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Edward Finch (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date

16/12/21

COUTTS CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

(including the income and expenditure account)
for the year ended 1 April 2021

	Notes	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Income			
Income from generated funds:			
Donations received	3	250,197	496,387
Investment income	4	66,084	95,514
Total income		316,281	591,901
Expenditure			
Charitable activities:			
Grant expenditure	5	(784,743)	(686,182)
Support costs		(91,962)	(64,297)
Total expenditure		(876,705)	(750,479)
Realised gain on disposal of investments		311,951	398,552
Unrealised gain/ (loss) on revaluation of investments	7	688,661	(894,598)
Net gain/ (loss) on investments		1,000,612	(496,046)
Unrealised gain on capital bank accounts		-	669
Net income / (expenditure) for the year and net movement in funds		440,188	(653,955)
Reconciliation of funds			
Funds brought forward		3,556,990	4,210,945
Total funds carried forward		3,997,178	3,556,990

The Statement of Financial Activities includes all gains and losses in the year. All funds are unrestricted. All income and expenditure derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

COUTTS CHARITABLE FOUNDATION

BALANCE SHEET
as at 1 April 2021

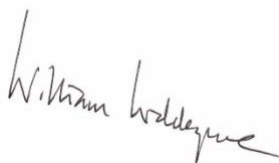
	Notes	2021 £	2020 £
Non-current assets			
Investments	7	3,732,661	3,181,068
Current assets			
Cash at bank		1,234,397	1,286,448
Total assets		4,967,058	4,467,516
Current liabilities			
Grants payable	9	(615,680)	(640,847)
Accruals		(27,200)	(6,000)
		(642,880)	(646,847)
Net current assets		591,517	639,601
Non-current liabilities			
Grants payable	9	(327,000)	(263,679)
Total liabilities		(969,880)	(910,526)
Net assets		3,997,178	3,556,990
Unrestricted funds		3,997,178	3,556,990

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the Trustees and signed on their behalf by:



Dr Linda Yueh
Trustee and Chair of Audit, Finance and Investment Committee
9 December 2021



Rt Hon Lord Waldegrave of North Hill
Chair of Trustees
9 December 2021

COUTTS CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

a) Basis of accounting

The Charity is a public benefit entity and these financial statements are prepared:

- in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006;
- presented with the benefit of the disclosure exemption permitted by FRS 102, Section 1A;
- on the historical cost convention, with the exception of investments which have been included at market value; and
- on a going concern basis. The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

Having considered the impact of the coronavirus pandemic and other significant factors, the trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due and therefore conclude that the charity is a going concern.

b) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

c) Income

All income is recognised in the Statement of Financial Activities when the Charity is entitled to, and virtually certain to receive the income and the amount can be quantified with reasonable accuracy. The following policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- Investment income is included when receivable. Tax recoverable relating to interest income is accounted for in the same period as the related income.

d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Grants payable are recognised when a constructive obligation arises that result in payment being unavoidable, generally when the grant letter has been issued to the beneficiary.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity. The remuneration of the auditor in the current financial period of £6,000 + VAT has been borne by The Coutts Foundation.

e) Cash flow statement

The Charity has taken the exemption from producing a cash flow statement conferred by Financial Reporting Standard 102 as it qualifies as a small charity.

COUTTS CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

f) Taxation

The Charity is a registered charity and as such is not subject to tax on its income or gains falling within chapter 3 of part II of the Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

g) Investments

Investments are classified as fair value through profit or loss and are measured initially and subsequently at fair value by reference to quoted market prices or other observable data. Transaction costs are expensed immediately and gains and losses are taken to the Statement of Financial Activities.

h) Foreign currencies

Transactions in foreign currencies are translated into sterling at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Any gain or loss arising on translation is included in the Statement of Financial Activities.

2. Critical accounting policies and key sources of estimation uncertainty

The preparation of the Charity's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. These assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the current and future periods, depending on circumstance.

The Trustees do not believe that any accounting judgements or estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

3. Donations received

	2021 £	2020 £
Donations:		
Coutts & Company	250,197	496,387
	<u>250,197</u>	<u>496,387</u>

The Trustees carried out a review of the Charity's funding and reserves policy.

Coutts provides direct and indirect pro-bono services/expertise to the Charity in a number of areas, including office space and IT services, staff support from a part-time Administrator and volunteer support from the Company Secretary and other staff members. During the reporting period, the value of this staff time and direct services relating to investment management and payments was calculated at £50,197 (2020: £46,387). The Charity is undertaking a review of the overall value of the direct and indirect support it receives from Coutts.

4. Investment income

	2021 £	2020 £
Income from investments	65,737	92,856
Interest on bank deposits:		
UK	362	2,584
Non UK	(15)	74
	<u>66,084</u>	<u>95,514</u>

Investment incomes are derived from holdings which are listed on UK stock exchange or incorporated in the UK.

COUTTS CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

5. Grant expenditure

	2021 £	2020 £
Grants committed to by the Charity in the year :		
The Fairlight Trust Anawim	(45)	961
Stockport Women's Centre	-	120,000
Tender Education & Arts	-	90,000
The Connection at St Martin's (SET)	-	242,721
The Connection at St Martin's	-	180,000
Winner, The Preston Road Women's Centre	-	150,000
Women for Refugee Women	-	(60,000)
Working Chance Ltd	-	(37,500)
Angelou Centre 2	120,000	-
Bawso 2	150,000	-
Contact	150,000	-
Immediate Theatre	105,000	-
Magdalene Group	120,000	-
Emergency Covid-19 - Bawso 2	15,600	-
Emergency Covid-19 - Magdalene Group	8,217	-
Emergency Covid-19 - The Nelson Trust	10,000	-
Emergency Covid-19 - Southall Black Sisters Trust	15,000	-
Emergency Covid-19 - Stockport Womens Centre 2	16,721	-
Emergency Covid-19 - The Connection at St Martin's 2	5,000	-
Emergency Covid-19 - The Theatre Artists Fund	20,000	-
Emergency Covid-19 - Winner, The Preston Road Women's Centre	15,000	-
Emergency Covid-19 - Women Centre Ltd	10,000	-
Clore Social Leadership Programme	24,000	-
Women Resource Centre	250	-
	784,743	686,182

The above comprises of the total value of charitable donations which have been committed to during the period by the Charity.

6. Trustees remuneration and expenses

There are no employees and the Trustees received neither remuneration nor expenses in the current year or prior period.

7. Investments

	2021 £	2020 £
Listed investments - UK		
(Classification is based on the country of incorporation or listing)		
Opening market value	3,181,068	4,120,631
Additions at cost	3,562,168	2,594,548
Disposals at opening book value	(3,699,237)	(2,639,513)
Net unrealised gain/ (loss)	688,661	(894,598)
Closing market value	3,732,660	3,181,068
Cost at 1 April	4,192,264	3,641,072

Investments are valued by reference to observable data or other quoted market prices. The investment allocation follows SORP disclosure guidance.

COUTTS CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

8. Grants payable

	Due within one year		Due after more than one year	
	2021	2020	2021	2020
	£	£	£	£
Angelou Centre	-	30,000	-	-
End Violence Against Women Coalition	-	40,000	-	-
Southall Black Sisters Trust	-	80,000	-	-
Stockport Women's Centre 2	40,000	80,000	40,000	40,000
Tender Education & Arts	30,000	30,000	-	30,000
The Connection at St Martin's (SET)	83,679	80,847	-	83,679
The Connection at St Martin's 2	60,000	120,000	60,000	60,000
The Fairlight Trust Anawim	-	30,000	-	-
The Nelson Trust	-	50,000	-	-
Winner, The Preston Road Women's Centre	50,000	50,000	-	50,000
Women Centre Ltd	-	50,000	-	-
Angelou Centre 2	80,000	-	40,000	-
Bawso 2	50,000	-	50,000	-
Clore Social Leadership Programme	12,000	-	12,000	-
Contact	100,000	-	50,000	-
Immediate Theatre	70,000	-	35,000	-
Magdalene Group	40,000	-	40,000	-
	615,679	640,847	327,000	263,679

9. Commitments

	2021	2020
	£	£
Grant commitments recognised at the start of the year	904,526	787,500
New grant commitments charged to the Statement of Financial Activities in the year	784,743	686,182
Grants paid during year	(746,590)	(569,156)
	942,679	904,526
Within one year	615,679	640,847
More than one year	327,000	263,679
	942,679	904,526

10. Related party transactions

Coutts is the primary funds provider of the Charity. Coutts may, by written notice to the Trustees, appoint up to 60% of the total number of Trustees from time to time.

Coutts provides direct and indirect pro-bono services/expertise to the Charity in a number of areas, including office space and IT services, staff support from a part-time Administrator and volunteer support from the Company Secretary and other staff members. During the reporting period, the value of this staff time and direct services relating to investment management and payments was calculated at £50,197 (2020: £46,387). The Charity is undertaking a review of the overall value of the direct and indirect support it receives from Coutts.

No Trustee or other person related to the Charity had any personal interest in any transaction entered into by the Charity during the period.