

THE UTLEY FAMILY CHARITABLE TRUST
(Registered Charity Number: 1157399)
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE UTLEY FAMILY CHARITABLE TRUST

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THE UTLEY FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees submit their report and the independently audited financial statements of The Utley Family Charitable Trust ("the trust" or "the charity") for the year ended 31 March 2021. These have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with the charity's trust deed and applicable law.

The financial statements comply with the Charities Act 2011, the trust deed dated 5 May 2014, 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 SORP (FRS 102).

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Utley Family Charitable Trust, registered charity number 1157399, is based and administered in the United Kingdom. The registered address is Larkins Farm, 199 Nine Ashes Road, Ingatestone, Essex, CM4 0JY.

The names of the Trustees who served throughout the year and continue to serve at the date of the report's approval are:

- Neil Utley
- Narmali Utley
- Raja Balasuriya
- Melvyn Sims

Independent Auditors:

Rawlinson & Hunter Audit LLP, Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ

Accountants:

Rawlinson & Hunter LLP, Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

Solicitors:

Charles Russell Speechlys, 5 Fleet Place, Farringdon, London, EC4M 7RD

Investment Managers:

UBS AG, London Branch, 1 Finsbury Avenue, London, EC2M 2PP

Adam & Company Plc, 22 King Street, London, SW1Y 6QY

Bankers:

Coutts & Co, 440 The Strand, London, WC2R 0QS

UBS AG, London Branch, 1 Finsbury Avenue, London, EC2M 2PP

CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, ME19 4JQ

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2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The trust was established by a Declaration of Trust dated 5 May 2014, and registered with the Charity Commission on 10 June 2014. It is an unincorporated charitable trust governed by the proper law of England and Wales.

The resources of the charity have been restricted and unrestricted throughout the year. The Trustees have complete discretion for the use of the unrestricted funds in pursuance of the trust's objectives.

Restricted funds are to be spent on the particular purposes specified by the donor. These include the establishment of the Paul and Nick Harvey Fund and public donations received in support of the charity's Music for Dementia Campaign.

The management of the charity is conducted by the key management personnel which consists of the Trustees and managing director, Juliet Cockram-Agnew.

The power to appoint new or additional Trustees shall be vested in the Settlor, Neil and Narmali Utley, and shall be exercisable by them acting jointly. On the death of any one Settlor, the power of appointing new Trustees shall vest in the remaining Settlor. A new Trustee or Trustees may be appointed at any time, by either way of replacement or addition.

Trustees shall hold at least two meetings in each calendar year.

Induction and Training

Should new Trustees be appointed a formal induction process will be conducted by the Trustees. Other Trustee training is undertaken as and when appropriate. All Trustees are aware of their duties and obligations in respect of the management of the charity, including in relation to the protection of its assets.

Pay policy for senior staff

The Trustees, and senior management team comprise the key management personnel of the charity and are in charge of directing and controlling, running and operating the charity on a day to day basis.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the financial statements.

Trustees' Responsibilities Statement

The Trustees are responsible for preparing the Trustees' Annual 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 period. In preparing these financial statements, the Trustees are required to:

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TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to Auditor

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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Internal Controls

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management and Governance

A risk assessment has been undertaken which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This continuing process will identify risk areas to which the trust is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements. The Trustees have signed fit and proper declarations in line with HMRC guidance.

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2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the six main principles of the Code are adhered to. These are:

- Understanding the Trustees' role
- Doing what the organisation was set up to do
- Working effectively
- Control
- Behaving with integrity
- Openness and accessibility

The Trustees recognise that good governance plays an essential part in securing the future of the charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the charity.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objectives of the charity are such exclusively charitable purposes as the Trustees may in their absolute discretion determine. The charity is established for general charitable purposes and operates as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The Trustees may use the income and the capital of the charity in promoting the objectives.

Statement of Public Benefit

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the trust's aims, activities and achievements in the areas of interest that the trust support, demonstrates the benefit to its beneficiaries and through them to the public.

Fundraising

The Trustees have referred to the Code of Fundraising Practice ("the Code") which were developed on 7 July 2016 by the fundraising community through the work of the Institute of Fundraising and Public Fundraising Association, and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20") and the Charities (Protection and Social Investment) Act 2016 ("the Act"). The charity raises the majority of its funds through investment income and donations from the Trustees over the years.

The charity does not generally undertake any direct fundraising, such as door-to-door collections, direct mailings or cold calling. Funding opportunities are pursued through official channels, such as application forms, or via introductions by supporters in projects the charity has been funding. In line with current data protection regulation, we only contact individuals with prior consent.

The charity ensures that grant and gift agreements are in place with its supporters. The charity completes a due diligence process for all new supporters. The Trustees are kept up-to-date on fundraising best practice.

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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Grant Making Policy

The charity has been established to provide grants for purposes that are exclusively charitable under the law of England and Wales. The charity has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, requiring monitoring and evaluation of the way in which funds are applied by grantees.

4. ACHIEVEMENT AND PERFORMANCE

The Trustees continue to support a range of causes and concentrate the bulk of the Foundation's programmes and grant-making on (1) the provision of music for people living with dementia; (2) causes relating to underprivileged and vulnerable children; (3) the reintegration of veterans into civilian life and (4) causes related to international aid and development.

Investments

The assets of the charity consist principally of investments and cash, and these are collectively recorded on the Balance Sheet at their market value on that date. Any increase or decrease over cost or restatement of these values is recorded in the Statement of Financial Activities. To further diversify investment risk, the charity has loaned a total of £2,455,325 (2020 - £2,290,146) to a select group of entities, further details of which can be found in Notes 8 and 9 on pages 20 and 21.

During the year ended March 2016, the Trustees subscribed £100,000 to a part paid share investment in Ptarmigan Planning Limited. The trust paid the final £20,000 in respect of the investment in December 2020.

The Trustees investment powers are unrestricted.

Charitable activities

Expenditure on charitable activities totalled £1,014,905 (2020 - £1,161,905). This included grants and donations totalling £724,349 (2020 - £951,080) to various charities, charitable projects and individuals' fundraising. A summary of grants made during the year is reflected in note 4, on page 18.

The above expenditure includes £340,385 (2020 - £315,514) music for dementia programme expenditure for charitable activities including the M4D campaign and m4dradio.com.

Governance costs of £105,553 (2020 - £64,797) and grant support costs of £185,003 (2020 - £146,028) were incurred during the year, and are included in Charitable Activities.

Music can be transformative for those living with dementia and those who love and care for them. People who cannot speak may sing; those who struggle to walk may dance; those who have withdrawn into themselves may open their eyes, reach out a hand, reconnect with loved ones. The Trustees believe music should be made freely available to everyone with dementia and could hold the key to transforming dementia care nationwide.

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4. ACHIEVEMENT AND PERFORMANCE (continued)

In 2016, Trustees made a long-term commitment to maximise the charity's impact in the music and dementia space through a range of charitable activities including grant-making, special projects and influencing policy and decision makers. In the last five years, the Foundation has distributed almost £1.5m in music and dementia grants and established the M4D campaign fronted by Music Ambassador Lauren Laverne and managed by Campaign Director Grace Meadows.

The M4D campaign seeks to make music a right in dementia care, raise awareness of the benefits of music and act as a policy advocate and coordinating body in the music and dementia space.

COVID-19 has been particularly devastating for those with dementia. Most are in age groups with the highest mortality in the first wave, many lived in care homes on the frontline and data shows the isolation of lockdown actually made people's dementia worse and accelerated its progression.

The M4D campaign pivoted rapidly in early 2020 and successfully argued that music should be listed in the NHS lockdown response for those with dementia and developed accessible resources to be used at home on a daily basis, including musical guides, information about using music to counteract isolation and the launch of M4D Radio.

M4D Radio was developed to provide music free to people with dementia at home during lockdown. Launched in June 2020, it has continued to provide music throughout 2020/21 and has received several sector awards. M4D Radio is the latest in a series of special projects that have emerged from the M4D campaign, such as a searchable, UK-wide Musical Map to help people find local music activities and the central M4D website and information hub.

The campaign also benefitted this year from a close relationship with Paul Harvey, a pianist, music teacher and composer currently living with dementia. Paul's unique composition – Four Notes – gained public acclaim and publicity, having been accompanied by the BBC Philharmonic. The campaign has continued to work with Paul and his son, Nick, to raise awareness of the power of music for Paul and others living with dementia.

In December 2020 the Hunter Foundation gifted £500,000 to the music for dementia programme after seeing the M4D campaign on BBC Breakfast with Paul and Nick Harvey. Trustees used the Hunter award to create a restricted fund in the name of Paul and Nick Harvey and plan to undertake additional grant-making to charities delivering music to people living with dementia across the UK. In March 2021, the National Academy of Social Prescribing provided an additional £100,000 to be distributed through the Paul and Nick Harvey Fund. The first grants awarded from the Paul and Nick Harvey fund were made in May 2021.

The Foundation covered all costs and provided the sector expertise to administer the Paul and Nick Harvey Fund, meaning one hundred per cent of the £600,000 received is available for distribution to frontline charities and organisations. Likewise, subsequent unsolicited donations from members of the public inspired by the M4D campaign, have gone direct to supporting the music and dementia programme, with all campaign and operating costs covered fully by the charity.

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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

5. FINANCIAL REVIEW

Incoming Resources & Resources Expended

Incoming resources totalled £1,563,999 (2020 - £1,669,138). The charity's income comprised restricted and unrestricted donations, income from the investment portfolios, loan interest and interest from cash deposits.

Investment income is shown net of tax credits and gross of investment management costs. Investment management costs are separately accounted for under resources expended and more specifically under costs of generating funds.

Investment policy and performance

The Trustees' investment objective is to achieve an absolute return of 5% over inflation. Grants are paid from investment returns (including income) or anticipated investment returns, such that in a year of underperformance, capital may be used. Equally there is no obligation for Trustees to grant the entire annual return. The charity accepts that this return policy has a risk that in any one year anticipated returns cannot be delivered. The Trustees believe that over the long term the value of the charity will be maintained and the charity's investment policy should be driven for the long term.

The Trustees review the performance of their investment portfolios regularly.

Over the financial year the investment portfolio with UBS appreciated by 19.75% (2020: 15.17% depreciation). Since the portfolio was funded in October 2014 it has provided a positive compounded return of 28.40% (2020: 11.69%). The value of the portfolio at 31 March 2021 was £14,082,043 (2020: £5,707,385).

The portfolio with Adam & Company appreciated 29.44% over the year (2020: 12.15% depreciation). Since the initial funding in January 2015 the portfolio has provided compounded returns of 45.50% (2020: 12.40%). The value of the portfolio at 31 March 2021 was £7,429,182 (2020: £3,869,355).

Reserves Policy

The Trustees have examined the charity's requirements for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands that are not adequately covered by existing resources. The net assets of the charity consist of both restricted and unrestricted reserves. The available unrestricted funds at 31 March 2021 will be retained to make grants in accordance with the charity's charitable objectives and any policies.

The Trustees consider that the freely expendable funds are appropriate and adequately taking into account plans for grants to be awarded in the future. However, the Trustees will keep this under constant review.

The balance of both restricted and unrestricted funds as at 31 March 2021 was £25,061,693 (2020: £19,748,034).

THE UTLEY FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

5. FINANCIAL REVIEW (continued)

COVID-19

The operational running of the charity has been only marginally affected by the COVID-19 pandemic, and the charity has continued to award grants and continue the M4D campaign.

The Trustees consider that there are no implications that would affect the charity on a going concern basis for the coming year.

6. RELATED PARTY TRANSACTIONS

Related party transactions during the year are disclosed in note 12 on page 22.

7. PLANS FOR THE FUTURE

The Trustees intend to continue with the focus areas outlined above, with a particular commitment to the goal of making music available to every person living with dementia. It is envisaged that as plans develop, the charity will gradually increase its grant-making budget but focus on a smaller number of flagship programmes in areas in which the charity builds particular knowledge and experience. The charity will aim to act as a catalyst for greater support for these core areas.

8. AUDITOR

It will be proposed at the next Trustees' meeting that Rawlinson & Hunter Audit LLP be reappointed as auditor to the trust for the ensuing year subject to the charity requiring an audit.

Approved by the Trustees
and signed on their behalf by:

Neil Utley – 31 January 2022

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE
THE UTLEY FAMILY CHARITABLE TRUST**

Opinion

We have audited the financial statements of The Utley Family Charitable Trust (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE
THE UTLEY FAMILY CHARITABLE TRUST (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 2 and 3, the Trustees are responsible for the preparation of financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made in section 154 of that Act.

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

Our assessment of the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after the consideration of the following:

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE
THE UTLEY FAMILY CHARITABLE TRUST (continued)

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

- due to the relatively simple business model and a low number of transactions within the charity there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or felt not to be in accordance with our understanding of the charitable activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the charity for previously unreported related party transactions;
- review of transactions and journals for any indication of fraud or management override;
- review of Trustees' meeting minutes for unrecorded transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of this report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Rawlinson & Hunter – 31 January 2022

Rawlinson & Hunter Audit LLP
 Statutory Auditor and Chartered Accountants

Eighth Floor, 6 New Street Square
 London, EC4A 3AQ

Rawlinson & Hunter Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE UTLEY FAMILY CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Page	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds (Unrestricted) 2020 £
Income from:					
Donations (note 2)	17	75	617,113	617,188	552,372
Investments (note 3)	17	946,811	-	946,811	1,116,766
Total income		<u>946,886</u>	<u>617,113</u>	<u>1,563,999</u>	<u>1,669,138</u>
Expenditure on:					
Charitable activities (note 4)	18	1,014,905	-	1,014,905	1,161,905
Raising funds (note 5)	19	75,548	-	75,548	28,248
Total expenditure		<u>1,090,453</u>	<u>-</u>	<u>1,090,453</u>	<u>1,190,153</u>
Net gain/(loss) on investments (note 6)	19	4,836,806	-	4,836,806	(2,856,749)
Net incoming/(expenditure) resources before other gains		<u>4,693,239</u>	<u>617,113</u>	<u>5,310,352</u>	<u>(2,377,764)</u>
Other recognised gains/(losses)		<u>3,307</u>	<u>-</u>	<u>3,307</u>	<u>(622)</u>
Net movement in funds		4,696,546	617,113	5,313,659	(2,378,386)
Reconciliation of funds:					
Total funds brought forward at 1 April 2020		<u>19,748,034</u>	<u>-</u>	<u>19,748,034</u>	<u>22,126,420</u>
Total funds carried forward at 31 March 2021	13	<u>£24,444,580</u>	<u>£ 617,113</u>	<u>£ 25,061,693</u>	<u>£ 19,748,034</u>

There are no recognised gains or losses other than those included in the statement of financial activities.

All incoming resources and resources expended derive from continuing activities.

THE UTLEY FAMILY CHARITABLE TRUST

BALANCE SHEET

AT 31 MARCH 2021

	Page	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds (Unrestricted) 2020 £
Fixed assets					
Investments & cash under management (note 6)	19	21,932,644	617,113	22,549,757	17,091,444
Private Equity Investment (note 7)	19	100,000	-	100,000	100,000
Total fixed assets		<u>22,032,644</u>	<u>617,113</u>	<u>22,649,757</u>	<u>17,191,444</u>
Debtors – long term (note 8)	20	<u>1,070,641</u>	<u>-</u>	<u>1,070,641</u>	<u>728,155</u>
Current assets					
Debtors – due within one year (note 9)	20	1,212,010	-	1,212,010	1,770,060
Cash at bank (note 10)	22	<u>194,735</u>	<u>-</u>	<u>194,735</u>	<u>143,263</u>
Total current assets		<u>1,406,745</u>	<u>-</u>	<u>1,406,745</u>	<u>1,913,323</u>
Liabilities					
Creditors – amount falling due in one year (note 11)	22	<u>65,450</u>	<u>-</u>	<u>65,450</u>	<u>84,888</u>
Net current assets		<u>2,411,936</u>	<u>-</u>	<u>2,411,936</u>	<u>1,828,435</u>
Total net assets		<u>£ 24,444,580</u>	<u>£ 617,113</u>	<u>£ 25,061,693</u>	<u>£ 19,748,034</u>
Represented by:					
Unrestricted Funds		24,444,580	-	24,444,580	19,748,034
Restricted Funds		-	617,113	617,113	-
Total funds of the charity		<u>£ 24,444,580</u>	<u>£ 617,113</u>	<u>£ 25,061,693</u>	<u>£ 19,748,034</u>

**Approved by the Trustees
and signed on their behalf by:**

Neil Utley – 31 January 2022

THE UTLEY FAMILY CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Page	2021 £	2020 £
Net cash flow from Operating Activities			
Net movement on funds for the year	12	5,313,659	(2,378,386)
Less: Investment income and deposit interest		(946,811)	(1,116,766)
Net (gain)/loss on investment assets		(4,836,806)	2,856,749
Decrease/(increase) in debtors		215,564	(497,007)
(Decrease) in creditors		(19,438)	(5,684)
		<u>(273,832)</u>	<u>(1,141,094)</u>
Returns on investments			
Investment income (note 3)		946,356	1,114,340
Deposit interest		455	2,426
	17	<u>946,811</u>	<u>1,116,766</u>
Capital expenditure and financial investment			
Purchase of investments (note 6)	19	(20,307,397)	(5,524,452)
Proceeds from sale of investments (note 6)	19	20,261,455	5,079,838
		<u>(45,942)</u>	<u>(444,614)</u>
Net increase/(decrease) in cash in the year		<u>£ 627,037</u>	<u>£ (468,942)</u>
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 April 2020		606,232	1,075,174
Net increase/(decrease) in cash		<u>627,037</u>	<u>(468,942)</u>
Net cash resources at 31 March 2021		<u>£ 1,233,269</u>	<u>£ 606,232</u>
Analysis of net funds:			
Cash held in investment portfolio (note 6)	19	1,038,534	462,969
Cash at Bank (note 10)	22	194,735	143,263
		<u>£ 1,233,269</u>	<u>£ 606,232</u>

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

1. ACCOUNTING POLICIES

The Utley Family Charitable Trust (“the trust” or “the charity”), registered charity number 1157399, is based and administered in the United Kingdom. The registered address is Larkins Farm, 199 Nine Ashes Road, Ingatestone, Essex, CM4 0JY. The nature of the charity’s operations and principal activities are set out in the Trustees’ Annual Report.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

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) (“Charities SORP 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 trust constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are presented in sterling which is the functional currency of the charity.

Status of funds

The charity holds both unrestricted and restricted funds. The Trustees have complete discretion for the use of unrestricted funds in pursuance of the charity’s objectives.

Restricted funds are those which have been donated to the charity for a specific cause or purpose, whereby the donor has imposed a restriction on their future use. None of the funds designated as restricted have been spent as at 31 March 2021.

Fixed asset investments

Quoted Investments are included at closing mid-market value at the balance sheet date. Realised gains and losses on investments are recognised on disposal of investments and any gain or loss on revaluation is taken to the Statement of Financial Activities (SOFA). The determination of any gains and losses is calculated by reference to the value of such assets at the beginning of the accounting period.

Private equity investments are accounted for at the cost of the trust’s committed share subscription until such time that a valuation is formally conducted by the company invested.

Incoming resources

All incoming resources are included in the SOFA when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations under Gift Aid with the associated tax credits included when receivable. Interest from deposit accounts are included when received.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustees to the expenditure.

Charitable Activities comprise grants and donations made during the year. They are included in the SOFA when a firm commitment is conveyed to the recipient.

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

Governance costs include the costs associated with meeting the constitutional and statutory obligations of the charity, as opposed to the management functions inherent in generating funds.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value, except where settlement is delayed, in which case the transaction is recognised at the present value of the settlement amount.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the statement of financial activities as they arise.

Debtors and creditors receivable/payable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

Debtors and creditors receivable/payable after one year

Debtors and creditors receivable or payable after one year are recognised at their present value.

Cash and cash equivalents

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management. Also included is cash held under management by the investment broker.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

Liabilities due in more than one year are recognised at present value, where settlement is due over more than one year from date of initial investment, there are no unfulfilled conditions under the control of the trust performance that would permit the trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is a rate of 3% and is regarded by the Trustees as providing the most current available estimate of the cost of money reflecting the time value of money to the trust.

Taxation

The charity is not subject to any taxes on its charitable activities. Irrecoverable VAT is charged to the SOFA when the expenditure to which it relates is incurred and allocated.

Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The COVID-19 pandemic has created significant operational and financial pressures on the global economy and businesses in general. Having considered the contingency plans in place, the support to businesses announced by the UK Government and having reviewed the level of funds held and the level of income and expenditure, together with the level of reserves for the charity, the Trustees consider the adoption of the going concern basis in preparing these financial statements is appropriate.

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

Judgements and key sources of estimated uncertainty (continued)

In preparing these financial statements, the Trustees have to make judgements on how to apply the charity's accounting policies and make estimates about the future. The critical judgement that has been made at arriving at the amounts recognised in the financial statements and the key area of estimation uncertainty that has a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next financial year, is discussed below:

- Assets receivable after more than 1 year
 - Liabilities falling due after more than 1 year
- i) The Trustees have assumed an applicable discount rate (interest rate) of 3% per annum at 31 March 2021 to discount the future cash flows relating to assets and liabilities receivable/due after more than one year to the present value. A higher discount rate would result in a lower discounted asset or liability value being presented as an asset or a liability. A lower discount rate would result in a higher discounted asset or liability value being presented as an asset or a liability in these financial statements; and
- ii) have estimated the asset and liability payment dates based on their expectation of when the payments will be made. A longer period would result in a higher discount and a lower asset or liability value being presented as an asset or a liability in these financial statements. A shorter period would result in a lower discount and a higher asset or liability value being presented as an asset or a liability in these financial statements.

2. INCOME FROM DONATIONS	Page	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations		-	615,087	615,087	442,500
Gift Aid Tax Relief		-	2,026	2,026	109,872
Gift aid supplementary interest		75	-	75	-
	12	£ 75	£ 617,113	£ 617,188	£ 552,372

3. INCOME FROM INVESTMENTS

UK and overseas quoted securities income	698,070	918,307
Loan interest	248,286	196,033
Deposit interest	455	2,426
	£ 946,811	£ 1,116,766

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

4. EXPENDITURE ON CHARITABLE ACTIVITIES

The following amounts were awarded as grants to charitable institutions and individuals or spent on internal charitable projects during the year to 31 March 2021:

	2021	2020
	£	£
Grants awarded to UK registered charities	241,116	635,030
Grants awarded to international registered organisations	7,769	536
Grants awarded to other charitable activities	135,079	-
Programme expenditure on Music for Dementia and M4D campaign	340,385	315,514
Total Grants payable:	724,349	951,080
The grants awarded above are attributable to the following areas of focus of the Charity:		
Music and Dementia	401,689	533,474
Children	197,807	175,087
Veterans	-	111,089
International Aid	32,000	98,399
Other	92,853	33,031
	724,349	951,080
Support costs:		
Staff costs	158,278	100,646
Management and administration - Dementia Project	9,045	38,752
Recruitment, media and advertising	9,904	4,796
Administration expenses	7,776	1,834
Total Support costs:	185,003	146,028
Governance costs:		
Management and administration costs	86,576	38,752
Accountancy fees	7,206	8,105
Legal fees	-	5,268
Audit fees	6,600	6,600
Bank charges	5,171	6,072
Total Governance costs:	105,553	64,797
Total Charitable activities:	£1,014,905	£1,161,905

The average number of employees during the period was 3 (2020: 2). Included in staff costs are Social security costs of £11,370 (2020 - £6,014) and pension contributions of £4,132 (2020 - £2,332).

The total benefit received by key management personnel was £95,621 (2020 - £77,705), paid to Impact Squared in respect of Juliet Cockram-Agnew's time, for services on a consulting basis.

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

	Page	2021 £	2020 £
5. EXPENDITURE ON RAISING FUNDS			
Investment management fees		93,487	77,766
Tax credits on investment income		3,906	-
Finance (income) arising on discounting debtors		(21,845)	(49,518)
	12	<u>£ 75,548</u>	<u>£ 28,248</u>
6. FIXED ASSET INVESTMENTS (AT MARKET VALUE)			
Quoted investments within the United Kingdom		7,509,470	12,824,244
Quoted investments outside the United Kingdom		14,001,753	3,804,231
		<u>21,511,223</u>	<u>16,628,475</u>
Cash held as part of portfolio	14	<u>1,038,534</u>	<u>462,969</u>
Total investments and cash under management	13	<u>£22,549,757</u>	<u>£17,091,444</u>
Net realised investment gain/(loss)		3,285,075	(243,240)
Net unrealised investment gain/(loss)		1,551,731	(2,613,509)
Net gain/(loss) on investments	12	<u>£ 4,836,806</u>	<u>£(2,856,749)</u>
Investments and cash under management			
Market value at 1 April 2020		16,628,475	19,040,610
Additions at cost	14	20,307,397	5,524,452
Disposals	14	(20,261,455)	(5,079,838)
Net realised investment gain/(loss)		3,285,075	(243,240)
Net unrealised investment gain/(loss)		1,551,731	(2,613,509)
Market Value at 31 March 2021		<u>£21,511,223</u>	<u>£16,628,475</u>
Historical Cost at 31 March 2021		<u>£18,819,702</u>	<u>£19,908,876</u>

7. PRIVATE EQUITY INVESTMENTS - PTARMIGAN PLANNING LIMITED

The Trustees subscribed to £100,000 part paid share investment in Ptarmigan Planning Limited during the year ended 31 March 2016. As at 31 March 2021, the trust had paid their full commitment following the final balance of £20,000 being settled in December 2020.

The financial statements now reflect the full amount subscribed to Ptarmigan Planning Limited.

One of the Trustees, Neil Utley, is a 3.00% shareholder of Ptarmigan Planning Limited.

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

8. DEBTORS - LONG TERM	Page	2021 £	2020 £
Loan to NTM ROI Seed Capital LP		425,641	-
Loan to Aitch Estates Ltd		395,000	-
Loan to UA Energy Debenture		250,000	242,718
Loan to Equifinance Limited		-	485,437
	13	<u>£ 1,070,641</u>	<u>£ 728,155</u>

During the year to 31 March 2020 the trust entered into a loan arrangement of €500,000 to NTM ROI Seed Capital LP. The loan was repaid in full in November 2020, at which stage a new loan arrangement was entered into for the principal plus accrued interest. The loan is due to be repaid in November 2022. Interest on the loan is compounded monthly rate of 1% providing an annual percentage rate of 12.68%. No amounts were received by 31 March 2021.

One of the Trustees, Neil Utley, is a 0.966% shareholder of NTM ROI Seed Capital LP.

During the year to 31 March 2021 the trust also entered into a loan arrangement totalling £395,000 with Aitch Estates Ltd. The loan is due to be repaid on the second anniversary of the loan agreement date and accrues interest at a rate of 10% bi-annually. The first bi-annual interest receipt of £19,588 was received on 31 March 2021. This loan is guaranteed by a personal guarantor.

During the year to 31 March 2017 the trust purchased an 8% Debenture from UA Energy Limited for £250,000. The annual interest of £20,000 was received on 1 February 2021. The debenture was originally repayable on 24 January 2020 however the Trustees have subsequently signed an extension to 24 January 2024. Two of the Trustees are shareholders of UA Energy Limited.

Neil Utley owns a 17.03% shareholding directly, and, through his beneficial ownership of Thorpe Finance Limited, Raja Balasuriya owns a 1.40% shareholding.

9. DEBTORS - DUE WITHIN ONE YEAR	Page	2021 £	2020 £
Loan to Equifinance Limited		500,000	-
Loan to NTM ROI Seed Capital LP		-	442,634
Loan to The Route – Glenisla Village		400,000	300,000
Loan to Rothbury Road Limited		254,322	254,322
Loan to 32/34 Eagle Wharf Road Limited		138,167	265,035
Loan to The Route – Baltic View		92,195	300,000
Loan interest		221,230	132,799
Gift Aid Tax Relief reclaim		2,026	110,625
Accrued Income		301	829
UK Unit Trust interest to be reclaimed		-	5,286
Investment (purchases) awaiting settlement		(396,231)	(41,470)
	13	<u>£ 1,212,010</u>	<u>£ 1,770,060</u>

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

9. DEBTORS - DUE WITHIN ONE YEAR (continued)

During the year to 31 March 2019, the trust made a loan totalling £500,000 to Equifinance Limited. The loan is due to be repaid on 31 January 2022. Interest on the loan is receivable monthly at a rate of £2,916.67, equivalent to 7% per annum, and no amounts were owing as at 31 March 2021. The loan is guaranteed by an unconnected third party. The loan was repaid in full on 10 June 2021.

During the period to 31 March 2015, the trust made a loan of £500,000 to Rothbury Road Limited to part finance the purchase, development and sale of development properties (units) at a site known as 24 White Post Lane, E9 5EP. The loan agreement states that the capital will be repaid within 14 days following the finalisation of the completion accounts, following the sale of the final unit of the project. A repayment premium will also be due based on the equivalent of 4.47% of the total profits of the project. Interest on the loan is receivable annually at a rate of 5% per annum. A partial repayment of £245,678 was made on 11 February 2020 and the annual interest receipt of £14,587 was received on 13 January 2021.

One of the Trustees, Raja Balasuriya, is a 2.3% shareholder of Rothbury Road Limited

During the year to 31 March 2016, the trust made a loan totalling £265,035 to 32/34 Eagle Wharf Road Limited to part finance the purchase, development and sale of development properties (units) at a site known as 32-34 Eagle Wharf Road, London. The loan will be repaid within 14 days following the finalisation of the completion accounts, following the sale of the final unit of the project. A repayment premium will also be due based on the equivalent of 2.5% of the total profits of the project. Interest on the loan is receivable annually at a rate of 5% per annum. The loan is unsecured. Repayments totalling £126,868 were received during the year and the annual interest receipt of £12,467 was received on 30 September 2020.

One of the Trustees, Raja Balasuriya, is a 5.1% shareholder in 32-34 Eagle Wharf Road Limited.

One of the Trustees, Neil Utley, is a 1.39% shareholder in 32-34 Eagle Wharf Road Limited

During the year to 31 March 2020 the trust entered into two loan arrangements totalling £600,000 to provide funding for property developments at Baltic View and Glenisla Village in Liverpool and Perthshire respectively. The loan in respect of Glenisla Village was extended to 1 April 2022 and a further £100,000 was lent to the development on 6 May 2020. Interest accrues at a rate of 13% per annum.

A further £50,000 was lent to the development on 8 April 2020. Repayments totalling £257,807 were received in respect of Baltic View during the year and the annual interest of £58,217 was received on 20 January 2021. Due to the Covid-19 pandemic there was a delay in the remaining proceeds being repaid and as such clauses within the original loan agreement were breached. Therefore from the 5 March 2021 until repayment an additional 4% of interest was accrued on the outstanding balance.

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

	Page	2021 £	2020 £
10. CASH AT BANK			
CAF cash account		116,630	-
Coutts current account		78,105	143,263
	13	<u>£ 194,735</u>	<u>£ 143,263</u>
11. CREDITORS - Amounts falling due within one year			
Accruals and deferred income		59,782	47,299
HM Revenue & Customs		4,476	3,348
Pension liability		1,192	633
Ptarmigan Planning Limited - share subscription (note 7)	19	-	20,000
Sundry creditor (note 12)	22	-	12,859
Staff Expenses		-	749
	13	<u>£ 65,450</u>	<u>£ 84,888</u>

12. RELATED PARTY TRANSACTIONS

No Trustees received any remuneration during the year to 31 March 2021.

There were no related party transactions in the year to 31 March 2021 other than already disclosed elsewhere in these financial statements (see notes 7, 8 and 9).

During the year, the charity repaid income receipts of £12,859 to a Trustee which had been incorrectly allocated to the charity's bank account during 2016. No balance remained outstanding as at 31 March 2021.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the Board of Trustees.

THE UTLEY FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2021

14. FINANCIAL INSTRUMENTS	Page	2021 £	2020 £
The carry amounts of the charity's financial instruments are as follows:			
<i>Financial assets</i>			
Measured at fair value through SOFA:			
-Fixed asset quoted investments	19	21,511,223	16,628,475
-Fixed asset private equity investment	19	100,000	100,000
-Cash under management	19	1,038,534	462,969
-Cash at bank and in hand	22	194,735	143,263
-Measured at amortised cost	13	2,282,651	2,498,215
<i>Financial liabilities</i>			
Measured at amortised cost			
-Creditors		60,974	81,540
The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:		<u> </u>	<u> </u>
<i>Income and expense</i>			
Measured at fair value through SOFA:			
-Net gains/(losses) (including changes in fair value)	12	4,836,806	(2,856,749)
-Other recognised gains/(losses)	12	3,307	(622)
		<u> </u>	<u> </u>