

Charity registration number 1154653

MICHAEL GUEST CHARITABLE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

MICHAEL GUEST CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Marment H Shepherd L Shepherd S Patten	(Appointed 17 March 2023)
Charity number	1154653	
Correspondence address	Kettering Parkway South Kettering Venture Park Kettering NN15 6WN	
Investment managers	Charles Stanley & Co Limited 55 Bishopsgate London EC2N 3AS	
Solicitors and administrators	Wilson Browne LLP Kettering Parkway South Kettering Venture Park Kettering NN15 6WN	
Accountants	Azets Thorpe House 93 Headlands Kettering NN15 6BL	
Independent examiner	Azets Audit Services Thorpe House 93 Headlands Kettering NN15 6BL	

MICHAEL GUEST CHARITABLE FOUNDATION

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MICHAEL GUEST CHARITABLE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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

The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's trust deed, 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 published in October 2019.

Objectives and activities

The charity's objective, as set out in the trust deed dated 4th October 2013, is to promote such purposes that are exclusively charitable under the laws of England and Wales as the trustees in their discretion from time to time determine in particular by supporting the works of other registered charities by the making of donations or grants from income and capital available for distribution.

The charity's administrators receive written applications for grants from a wide range of UK registered charities, which are then circulated to the trustees for consideration. At each trustees' meeting, a list of grants, drawn up from the applications received and other research and information, is approved, following which successful applicants are advised of the amount awarded. Where necessary, based on the urgency of the request, a grant may be approved by the trustees in the period between meetings.

The success of grant making activities is measured by our assessment of the effectiveness of funding provided to each particular area of benefit and the wide range of good causes we are able to support, as well as by reference to the value and number of grants we are able to approve,

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities and setting the above grant making policy.

Achievements and performance

The Foundation continues to receive a large number of grant applications.

In the year, the trustees were able to approve 27 (2021: 27) grants totalling £31,500 (2021: £13,500), which were paid to a wide range of local and national charities.

Areas of benefit included animal care, care of young people and children, medical research, medicine and other care, mental health wellbeing, music and the arts, refugee support, relief of financial hardship, religion and care of places of worship, and rescue and support organisations.

MICHAEL GUEST CHARITABLE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

In March 2022, funds available to the Foundation were significantly increased by the receipt of a legacy valued at £5,047,959 from the estate of the founder of the Foundation, the late Michael Guest. The Foundation's entitlement to Michael's residuary estate was established by his will dated 11 February 2020, as amended by a deed of variation dated 2 October 2023. Further details are provided in note 3 to the financial statements.

The charity's work is reliant on income and investment returns from its endowment funds. The unrestricted income from this source totalled £55,066 in the year to 31st March 2022 (2021: £31,868). Future income from investments is expected to increase significantly compared to the amounts received in 2022 and 2021.

Grants and support costs paid totalled £53,186 (2021: £23,388) and investment management costs were £14,769 (2021: £10,711).

The charity's portfolio of listed investments is managed on a discretionary basis by its investment managers with the objective of producing a balance between capital growth and income.

In late February 2020, the coronavirus pandemic triggered a significant fall in the value of the portfolio. The recovery in financial markets in the current and previous year is reflected by realised and unrealised gains at 31st March 2022 totalling £222,680 (2021: £443,400) and by the growth in investment income reported above.

The net movement in funds for the year was an increase of £5,257,750 (2021: £441,169).

Reserves policy

Total funds held at 31 March 2022 are shown on the balance sheet. Funds include an expendable endowment fund of £6,913,386. Expendable endowment is excluded from the definition of reserves, but the funds can be transferred to income and spent at the discretion of the trustees. In the opinion of the trustees, this flexibility, together with an anticipated significant increase in investment income in future years, means that the holding of reserves is not necessary. The trustees will review their reserves policy on a regular basis.

Principal risks

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The principal risks relate to investment performance and operational risks in terms of grant-making activities arising, for example, from fraudulent applications or reputational risk. The trustees receive regular reports from the Foundation's investment managers, enabling them to review performance, including periodic valuations. All grant applications are subject to research, further information is obtained as necessary, and are paid only after approval by the trustees.

Plans for future periods

The receipt of the significant legacy reported above should ensure the financial stability of the Foundation for the foreseeable future. The prudent use of the funds now available will enable the trustees to significantly expand the Foundation's grant-making activity.

Structure, governance and management

The charity is an unincorporated charity established by trust deed dated 4th October 2013. It was registered with the Charity Commission in England and Wales on 19th November 2013.

The trustees who served during the year and up to the date of signature of the financial statements were:

C Marment
H Shepherd
L Shepherd
S Patten

(Appointed 17 March 2023)

MICHAEL GUEST CHARITABLE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The first trustees were appointed by the trust deed. There must be at least three trustees. New trustees may be appointed by a resolution of the existing trustees passed at a special meeting, which may be called at any time by the person elected to chair meetings of the trustees or by any two trustees. In selecting individuals for appointment as trustees, the trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity. Each new trustee must be provided with a copy of the trust deed and a copy of the charity's latest report and accounts. Trustees will normally remain in office until they resign.

The trustees must hold at least two ordinary meetings each year, at which they intend to review and discuss grant making policy, investment policy and performance, and other strategic matters.

Ordinary or special meetings may be called at any time by the person elected to chair meetings of the trustees or by any two trustees. At their first ordinary meeting each year the trustees must elect one of their number to chair their meetings. No business shall be conducted at a meeting unless at least one third of the total number of trustees or two trustees (whichever is the greater) are present throughout the meeting. Decisions must be made by the majority of the trustees present and voting. The person chairing the meeting shall have a casting vote.

The day to day administration of the charity has been delegated to its solicitors.

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

H Shepherd

Trustee

Dated: 7 December 2023

MICHAEL GUEST CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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.

MICHAEL GUEST CHARITABLE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MICHAEL GUEST CHARITABLE FOUNDATION

I report to the trustees on my examination of the financial statements of Michael Guest Charitable Foundation (the charity) for the year ended 31 March 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.

Paul Tyler FCA
Institute of Chartered Accountants in England and Wales
Thorpe House
93 Headlands
Kettering
Northamptonshire
NN15 6BL
United Kingdom

Dated: 7 December 2023

MICHAEL GUEST CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	-	5,047,959	5,047,959	-	-	-
Investments	4	55,066	-	55,066	31,868	-	31,868
Total income and endowments		55,066	5,047,959	5,103,025	31,868	-	31,868
Expenditure on:							
Raising funds	5	-	14,769	14,769	-	10,711	10,711
Charitable activities	6	53,186	-	53,186	23,388	-	23,388
Total expenditure		53,186	14,769	67,955	23,388	10,711	34,099
Net gains/(losses) on investments	10	-	222,680	222,680	-	443,400	443,400
Net movement in funds		1,880	5,255,870	5,257,750	8,480	432,689	441,169
Fund balances at 1 April 2021		13,322	1,657,516	1,670,838	4,842	1,224,827	1,229,669
Fund balances at 31 March 2022		15,202	6,913,386	6,928,588	13,322	1,657,516	1,670,838

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

MICHAEL GUEST CHARITABLE FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		1,240		-
Investments	13		6,751,380		1,671,055
			<u>6,752,620</u>		<u>1,671,055</u>
Current assets					
Debtors	14	194,135		3,673	
Cash at bank and in hand		-		11,656	
			<u>194,135</u>	<u>15,329</u>	
Creditors: amounts falling due within one year	16	(18,167)		(15,546)	
Net current assets/(liabilities)			<u>175,968</u>		<u>(217)</u>
Total assets less current liabilities			<u>6,928,588</u>		<u>1,670,838</u>
Capital funds					
<u>Endowment funds - general</u>					
General endowment funds		6,913,386		1,657,516	
		<u>6,913,386</u>		<u>1,657,516</u>	
Permanent endowment		-		-	
Expendable endowment		6,913,386		1,657,516	
	17		<u>6,913,386</u>		<u>1,657,516</u>
Income funds					
Unrestricted funds			15,202		13,322
			<u>6,928,588</u>		<u>1,670,838</u>

The financial statements were approved by the Trustees on 7 December 2023

C Marment
Trustee

H Shepherd
Trustee

MICHAEL GUEST CHARITABLE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		167,645		(32,388)
Investing activities					
Purchase of tangible fixed assets		(1,312)		-	
Purchase of investments		(1,108,715)		(74,156)	
Proceeds on disposal of investments		927,192		83,277	
Investment income received		45,372		31,868	
Net cash (used in)/generated from investing activities			(137,463)		40,989
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			30,182		8,601
Cash and cash equivalents at beginning of year			20,406		11,805
Cash and cash equivalents at end of year			50,588		20,406
Relating to:					
Cash at bank and in hand			-		11,656
Cash held for future investment			51,217		8,750
Bank overdrafts included in creditors payable within one year			(629)		-

The notes on pages 9 to 19 form part of these financial statements.

MICHAEL GUEST CHARITABLE FOUNDATION

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

1 Accounting policies

Charity information

Michael Guest Charitable Foundation is an unincorporated charity registered with the Charity Commission for England and Wales.

1.1 Accounting convention

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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Foundation constitutes a public benefit entity as defined by FRS 102. The Foundation's financial statements present information about it as an individual undertaking.

The financial statements have been prepared to give a 'true and fair' view and 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 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, modified to include certain financial instruments at fair value. 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

The Foundation has a single expendable endowment fund created by the trust deed dated 4th October 2013. The trust deed provides for the trustees to apply the income and, at their discretion all or part of the capital, in furthering the objects of the charity. Income arising on the expendable endowment is unrestricted. Realised and unrealised gains and losses on expendable endowment fund investments form part of endowment funds. Investment management charges relating to the fund are charged against endowment funds. Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects

1.4 Income

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and the amount receivable can be measured reliably. Donations are recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Gifts of expendable endowment comprising listed investments are recognised in the accounts at market value on the date of transfer of the assets to the charity. The Foundation recognises residuary legacies at the earlier of the date of receipt or when the executors have determined that a payment can be made following the agreement of the estate accounts, or on notification by the executors that a payment will be made. Residuary legacies comprising listed shares are recognised at fair value on the date of transfer to the Foundation. Dividend income is accounted for when the charity's right to the income is established, which is when received.

MICHAEL GUEST CHARITABLE FOUNDATION

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

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs, including support costs and governance costs, related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Expenditure on charitable activities includes grants payable, governance costs and an apportionment of support costs. Grants payable are payments made to third parties in furtherance of the charitable objects of the charity. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the charity.

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees. The basis on which support costs have been allocated is set out in the notes to the financial statements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25%
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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.

MICHAEL GUEST CHARITABLE FOUNDATION

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

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

Derecognition of financial liabilities

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

1.11 Taxation

As a registered charity, the Foundation is exempt from tax on income and gains to the extent that these are applied to its charitable objects. The Foundation is not registered for Value Added Tax.

1.12 Foreign exchange

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

MICHAEL GUEST CHARITABLE FOUNDATION

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Endowment funds general 2022 £	Total 2021 £
Legacies receivable	5,047,959	-
Legacies receivable		
Residuary legacy - Listed investments at fair value	4,633,655	-
Residuary legacy - cash	235,719	-
Residuary legacy - amount due from estate at 31 March 2022	178,585	-
	5,047,959	-

Exceptional income

Exceptional income comprising the residuary legacy received from the estate of the late Mr Michael Guest, the founder of the Foundation, has been recognised in the financial statements for the year. The legacy has been classified as an addition to capital held in the expendable endowment fund.

Classification of the exceptional income

Michael established the Foundation by a declaration of Trust dated 4 October 2013, the terms of which enable the trustees to spend the charity's capital but does not oblige them to do so. The deed makes it clear that the Foundation's capital is not permanent endowment and can be spent as income if required. In December 2015, Michael wrote to the trustees and confirmed that lifetime gifts received from him should be added to the expendable endowment fund. In his will dated 11 February 2020, Michael bequeathed his residuary estate upon trust for the Foundation. The trustees are satisfied, based on all available evidence, that it was Michael's intention that the legacy be added to the capital held in the Foundation's expendable endowment fund. This classification was further confirmed by a communication from the Charity Commission dated 30 August 2023 and subsequent completion of a deed of variation relating to Michael's estate and the Foundation's entitlement to the residuary legacy, whereby the residuary estate was bequeathed upon trust for the Foundation's endowment fund. The deed of variation was dated 2 October 2023 and signed by the trustees of the Foundation and executors of Michael's estate.

MICHAEL GUEST CHARITABLE FOUNDATION

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

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Income from listed investments - dividends received	55,066	31,868

5 Raising funds

	Endowment funds general	Endowment funds general
	2022	2021
	£	£
Investment management	14,769	10,711
	14,769	10,711

6 Charitable activities

	Grant making 2022	Grant making 2021
	£	£
Grant funding of activities (see note 7)	31,500	13,500
Share of support costs (see note 8)	2,871	1,828
Share of governance costs (see note 8)	18,815	8,060
	53,186	23,388

MICHAEL GUEST CHARITABLE FOUNDATION

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

7 Grants payable

	Grant making 2022 £	Grant making 2021 £
Grants to institutions:		
Animal care	-	1,000
Care of young people	3,000	4,000
Medical research, medicine and other care	5,500	5,000
Mental health well being, care and support	3,000	-
Music and the arts	1,000	500
Refugee support	11,000	-
Relief of financial hardship	3,000	-
Religion and care of places of worship	2,000	1,500
Rescue and support organisations	3,000	1,500
	<u>31,500</u>	<u>13,500</u>

The Foundation makes grants to other UK registered charities. The above analysis summarises the grants paid by sector.

MICHAEL GUEST CHARITABLE FOUNDATION

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

8 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Depreciation	72	-	72	-	-
Solicitors' fees - Grant making costs	2,756	-	2,756	1,828	1,828
Bank charges	43	-	43	-	-
Independent examiner's remuneration	-	13,224	13,224	-	4,404
Solicitors' fees - Administration costs	-	5,511	5,511	-	3,656
Trustees' expenses	-	80	80	-	-
	<u>2,871</u>	<u>18,815</u>	<u>21,686</u>	<u>1,828</u>	<u>9,888</u>
Analysed between Charitable activities	<u>2,871</u>	<u>18,815</u>	<u>21,686</u>	<u>1,828</u>	<u>9,888</u>

Administration costs incurred are allocated on the basis of estimated usage between governance related costs and other support costs.

Independent examiner's remuneration totalling £13,224 (2021: £4,404) comprises fees for independent examination services of £4,104 (2021: £840) and fees for accountancy services of £9,120 (2021: £3,564).

The total support costs in the year and the previous year were attributable to the Foundation's grant making activity.

9 Trustees

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

Travel expenses totalling £80 (2021: £Nil) were paid to one (2021: none) trustee during the year.

10 Net gains/(losses) on investments

	Endowment funds general 2022 £	Endowment funds general 2021 £
Revaluation of investments	174,656	421,970
Gain/(loss) on sale of investments	48,024	21,430
	<u>222,680</u>	<u>443,400</u>

MICHAEL GUEST CHARITABLE FOUNDATION

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

11 Taxation

The charity 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.

12 Tangible fixed assets

	Computers £
Cost	
Additions	1,312
At 31 March 2022	<u>1,312</u>
Depreciation and impairment	
Depreciation charged in the year	72
At 31 March 2022	<u>72</u>
Carrying amount	
At 31 March 2022	<u><u>1,240</u></u>

13 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 April 2021	1,662,305	8,750	1,671,055
Additions	5,742,370	42,467	5,784,837
Valuation changes	174,656	-	174,656
Disposals	(879,168)	-	(879,168)
At 31 March 2022	<u>6,700,163</u>	<u>51,217</u>	<u>6,751,380</u>
Carrying amount			
At 31 March 2022	<u>6,700,163</u>	<u>51,217</u>	<u>6,751,380</u>
At 31 March 2021	<u><u>1,662,305</u></u>	<u><u>8,750</u></u>	<u><u>1,671,055</u></u>

MICHAEL GUEST CHARITABLE FOUNDATION

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

13 Fixed asset investments

(Continued)

All investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. All investment assets are held within the UK.

The significance of financial instruments to the ongoing financial sustainability of the Foundation is considered in the financial review section of the Report of the Trustees.

The main risk to the Foundation from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Foundation is in part reliant on dividend yield to finance its work and it has significant holdings in international companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling. Liquidity risk is anticipated to be low. The Foundation's investments are traded in a market with good liquidity and high trading volumes. The Foundation has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Foundation manages these investment risks by retaining expert advisors and operating an investment policy that provides for diversification of holdings that are quoted on a recognised stock exchange. The Foundation does not make use of derivatives and similar complex financial instruments.

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	194,135	3,673

Debtors include £178,585 in respect of that part of the residuary legacy recognised in the year which had not been paid over to the Foundation by 31 March 2022.

15 Loans and overdrafts

	2022 £	2021 £
Bank overdrafts	629	-
Payable within one year	629	-

16 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank overdrafts	15	629	-
Accruals and deferred income		17,538	15,546
		18,167	15,546

MICHAEL GUEST CHARITABLE FOUNDATION

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

17 Endowment funds

The expendable endowment was established by the trust deed dated 4th October 2013. Lifetime gifts made by the Founder and the Foundation's entitlement to the the residuary estate of the Founder have all been classified as additions to the capital held in the expendable endowment fund. Further details are provided in note 3 to the financial statements.

The trustees have the power, at their discretion, to spend all or part of the capital in furtherance of the objects of the charity. Income arising on the endowment funds can be used in accordance with the objects of the Foundation and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 April 2020	Resources expended	Revaluations gains and losses	Balance at 1 April 2021	Movement in funds				Balance at 31 March 2022
	£	£	£	£	Incoming resources	Resources expended	Revaluations gains and losses	£	£
Expendable endowments									
Fund established by gifts made by the Founder	1,224,827	(10,711)	443,400	1,657,516	5,047,959	(14,769)	222,680	6,913,386	
	1,224,827	(10,711)	443,400	1,657,516	5,047,959	(14,769)	222,680	6,913,386	

MICHAEL GUEST CHARITABLE FOUNDATION

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

18 Analysis of net assets between funds

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	1,240	-	1,240	-	-	-
Investments	-	6,751,380	6,751,380	-	1,671,055	1,671,055
Current assets/(liabilities)	13,962	162,006	175,968	13,322	(13,539)	(217)
	<u>15,202</u>	<u>6,913,386</u>	<u>6,928,588</u>	<u>13,322</u>	<u>1,657,516</u>	<u>1,670,838</u>

19 Related party transactions

During the period, the following transactions with trustees and related parties occurred.

Investment management fees of £14,769 (2021:£10,711), including fees accrued at the period end of £4,693 (2021:£2,850), were payable to Charles Stanley & Co Limited, a company which employs Mr C Marment.

20 Cash generated from operations

	2022 £	2021 £
Surplus for the year	5,257,750	441,169
Adjustments for:		
Investment income recognised in statement of financial activities	(55,066)	(31,868)
Investments transferred as part of legacy received	(4,633,655)	-
Gain on disposal of investments	(48,024)	(21,430)
Fair value gains and losses on investments	(174,656)	(421,970)
Depreciation and impairment of tangible fixed assets	72	-
Investment income - non-cash dividend	1,197	-
Movements in working capital:		
(Increase) in debtors	(181,965)	(2,632)
Increase in creditors	1,992	4,343
Cash generated from/(absorbed by) operations	<u>167,645</u>	<u>(32,388)</u>

21 Analysis of changes in net funds

The charity had no debt during the year.

MICHAEL GUEST CHARITABLE FOUNDATION

APPENDIX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Details of grants made to institutions

	2022 £	2021 £
Animal care		
Animals in Need-Maxicare	-	500
The Olive Ridley Project	-	500
	<u>-</u>	<u>1,000</u>
Care of young people		
Activiteens	-	500
Equata	-	500
Get Set Girls	1,000	-
Happy Days Children's Charity	-	500
Home Start (Families with young children)	1,000	500
LIVE!	-	500
PACE	-	500
The Mintridge Foundation	-	500
Up'N Away	-	500
Winston's Wish	1,000	-
	<u>3,000</u>	<u>4,000</u>
Medical research, medicine and other care		
Autism Early Support	500	-
Asthma Relief (Medical)	-	500
Bansang Hospital Appeal	-	500
Beryl Thyer Memorial Trust	-	500
Charlie Waller Memorial Trust	1,000	500
Cransley Hospice	1,000	500
Designability	-	500
NorPIP	-	500
Northamptonshire Domestic Abuse	1,000	-
Pain Concern	1,000	-
PSPA	-	-
Support Dogs	-	500
The Fire Fighters Charity (Fire and rescue personnel and dependents)	-	500
Vine Community Trust	1,000	500
	<u>5,500</u>	<u>5,000</u>
Mental health well being, care and support		
Harmless	1,000	-
Kettering Association for Mental Health	1,000	-
The Anna Freud Centre	1,000	-
	<u>3,000</u>	<u>-</u>
Music and the arts		
Amicorum Choir	1,000	-
Camerata Singers	-	500
	<u>1,000</u>	<u>500</u>
Refugee Support		
Care4Calais	2,000	-
Hear Me Out Music	1,000	-
Kent Refugee Action Network	2,000	-
Refugee Action	2,000	-
Refugee Council	2,000	-
Women for Refugee Women	2,000	-
	<u>11,000</u>	<u>-</u>
Relief of financial hardship		
Ezer Leyoldos	1,000	-
Giving World	1,000	-
The Kettering Foodbank	1,000	-
	<u>3,000</u>	<u>-</u>
Religion and care of places of worship		
Cranford PCC	1,000	500
Burton Latimer PCC	-	500
Friends of St Mary's Burton Latimer	1,000	500
	<u>2,000</u>	<u>1,500</u>
Rescue and support organisations		
Kettering Street Pastors	1,000	500
Northamptonshire and Warwickshire Air Ambulance Trust	1,000	500
Northamptonshire Search and Rescue	1,000	500
	<u>3,000</u>	<u>1,500</u>
Total grants	<u>31,500</u>	<u>13,500</u>