

# The Chartley Foundation

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## REPORT AND FINANCIAL STATEMENTS

31 December 2020

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# The Chartley Foundation

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# The Chartley Foundation

## TRUSTEES' ANNUAL REPORT

### LEGAL AND ADMINISTRATIVE INFORMATION

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Charity Number	1154637
Company Number	8686083
Status	The Chartley Foundation is a company limited by guarantee
Trustees/Company Directors	DED Johnson AA Reeves FMW Fitzherbert Baron Stafford RE Poole
Auditors	RSM UK Audit LLP St Philips Point Temple Row Birmingham
Bankers	Handelsbanken plc 1 Lakeside Festival Park Stoke-on-Trent
Legal Advisers	Freeths LLP Federation House Station Road Stoke-on-Trent
Investment Managers	Sorbus Partners LLP 41a Eastgate Street Stafford
Registered Office	Chartley Hall Stafford

# The Chartley Foundation

## TRUSTEES' ANNUAL REPORT

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The Chartley Foundation ("the Foundation") for the year ended 31 December 2020.  
The Trustees present their report together with the financial statements of the charitable company

### PRINCIPAL ACTIVITIES

The Foundation was incorporated in England and Wales on 11 September 2013 and registered as a charity on 19 November 2013.  
The principal activities of the Foundation are to make grants in furtherance of the charitable objectives.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### **Governing document**

The Foundation is a company limited by guarantee and does not have any share capital. It is a non-profit making organisation and a registered charity governed by its Articles of Association dated 11 September 2013, as amended 14 November 2013.

#### **Organisational structure**

The Foundation has no employees and outsources administrative, accounting and investment services.  
The Trustees take decisions on the basis of appropriate external advice and select beneficiaries of grants.

#### **Appointment of Trustees**

The articles provide for not less than two nor more than four trustees. The power to appoint new trustees is vested in the existing trustees. The original trustees, DED Johnson and AA Reeves were appointed on 11 September 2013, Lord Stafford on 26 March 2015 and RE Poole on 11 November 2019.

#### **Trustee induction and training**

Any new trustees will be expected to have relevant skills and knowledge and will receive appropriate induction which involves explaining trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the Foundation and the requirements of the guidance issued by the Charity Commission.

### OBJECTIVES AND ACTIVITIES

The objectives of the charity and strategies employed to achieve the objective are;

- to promote the playing of amateur sport by providing grants to encourage and improve community participation in sports which promote health by physical or mental exertion;
- to promote for the benefit of the public the conservation protection and improvement of the physical and natural environment;
- to promote the arts for the benefit of the public and
- such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the trustees may from time to time determine.

# The Chartley Foundation

## TRUSTEES' ANNUAL REPORT

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### ACHIEVEMENTS AND PERFORMANCE

The trustees have established relationships with national and local charities who are likely to receive ongoing grants from the Foundation. Since establishment in 2014 the Foundation has made grants and commitments of £1.42m towards its objectives.

At the end of the year the Foundation had outstanding grant commitments of £413,479.

#### **Public Benefit**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been established by the Foundation.

The Trustees believe that the Foundation meets the principles relating to charities and public benefit described in the Charity Commission guidance which this Report demonstrates.

#### **Risk Policy**

The Trustees have considered the major risks to which the Foundation is exposed and have reviewed those risks and established systems and procedures to manage those risks. The Trustees consider variability of investment returns on the permanent endowment to constitute the Foundations major financial risk.

The risk of depletion of the capital permanent endowment investment assets is addressed by the appointment of Sorbus Partners as investment advisers who report on the capital and income performance of the quoted funds and advise on investment strategy each quarter which is reviewed by the Trustees.

#### **Plans for the future**

The Trustees plan to support and monitor the performance and activities of recipients of grants and endeavour to generate sufficient income from the Endowment funds whilst increasing capital values.

### STRATEGIC REPORT

#### **Financial review**

The Foundation incurred expenditure of £364,524 including £19,547 for support and governance, £78,528 for investment management and grants were awarded of £266,449. During the year to 31 December 2020 the investment funds generated income of £208,460. Expenditure exceeded income for the year resulting in a reduction in Endowment funds of £12,607, and unrestricted funds of £77,536.

#### **Investment policy**

The Trustees have set a long term investment objective for the Foundation fund of achieving capital growth consistent with increasing income by at least the equivalent of inflation. Having regard to the COVID-19 outbreak it is likely that there will be some reduction of the income received during 2021.

In addition to the generation of income and the preservation of the capital of the Foundation funds the trustees obtain the benefit of external professional advice from Sorbus Partners LLP on the appropriate asset allocation as between quoted and common charity funds, investments, cash on deposit and fixed interest and managed funds.

All investments held by the Foundation have been acquired in accordance with the powers conferred on the Trustees. Cash is on deposit with Handelsbanken plc. Sorbus Partners LLP is custodian of the quoted investments as nominee for the Foundation and provides execution dealing.

# The Chartley Foundation

## TRUSTEES' ANNUAL REPORT

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### Reserves policy

The Foundation reserves policy during the year by the Trustees is that the income reserves of the Foundation should be based on income received during the current year which was £208,460. The reserves were £845,139 at 31 December 2020.

During 2021 the Trustees will review the reserves policy, having regard to the relevant Charity Commission guidance.

### Plans for future periods

The Trustees will research appropriate opportunities to make grants from the income received from the Foundation funds.

The Foundation continued to further its objects during 2020, by paying grants of £270,643 (see note 2 and appendix 1) and making £266,449 of new commitments for future grants. The total outstanding commitments at the balance sheet date were £413,479 payable in the years 2021 to 2022.

### DIRECTORS AND TRUSTEES

The directors of the Foundation are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. Serving during the year and since the year end were DED Johnson, AA Reeves, Lord Stafford and RE Poole.

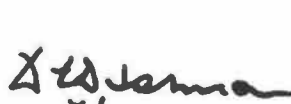
### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has then been communicated to the auditor.

### AUDITOR

RSM UK Audit LLP, Chartered Accountants, were appointed auditors by the company on 11 September 2013. Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and therefore RSM will continue in office.

Approved by the Trustees and signed on their behalf by:



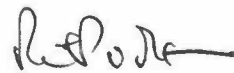
**DED Johnson**  
Trustee



**AA Reeves**  
Trustee



**Lord Stafford**  
Trustee



**RE Poole**  
Trustee

Date 11 June 2021

# The Chartley Foundation

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees (who are also directors of The Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# The Chartley Foundation

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTLEY FOUNDATION

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### **Opinion**

We have audited the financial statements of The Chartley Foundation (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 31 December 2020 and of its incoming resources and application of resources, including 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 about 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 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.



# The Chartley Foundation

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTLEY FOUNDATION

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### **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. 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.

### **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 includes the Directors' Report prepared 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 Directors' Report included within the Trustees' Annual Report 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 Directors' Report within the Trustees' Report.

We have nothing to report in respect of the following matters where 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 exemption in preparing the Trustees' Report.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 5, 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.

# The Chartley Foundation

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTLEY FOUNDATION

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

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

The extent to which the audit was considered capable of detecting irregularities, including fraud.

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk 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 and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

# The Chartley Foundation

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTLEY FOUNDATION

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The audit engagement team identified the risk of management override of controls and as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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.



PAUL OXTOBY (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
St Philips Point  
Temple Row  
Birmingham B2 5AF

Date 9 Sep 2021

# The Chartley Foundation

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT for the year ended 31 December 2020

INCOME	Note	Unrestricted Funds £	Endowment Funds £	Total 31 December 2020 £	Total Year Ended 31 December 2019 £
Investment income	1	208,460	-	208,460	341,799
<b>TOTAL INCOME</b>		<b>208,460</b>	<b>-</b>	<b>208,460</b>	<b>341,799</b>
Charitable activities	2	285,996	-	285,996	92,752
Investment management costs	3	-	78,528	78,528	77,082
<b>TOTAL EXPENDITURE</b>		<b>285,996</b>	<b>78,528</b>	<b>364,524</b>	<b>169,834</b>
Net gains on investments	5	-	65,921	65,921	1,055,424
<b>NET INCOME AND NET MOVEMENT IN FUNDS FOR THE YEAR</b>	<b>9</b>	<b>(77,536)</b>	<b>(12,607)</b>	<b>(90,143)</b>	<b>1,227,389</b>
Total funds brought forward		922,675	10,025,328	10,948,003	9,720,614
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>9</b>	<b>845,139</b>	<b>10,012,721</b>	<b>10,857,860</b>	<b>10,948,003</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# The Chartley Foundation

## BALANCE SHEET

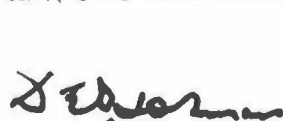
for the year ended 31 December 2020


	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Investment Fund	5	10,012,721	10,025,328
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		1,267,238	1,349,828
<b>LIABILITIES</b>			
Creditors falling due within one year	6	(337,312)	(398,739)
Net current assets		929,926	951,089
Total assets less current liabilities		10,942,647	10,976,417
Creditors falling due after one year	7	(84,787)	(28,414)
<b>TOTAL NET ASSETS</b>		10,857,860	10,948,003
<b>THE FUNDS OF THE CHARITY</b>			
Endowment funds	9	10,012,721	10,025,328
Unrestricted funds	9	845,139	922,675
<b>TOTAL CHARITY FUNDS</b>	9	10,857,860	10,948,003

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 13 to 19 form part of these accounts.

The financial statements on pages 10 to 19 were approved by the trustees and authorised for issue on 11 June 2021 and were signed on its behalf by:

  
**DED Johnson**  
 Director and Trustee

  
**AA Reeves**  
 Director and Trustee

  
**Lord Stafford**  
 Director and Trustee

  
**RE Poole**  
 Director and Trustee

Company Registration 8686083  
 Registered Charity 1154637

# The Chartley Foundation

## STATEMENT OF CASH FLOWS for the period ended 31 December 2020

	Note	2020 £	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net (expenditure) income for the reporting period		(90,143)	1,227,389
Investment losses		(65,921)	(1,055,424)
(Decrease)/increase/ in creditors	6&7	(5,054)	(63,196)
Investment income received	1	(208,460)	(341,799)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<b>(369,578)</b>	<b>(233,030)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Investment income		208,460	341,799
Proceeds from sale of investments		2,713,260	1,418,699
Purchase of investments		(3,098,464)	(582,009)
Cash investment		463,732	(759,608)
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>286,988</b>	<b>418,881</b>
Decrease in cash and cash Equivalents in the reporting period		(82,590)	185,851
Cash and cash equivalents at the beginning of the reporting period		1,349,828	1,163,977
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD</b>		<b>1,267,238</b>	<b>1,349,828</b>

# The Chartley Foundation

## ACCOUNTING POLICIES

for the year ended 31 December 2020

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The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Foundation's financial statements.

### COMPANY INFORMATION

The Chartley Foundation is a charitable company limited by guarantee and incorporated in England and Wales. The registered office and principal activities are disclosed on pages 1 and 2 of the Trustees' Annual Report.

### BASIS OF PREPARATION

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Chartley Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

### GOING CONCERN

The Trustees believe there are adequate resources which will enable the Foundation to meet its liabilities as they fall due for the foreseeable future. For this reason, the Trustees have adopted the going concern basis in preparing the financial statements.

### INCOME

The values of all resources accruing to the Foundation are recorded in the Statement of Financial Activities as soon as it is legally entitled to the income and the amount can be quantified with reasonable accuracy. This is dependent on an actual receipt or enforceable right to receipt, a reasonable certainty of receipt and whether the monetary value can be sufficiently and reliably measured.

Investment income on bank deposits is accrued on a daily basis over the period in which it is earned.

### EXPENDITURE

All expenditure is accounted for on an accruals basis and includes attributable VAT which cannot be recovered. Expenditure has been classified under the appropriate heading on a basis consistent with the use of the resources. Support costs comprise all services supplied centrally, and include core overhead expenses. There are no employment costs. All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Governance costs are included in expenditure on charitable activities. Support costs are associated with the governance arrangements of the Foundation including audit, legal advice and insurance for Trustees and costs of constitutional and statutory requirements such as preparing regular accounts and the statutory financial statements.

### GRANT MAKING POLICY

The current policy of the Trustees is to commit available income to eligible recipients, consistent with the objects of the Foundation determined by the Trustees, whilst preserving capital values in the endowment.

# The Chartley Foundation

## ACCOUNTING POLICIES

for the year ended 31 December 2020

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### FUND ACCOUNTING

General accumulated funds are unrestricted funds available to the Foundation for its general purposes and include from time to time funds designated by the trustees for particular purposes.

Endowment funds represent a single permanent endowment donated; from which unrestricted income is generated for the benefit of grant recipients as determined by the Trustees.

### TAXATION

The Foundation is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### FIXED ASSET INVESTMENTS

The investments held by the Foundation are stated at fair value, being current fair value with realised and unrealised gains and losses being dealt with in the statement of financial activities. Investment income and gains or losses on sale of the investments are debited or credited directly to the statement of financial activities when they are received.

### CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

### FINANCIAL INSTRUMENTS

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.



# The Chartley Foundation

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

### 1 INVESTMENT INCOME: UNRESTRICTED

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Equities	203,276	307,856
Bonds	3,663	31,882
Cash	1,521	2,061
<b>Total</b>	<b>208,460</b>	<b>341,799</b>

### 2 EXPENDITURE ON: CHARITABLE ACTIVITIES UNRESTRICTED

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
<b>Grants awarded:</b>		
Game & Wildlife Conservation Trust	65,649	(1,650)
Staffordshire Cricket	50,000	(12,780)
Royal Forestry Society	-	(1,900)
Stoke Athletic	75,000	4,200
New Vic Theatre	70,800	-
Outward Bound Trust	5,000	81,090
<b>Total</b>	<b>266,449</b>	<b>68,960</b>
<b>Support Costs:</b>		
Office services	9,600	12,000
Insurance	1,070	1,336
Bank charges	377	376
Audit and Taxation fees	8,500	10,080
	<b>19,547</b>	<b>23,792</b>
<b>Total</b>	<b>285,996</b>	<b>92,752</b>

Negative grants arise where beneficiaries are no longer able to comply with the original conditions of grant resulting either from a change in project or excess funding, when this has occurred the grant has been reversed in the commitments shown above.

# The Chartley Foundation

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

### 2 EXPENDITURE ON: CHARITABLE ACTIVITIES UNRESTRICTED (continued)

	2020 £	2019 £
<b>Grants committed analysis</b>		
Grants committed 1 January 2020	417,673	473,474
Existing grant reductions	-	(17,557)
Grants committed in year	266,449	86,517
	266,449	68,960
Existing grants paid	(120,419)	(124,761)
New grants paid	(150,224)	
	(270,643)	(124,761)
Grants committed 31 December 2020	413,479	417,673

### 3 INVESTMENT MANAGEMENT COSTS – ENDOWMENT FUND EXPENDITURE

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Sorbus/Charles Stanley investment manager costs	78,528	77,082
<b>NET INCOME/EXPENDITURE FOR THE PERIOD</b>		
Net income/expenditure is arrived at after charging the following:		
Auditor's remuneration	8,500	8,520
Non audit services – taxation (to review)	-	1,560
	8,500	10,080

# The Chartley Foundation

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

### 4 STAFF AND TRUSTEE REMUNERATION

No staff were employed by the Foundation in 2020 nor in 2019.

In accordance with the governing instrument, no emoluments were paid during the current or comparative period to any of the directors or Trustees.

The Trustees received no expenses during the period.

### 5 FIXED ASSET INVESTMENTS – ENDOWMENT FUNDS

	2020 £	2019 £
Quoted investments		
Fair value 1 January 2020	10,025,328	9,046,986
Gains	65,921	1,055,424
Purchase of investments	3,098,464	582,009
Sale of investments	(2,713,260)	(1,418,699)
Cash (decrease)increase	(463,732)	759,608
Fair value at 31 December 2020	10,012,721	10,025,328
	2020 £	2019 £
Analysis of investments by type		
Cash	297,600	761,332
Bonds	220,689	853,858
Equities	8,349,409	7,150,839
Property	324,650	385,753
Commodities	820,373	873,546
Total	10,012,721	10,025,328

#### Risk Profile

The Trustees review the risk profile of the investments each year and have regard to the spread between quoted, fixed interest and managed property quoted funds to achieve an appropriate spread of risk.

# The Chartley Foundation

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

### 6 CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Accruals	8,620	9,480
Grants falling due within one year	328,692	389,259
	<hr/> 337,312	<hr/> 398,739

### 7 CREDITORS: Amounts falling due after one year

	2020 £	2019 £
Grants payable after one year	84,787	28,414
	<hr/>	<hr/>

### 8 COMPANY LIMITED BY GUARANTEE

The Foundation is incorporated as a company limited by guarantee without share capital. Each of the members have agreed to contribute to a maximum of £1 in the event of the company being wound up.

### 9 ANALYSIS OF CHARITABLE FUNDS

	1 January 2020 £	Income £	Expenditure £	Net gains £	31 December 2020 £
Endowment Fund	10,025,328	-	(78,528)	65,921	10,012,721
Unrestricted Funds	922,675	208,460	(285,996)	-	845,139
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	10,948,003	208,460	(364,524)	65,921	10,857,860

The unrestricted funds represent the funds of the Foundation that have not yet been committed for particular charitable purposes.

The endowment fund represents a single permanent endowment from which unrestricted income is generated.

# The Chartley Foundation

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

### 10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments £	Cash at bank £	Creditors £	Net Assets £
Unrestricted Funds		1,267,238	(422,099)	845,139
Endowment Fund	10,012,721	-	-	10,012,721
Total net assets	10,012,721	1,267,238	(422,099)	10,857,860

### 11 RELATED PARTY TRANSACTIONS

MW Thowless-Reeves is the senior partner and principal designated member of Sorbus Partners LLP, who act as investment managers to the Foundation and is the son of AA Reeves (a trustee). During the year the Foundation were charged fees by Sorbus £78,528 (2019: £71,428) for managing the investment portfolio. At the 31 December 2020 £nil (2019 £nil) was included within accruals.

# The Chartley Foundation

APPENDIX 1  
31 December 2020

	2020 Grants Paid £	Future Commitments £
Grants and commitments		
SCYP	20,000	-
Staffordshire Cricket (2 years)	-	50,000
The Outward Bound Trust	103,093	248,991
GWCT tertiary education	51,750	13,899
Royal Forestry Society	-	15,800
Stoke Athletics	25,000	84,789
New Vic Theatre	70,800	-
Total commitments	270,643	413,479

	£ Since 2014
Grants paid	
2014	20,000
2015	80,000
2016	121,440
2017	157,407
2018	239,177
2019	<u>124,761</u>
	742,785
2020	<u>270,643</u>
	1,013,428
Commitments at 31 December 2020	413,479
	<u>1,426,907</u>
Total	