



THE PARGITER TRUST

ANNUAL REPORT & FINANCIAL STATEMENTS

for the Year Ended 31 December 2020 - CHARITY NO 1157779

THE PARGITER TRUST

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THE PARGITER TRUST

CHARITY INFORMATION

Founder	The Late Hon Mrs Isobel Cooper-Heyman
Trustees	Mrs S C Gardiner Mrs V M Westthorp Mr M Mogford Mr M J Starkey Mr P Metcalfe Ms L Cook
Secretary	D B McManus
Correspondence address	AC Mole & Sons Stafford House Blackbrook Park Avenue Taunton TA1 2PX
Auditor	Alexandra Shore FCA CTA DChA AC Mole & Sons Stafford House Blackbrook Park Avenue Taunton TA1 2PX
Principal bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4JQ
Investment advisors	J M Finn & Co Ltd 4 Coleman Street London EC2R 5TA
Solicitors	Bates Wells & Braithwaite London LLP Scandinavian House 2-6 Cannon Street London EC4M 6YH
Charity Registration Number	1157779

THE PARGITER TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Chair's Foreword

I am pleased to have this opportunity to present the sixth Report and Accounts for our Charitable Incorporated Organisation (CIO) which became a registered charity on 8 July 2014.

The Trust's mission is to support disadvantaged older people to be independent, healthy and socially included, to deliver this we have worked with many amazing organisations in 2020, both independently and through our partner Community Foundations.

The COVID -19 pandemic has had huge effects on the daily lives of most of us in 2020 and the first half of 2021. It has brought many challenges to the charity sector and we are yet to fully understand the longer-term impact.

This pandemic is tough for everyone, but older people have the added anxiety of knowing that for them the risks from catching COVID - 19 are higher. Fear of the virus, loss of mental and physical capacity, loneliness and isolation, and an inability to grieve as normal for those they have lost is affecting many older people.

We have rightly heard a lot about the enormous problems facing older people in care homes, but life has also been extremely challenging for many who have been cooped up for month after month in their own homes alone.

Reacting to the challenges of COVID - 19 the Trust changed the way in which it worked to be a more flexible funder enabling payments to be made quickly, supporting emergency schemes through the Community Foundations.

Despite the uncertainty and the sadness, we have witnessed wonderful acts of kindness right across England and the Bailiwick of Guernsey and superb support for those in need from our amazing charity and voluntary sector.

Community Foundations have worked tirelessly throughout 2020 rising to a challenge identifying local needs and mobilising local resources. The Trust is honoured to be part of that community.

Overview of 2020

£525,000 paid in Grants.

- In 2020 we increased our links again; we are delighted to be working with the **Community Foundation for Tyne & Wear and Northumberland**. This foundation was founded in 1988, covering six local authorities serving urban and rural communities, including densely populated areas and Areas of Outstanding Natural Beauty.
- **Made over 84 individual grants through seven Community Foundations.**
 - Community Foundation for Surrey
 - Suffolk Community Foundation
 - Guernsey Community Foundation
 - Kent Community Foundation
 - Berkshire Community Foundation
 - Wiltshire Community Foundation
 - Tyne & Wear & Northumberland

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- **Helped in excess of 20,000 recipients in a variety of ways such as:**

Hot Meals

Shopping

Connecting People during COVID-19 with use of ipads and laptops.

Leisure Activities

Befriending

Advice & Information

Arts & Creativity

Supporting Core Costs

Using our **Innovation objective**, we were delighted to work with Nesta in connection with their Tech to Connect prize (T2C) challenge 2020. T2C seeks to develop ideas for using technology to tackle social isolation and loneliness. The Challenge was run by Nesta, a foundation dedicated to innovation and social change. More details can be found <https://www.nesta.org.uk/blog/using-tech-tackle-social-isolation-and-loneliness/>

The Trust funded the T2C prize of £25,000 awarded to the best solution for older people, from our 2020 innovation budget. The award went to The Music Memory Box developed by Chloe Meineck and her small team. Music Memory Box supports and connects people with dementia and their loved ones by combining sensors, sentimental objects and photographs to link to songs, helping to unlock and recall memories in a simple and tactile way.

2021 will be another challenging year as a result of the impact of the COVID - 19 on society and the financial environment. The Trust will be endeavouring to provide its financial support for its stakeholders to ensure our beneficiaries continue to be supported in these difficult times.

In closing I would like to acknowledge that none of this would have been achievable without the support of my fellow trustees. I am, as always, extremely grateful for their wisdom in guiding the organisation, their passionate involvement, and their additional support to meet the challenges of COVID - 19, all of which has contributed enormously to the achievement our objectives.

Suzanne Gardiner Chair

The Pargiter Trust

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

1. Our purpose

Vision

- Our vision is a society where older people have a better quality of life.

Our Mission

- Our mission is to support disadvantaged older people to be independent, healthy and socially included.

Our Values

- To reflect the wishes of the Founder
- Building long term relationships with worthwhile charitable organisations
- To provide value for money for beneficiaries

2. Charitable objectives

The charity achieves its objectives by way of grants made to charities to help support older people in England and Guernsey. Our strategic aims and activities are set out later in this report.

3. Structure, Governance and management Legal and administrative details

The original Pargiter Trust (the "charity") was founded by the Late Hon Mrs Isobel Cooper-Heyman in 2005. It became an unincorporated registered charity in England and Wales on 16 February 2006 (registered charity number 1113016). In consultation with the charity's legal advisers, the Trustees established this Charitable Incorporated Organisation (CIO) in 2014 under a CIO Foundation Constitution dated 19 March 2014, registered it as a charity on 8 July 2014 and transferred the unincorporated charity's assets to the new entity on 1 January 2015. The two registered charities were merged in late 2015. The registered office address is First Floor, Harbour Court, Les Amballes, St Peter Port, Guernsey.

There are currently six Trustees (maximum eight) and they are responsible for directing the affairs of the charity including setting the strategic direction, the approval of key policies, the approval of business plans and budgets and any other matters which have a material impact on the charity's financial position, its strategy, reputation or risk profile. Trustees are appointed in line with the provisions set out in the Trust Deed (the "governing document").

The Trustees consider recruitment of new Trustees as the need arises. Applications from suitable candidates would be sought by identifying specific gaps in professional skills, if necessary, placing advertisements in suitable publications. A new Trustee would be provided with an information pack outlining the history of the organisation, its structure, activities and objectives together with Charity Commission guidance and codes of conduct related to the roles and responsibilities of a Trustee.

The charity owns the whole of the issued share capital of Sarnia Properties Ltd (SPL), a Guernsey based property investment company, whose sole asset, apart from cash reserves, comprises a site of light industrial units and domestic dwellings in Guernsey, which the Trustees consider to be of significance to the economic life of the island. SPL has three Directors of which currently one is also a Trustee of the charity. The fees paid to directors are based on what would need to be paid to an external party for those services provided. Any increase in fees or payment for additional services would require approval from the Trustees and be based on the equivalent salary to be paid for someone to perform that role for the required number of hours.

The charity achieves its objectives by way of grants made to charities to help support older people in England and Guernsey.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

The Trustees met four times during the year.

The Trustees who served and their attendance are listed below.

Mrs S C Gardiner (100%)

Mrs V M Westthorp (100%)

Mr M Mogford (100%)

Mr M J Starkey (100%)

Mr P Metcalfe (100%)

Ms L Cook (100%)

Grants and Awards Committee

The charity has a formal Grants and Awards Committee which has its own Terms of Reference setting out its delegated authority to consider all grant applications. The Committee comprises the Grant Committee Chair, the Chair and other serving Trustees, meeting on a regular basis throughout the year.

The Committee submits periodic reports to the Trustees during the year which set out the nature of the applications and the grants being made or considered. All grant applications need to meet specific eligibility criteria. The charity does not award grants directly to individuals and in most cases applications are received via the charity's community partners who undertake the primary assessment of each application.

4. Strategic planning and Review of 2020 activities

4.1 Strategic Objectives

The Trustees have three clear strategic objectives:

- **Grant Making** – To make grants in England and Guernsey to enable disadvantaged, older people to be independent, healthy and socially included
- **Innovation** – To work collaboratively to find new ways to help disadvantaged older people to be independent, healthy and socially included
- **Influence** – To identify, understand and measure the impact of the Trusts activities, to better understand the difference being made and encouraging the sharing of new ideas, good practice and learning.

4.2 Review of 2020 activities and achievement of the objectives

The Grants and Awards Committee has delegated responsibility on behalf of the Board of Trustees for ensuring that the Trust, working to an agreed budget, delivers an effective grants and awards programme.

In the light of COVID-19 the Trustees have been keen to ensure that it can maximise the impact we can achieve in tackling some of the critical issues faced by the people in England and the Bailiwick of Guernsey as a result of COVID-19, one of the ways has been to be a more flexible funder enabling payments to be made quickly, supporting emergency schemes through the Community Foundations.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

4.2 Review of 2020 activities and achievement of the objectives (continued)

- Grants paid totalled £525,000. The grants were awarded to the following partnership organisations:

Organisation	Grant Awarded
Community Foundation for Surrey	£80,000.00
Suffolk Community Foundation	£80,000.00
Kent Community Foundation	£80,000.00
Berkshire Community Foundation	£80,000.00
Guernsey Community Foundation	£80,000.00
Wiltshire Community Foundation	£50,000.00
Community Foundation Tyne & Wear and Northumberland	£50,000.00
Nesta - Innovation	£25,000.00
Total paid	£525,000.00

Future projects

In the next twelve months the Trustees will be seeking to continue and build on its existing relationships with its external partners.

Investments/Investment performance

The investments held by the charity in property, listed investments and in the subsidiary have continued to provide income to enable the charity to make charitable grants.

Public benefit

The Trustees have paid due regard to the Charity Commission guidance on "Public Benefit" in deciding what activities the charity undertakes. All activities undertaken by The Pargiter Trust are focussed on its charitable purposes. The "Public Benefit" of The Pargiter Trust's activities is the support of older people and this is achieved principally by the award and monitoring of grants.

Fundraising activities

The Trust does not actively undertake any direct fundraising activities and does not engage anyone to undertake such activities on its behalf.

5. Financial Review

The financial statements comply with current statutory requirements, the charity's governing instrument (the Trust Deed) and the Charities SORP (FRS 102) 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 1 October 2019.

The charity's principal funding source is from investment income and an annual distribution from its holding in Sarnia Properties Ltd.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

5. Financial Review

Income for the Group for the year, inclusive of the Sarnia Properties Ltd holding, was £752,885 (2019: £743,885) with net expenditure (before net gains on revaluation of properties and investments) £807,135 (2019: £826,530). Net gains on revaluation of properties and investments were £44,078 (2019: £1,310,778) giving a net (decrease) in funds for the year of £(10,172) (2019: £1,228,133 increase). The Group had total funds as at 31 December 2020 of £13,597,225 (2019: £13,607,397).

5.1 Reserves policy

The Trustees ensure that sufficient reserves are held to meet one year's governance costs as well as covering grants pending approval in case of a downturn in investments. The subsidiary company Sarnia Properties Ltd has free reserves, most of which were accumulated during the period before the company's shares were gifted to the charity.

In accordance with the non-binding wishes of the founding Trustee the Trustees have designated £8,080,000 of the original bequest as a capital fund for income generation.

The funds of the charity totalled £13,597,255 as at 31 December 2020 (2019: £13,607,397) of which £8,080,000 (2019: £8,080,000) is designated. Of the unrestricted funds of £5,517,225 (2019: 5,527,397), £4,448,351 (2019: £4,419,791) are held as fixed asset investments leaving free reserves of £1,068,874 (2019: £1,107,606).

5.2 Investment policy

The Trustees appointed J M Finn and Co. Ltd to manage the charity's investment portfolio on a discretionary basis; the Trustees have agreed that their investment objective is a balanced return from income and capital growth and that they have a medium risk profile, as defined by the investment advisers. Half yearly valuations and commentaries are provided to the Trustees and the investment manager meets with the Trustees from time to time as required to report on and discuss the overall performance of the portfolio.

In early October 2020, our investment managers participated in the launch of a new social housing fund – HOME REIT, this investing in social housing accommodation for the homeless, with the aim of providing quality, affordable housing for councils and their housing association partners. This new investment complements the existing investment in Civitas Social Housing which invests in new or existing social housing and healthcare assets in the UK. Both are expected to generate both positive financial returns and large scale measurable social impact.

As of the 31 December 2020 the Trust investment portfolio was valued at £3,889,138 (2019: £3,873,238), having appreciated +0.41% over the year.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

5.3 Risk management

The Trustees acknowledge their responsibilities for setting the approach and management of risk. Risk management is a standard item for discussion at all Trustee meetings with an in-depth review at least annually. This process identifies the major risks The Trust faces, the likelihood of occurrence, the significance of the risk and any mitigating facts that are in place. It also seeks to identify any actions and resources required to manage these risks further. Mitigating actions are taken for any risks perceived to be increasing, be this for reasons such as changes in the funding environment or regulatory / legal changes or government policy.

As part of this process, the Trustees maintain a risk register which sets out the key areas of risks and the mitigating controls and actions. This is reviewed regularly at all Board meetings.

During 2020 key areas of focus were:

Exiting the EU and associated trade issues

The Trust monitored the potential impact(s) of a failure to obtain a EU Trade deal and the effect this might have on its financial investments together with any impact of flow of non UK workforce.

Covid-19

The Covid-19 crisis inevitably affected the Charity sector as a whole. The Trustees considered the approach to this risk and the likely impact it might have on the Trust's income. During 2020 regular contact was maintained with the Investment Manager and Sarnia Properties Ltd to ensure the sustainability of the Grant funding and the Trust itself.

Fraud

The Trustees acknowledge their responsibility for managing fraud and have in place a fraud response plan and policy. The risk is limited to banking, inflated expenses and fake grant requests, which are governed by a system of internal controls.

Safeguarding

The Trustees introduced a safeguarding policy in 2018 and works with its stakeholders to ensure that they provide appropriate assurances that they have the necessary controls and procedures to ensure the safeguarding of all vulnerable beneficiaries. Safeguarding is reviewed regularly.

Anti-Money laundering

The Trustees have appropriate processes in place to safeguard against money laundering with specific controls regarding its distribution income from its subsidiary based in Guernsey. These are reviewed as part of the overall risk management process.

The Board of Trustees reviews annual budgets, grants remuneration and benefits. It also oversees ownership of major property it owns through Sarnia Properties Ltd (SPL).

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Oversight of SPL

The charity's ownership of Sarnia Properties Ltd (SPL) accounts for a very substantial proportion of the charity's assets. To mitigate this, the Trustees have an oversight role and receive regular reporting from Sarnia at their Board meetings.

SPL, the Guernsey based property investment company, lets sites to a number of tenants from light industrial Units, storage and distribution and residential lettings. One of the more significant is engaged in the business of storage and distribution of petroleum products. The Trustees ensure that all necessary steps are taken to maintain the safety of the site and to mitigate the risks associated with the tenancy.

6. Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and financial statements in accordance with 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).

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 income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP 2015 (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;
- 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 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 Trust deed. They are also responsible for the safeguarding of the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

7. Auditors

All of the current Trustees have taken steps that they should have taken to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any other relevant information of which the auditors should be aware.

In keeping with recognised practice, the charity reviewed its external audit arrangements and undertook a tender process which resulted in AC Mole & Sons being appointed as new auditors in 2020. The Trustees have a commitment to review all of its external providers as part of ensuring quality and value for money.

Approved by the Trustees and signed on their behalf on 30 August 2021 by

.....
Mrs S C Gardiner
Trustee and Chair

THE PARGITER TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PARGITER TRUST

Opinion

We have audited the financial statements of The Pargiter Trust CIO (the 'charitable parent company') and its subsidiary (the group) for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Balance Sheet, the Consolidated Statement of Cashflows and notes to the consolidated 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 group's and charitable parent company's affairs as at 31 December 2020 and of the group's income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date which the financial statements are authorised for issue.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PARGITER TRUST

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report 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.

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Act 2011 requires us to report to you if, in our opinion:

- The information given in the report of the trustees is inconsistent in any material respect with the financial statements;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 group's and charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or charitable parent company or to cease operations, or have no realistic alternative but to do so.

THE PARGITER TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PARGITER TRUST

Auditor's responsibilities for the audit of the financial statements

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

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

Identifying and assessing potential risks of material misstatement due to irregularities

We considered the following when identifying and assessing risks of material misstatement due to irregularities, including fraud and non-compliance with laws and regulations:

- the legal and regulatory framework in which the group operates
- the nature of the sector in which the group operates
- the control environment and controls established to mitigate such risks
- the results of our enquiries of management about their identification and assessment of risks of irregularities
- discussions with the audit engagement team and component auditors about where fraud might occur
- the incentives for fraud.
-

Laws and regulations which are considered to be significant to the group include those relating to the requirements of financial reporting framework FRS102, the Charities Act 2011, tax legislation and health and safety. In addition we consider other laws and regulation which may not directly impact the financial statements but may impact on the operation of the group.

As a result of these procedures we concluded, in accordance with International Auditing Standards, that a risk in relation to the potential for management override of controls existed.

Audit responses to risks identified

We undertook audit procedures to respond to the risks identified, and designed our audit testing to respond to these risks. The additional procedures we undertook included the following:

- gaining an understanding of the group's procedures for ensuring compliance with laws and regulations
- testing the appropriateness of journal entries and other adjustments
- considering whether accounting estimates were indicative of potential bias
- considering whether any transactions arose outside the normal course of business
- making enquiries of management and component auditors
- corroborating our enquiries through review of Board Minutes and correspondence.

We also communicated relevant laws and regulations and potential fraud risks to the component auditors and all engagement team members and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PARGITER TRUST

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 our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

We have been appointed as auditor under section 144/145 of the Charities Act 2011 and report in accordance with the regulations made under section 145 of that Act.

A C Mole & Sons (Statutory Auditor)

Chartered Accountants and Statutory Auditors
Stafford House
Blackbrook Park Avenue
Taunton
Somerset TA1 2PX

30 August 2021

A C Mole & Sons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020 (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted funds £	Designated funds £	Total 2020 £
Income from:				
Other trading activities	3	613,157	-	613,157
Investment income	4	139,728	-	139,728
Total Income		752,885	-	752,885
Expenditure on:				
Raising funds	5	(225,926)	-	(225,926)
Charitable activities	6	(539,142)	-	(539,142)
Other expenditure	11	(42,067)	-	(42,067)
Total Expenditure		(807,135)	-	(807,135)
Net gains on investment assets	12	44,078	-	44,078
Net (expenditure)/income		(10,172)	-	(10,172)
Transfers between funds		-	-	-
Net movement in funds		(10,172)	-	(10,172)
Reconciliation of funds				
Total funds brought forward		5,527,397	8,080,000	13,607,397
Total funds carried forward	16	5,517,225	8,080,000	13,597,225

All of the group's activities derive from continuing operations during the above period.

The notes on pages 19 to 33 form part of these financial statements.

THE PARGITER TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

	Note	Restated Unrestricted funds £	Restated Designated funds £	Restated Total 2019 £
Income from:				
Other trading activities	3	587,260	-	587,260
Investment income	4	156,625	-	156,625
Total Income		743,885	-	743,885
Expenditure on:				
Raising funds	5	(268,723)	-	(268,723)
Charitable activities	6	(517,479)	-	(517,479)
Other expenditure	11	(40,328)	-	(40,328)
Total Expenditure		(826,530)	-	(826,530)
Net gains on investment assets	12	1,310,778	-	1,310,778
Net (expenditure)/income		1,228,133	-	1,228,133
Transfers between funds		-	-	-
Net movement in funds		1,228,133	-	1,228,133
Reconciliation of funds				
Total funds brought forward		4,299,264	8,080,000	12,379,264
Total funds carried forward	16	5,527,397	8,080,000	13,607,397

All of the group's activities derive from continuing operations during the above period.

The notes on pages 19 to 33 form part of these financial statements.

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CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	Restated 2019 £
Fixed assets			
Investments	13	12,528,351	12,512,451
Current assets			
Debtors	14	26,630	27,613
Cash at bank and in hand		1,217,949	1,308,047
		<u>1,244,579</u>	<u>1,335,660</u>
Creditors: Amounts falling due within one year	15	<u>(175,705)</u>	<u>(240,714)</u>
Net current assets		<u>1,068,874</u>	<u>1,094,946</u>
Net assets		<u>13,597,225</u>	<u>13,607,397</u>
Funds of the group:			
Unrestricted funds		5,517,225	5,527,397
Designated funds		<u>8,080,000</u>	<u>8,080,000</u>
Total funds	16	<u>13,597,225</u>	<u>13,607,397</u>

The financial statements on pages to were approved by the Trustees, and authorised for issue on 30 August 2021 and signed on their behalf by:

.....
S C Gardiner
Chairman

.....
M Starkey
Trustee

The notes on pages 19 to 33 form part of these financial statements.

THE PARGITER TRUST

CHARITY BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	Restated 2019 £
Fixed assets			
Investments	13	13,521,462	13,420,077
Current assets			
Debtors	14	1,998	1,492
Cash at bank and in hand		127,882	300,716
		<u>129,880</u>	<u>302,208</u>
Creditors: Amounts falling due within one year	15	<u>(54,117)</u>	<u>(114,888)</u>
Net current assets		<u>75,763</u>	<u>187,320</u>
Net assets		<u>13,597,225</u>	<u>13,607,397</u>
Unrestricted funds		5,517,225	5,527,397
Designated funds		<u>8,080,000</u>	<u>8,080,000</u>
Total funds	16	<u>13,597,225</u>	<u>13,607,397</u>

The financial statements on pages to were approved by the Trustees, and authorised for issue on 30 August 2021 and signed on their behalf by:

.....
S C Gardiner
Chairman

.....
M Starkey
Trustee

The notes on pages 19 to 33 form part of these financial statements.

THE PARGITER TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020	Restated 2019
		£	£
Cashflows from operating activities			
Net cash provided by operating activities		(258,004)	(294,970)
Cashflows from investing activities			
Dividends, interest and rent from investments	139,728		156,625
Proceeds from sale of investments	690,712		519,096
Purchase of investments	(648,802)		(505,007)
Net cash provided by investing activities		181,638	170,714
Change in cash and cash equivalents in the reporting period		(76,366)	(124,256)
Cash and cash equivalents at the beginning of the reporting period		1,320,707	1,444,963
Cash and cash equivalents at the end of the reporting period		1,244,341	1,320,707
Cash and cash equivalents			
Cash in hand		1,217,949	1,308,047
Cash held within investment portfolio		26,392	12,660
		1,244,341	1,320,707
Reconciliation of net income/(expenditure) to net cashflow from operating activities			
Net (expenditure)/income for the period as per the Statement of Financial Activities		(10,172)	1,228,133
Adjustments for:			
(Gains) on investments		(44,078)	(1,309,065)
Dividends, interest and rents from investments		(139,728)	(156,625)
Decrease in debtors		983	13,780
(Decrease) in creditors		(65,009)	(71,193)
		(258,004)	(294,970)

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Charity status

The Pargiter Trust is a Charitable Incorporated Organisation, registered in England and Wales.

The address of its registered office is:

AC Mole & Sons
Stafford House
Blackbrook Park Avenue
Taunton
TA1 2PX

The principal place of business is:

Barnhaven
Lower Sea Farm
Ilminster
Somerset
TA19 0SB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Pargiter Trust CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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 pound.

Basis of consolidation

These financial statements consolidate the results of the Charity and its wholly owned trading subsidiary, Sarnia Properties Limited on a line by line basis. The "Consolidated" balance sheet refers to the consolidated accounts of The Pargiter Trust and Sarnia Holdings Limited. All intra-group transactions are eliminated on consolidation.

No separate statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss after tax for the financial year of £10,172 (2019: profit of £1,228,133).

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (continued)

Going concern

The Trustees consider that there are no material uncertainties about the charity or group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group or charity.

We have paid particular attention to the likely effect on the business of the current COVID-19 outbreak. The Trustees remain confident that sufficient funding is in place and that the group and charity has adequate resources to continue as a going concern for the foreseeable future.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires Trustees to make judgements, estimates and assumptions. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and Trustee judgements that carry a significant risk of material adjustments to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Estimation of fair value of investment properties (group)

The fair value of investment properties is determined by the Trustees after consulting with property professionals. Fair value represents the best estimate of the amount a third party would pay for the properties. In the event of a sale actual prices received could be materially different from those estimates.

Estimation of fair value of investment in subsidiaries (charity)

The fair value of investments is determined by reference to the net assets of the subsidiary undertaking, Sarnia Properties Limited, which include Sarnia Properties Limited's investment properties held at fair value. Accordingly, in the event of a sale, the actual value of this investment could be materially different from the net asset value.

Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income

Investment income is recognised on a receivable basis for the financial year. Trading income is included at the value of goods and services supplied.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (continued)

Expenditure (continued)

All expenditure including support and governance costs are allocated or apportioned to the applicable expenditure heading in the Statement of Financial Activities.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant expenditure

Grants are payable out of the Parent Charity's unrestricted funds, which are derived from income arising on the Fund investments, comprising distributions received from the subsidiary. Expenditure on grants is recorded once the trust has made an unconditional commitment to pay the grant and this is communicated to the beneficiary or the grant has been paid, whichever is the earlier.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

Guernsey income tax is charged on the rental profits of the subsidiary company, Sarnia Properties Limited.

The Pargiter Trust is a registered charity and is thus exempt from tax on income and gains falling within sections 521 to 536 of the Income Tax Act 2007 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charge has arisen in the Parent Charity. Guernsey income tax of £42,067 is payable by Sarnia Properties Limited (2019: £40,328).

Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities.

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (continued)

Investments – Other

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through the unrestricted fund if the shares are publicly traded or their fair value can otherwise be measured reliably. Investments in subsidiaries, recognised in the parent charity's own balance sheet, are measured at fair value which is considered to be equal to the value of the subsidiary's net assets.

Programme related investments

Programme Related Investments are those investments which provide investment funding to organisations in order to directly further the charitable purposes of The Trust. They are recognised initially at cost and are assessed for evidence of impairment at the end of each reporting period.

Trade Debtors and Creditors

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 in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted general funds are available for use at the discretion of the trustees in furtherance of the general charitable objectives of the charity and which have not been designated for other purposes.

The designated fund comprises those assets initially gifted from the estate of the founding Trustee in recognition of the donor's non-legally binding wish that the capital be retained.

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies (continued)

Financial instruments

The charity only has financial assets and liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of fixed asset investments as noted above.

Prior year adjustments

Where corrections are required to comparative figures, these are adjusted in the earliest period to which they relate. Details of such restatements are included in note 18.

3 Income from other trading activities

	Total 2020 £	Total 2019 £
Property rental income	613,157	587,260
	<u>613,157</u>	<u>587,260</u>

4 Investment income

	Total 2020 £	Total 2019 £
Dividends receivable from listed investments	109,322	123,584
Income from rents	25,443	25,128
Interest receivable on bank deposits	4,963	7,913
	<u>139,728</u>	<u>156,625</u>

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5 Expenditure on raising funds

	Total 2020 £	Total 2019 £
Property expenses	116,986	146,446
Portfolio management fees	100,290	113,647
Direct administration expenses	-	955
Other governance costs	8,650	7,675
	<u>225,926</u>	<u>268,723</u>

6 Expenditure on charitable activities

	Total 2020 £	Total 2019 £
Direct grants to organisations	525,000	500,466
Governance costs- Note 7	14,142	17,013
	<u>539,142</u>	<u>517,479</u>

Direct grants to organisations:

St Mungo's City Lodge	-	40,547
Community Foundation for Surrey	80,000	80,000
Suffolk Community Foundation	80,000	80,000
Guernsey Community Foundation	80,000	30,000
Kent Community Foundation	80,000	80,000
Berkshire Community Foundation	80,000	30,000
Wiltshire Community Foundation	50,000	50,000
Community Foundation Tyne & Wear and Northumberland	50,000	-
Nesta T2C	25,000	-
London HIV Chaplaincy	-	7,170
Age UK Exeter	-	25,000
University of Surrey	-	77,749
	<u>525,000</u>	<u>500,466</u>

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7 Analysis of governance and support costs

Governance costs

	Total 2020 £	Total 2019 £
Audit of the financial statements	8,980	7,800
Consultancy fees	2,694	4,388
Trustee expenses	152	2,438
Trustee meeting costs	66	897
Other governance costs	2,250	1,490
	14,142	17,013

8 Trustees remuneration and expenses

During the year the group undertook the following transactions with Trustees:

One Trustee received remuneration for their work as a director of the subsidiary company and not for their role as Trustee of the Parent Charity (2019: One trustee). The funds were paid out of the subsidiary's funds. S C Gardiner received remuneration of £32,200 (2019: £32,200). No Trustee, nor any persons connected with them, have received any remuneration during the year for their role as a Trustee of the Parent Charity (2019: None).

Reimbursed expenses to 2 Trustees in respect of the year 31 December 2020 were £152 (2019: £2,438). These expenses related to travel costs incurred in the year.

The Trustees are considered to be the key management personnel for the charity. There were no other payments to key management personnel.

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Payments to individuals for services as Directors	56,200	56,200

No employee received emoluments of more than £60,000 during the year.

10 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements – predecessor firm	-	7,800
Audit of the financial statements	8,980	-
	8,980	7,800

11 Taxation

The Pargiter Trust CIO is a registered charity and is thus exempt from tax on income and gains falling within sections 521 to 536 of the Income Tax Act 2007 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charge has arisen in the Parent Charity. Guernsey income tax of £42,067 is payable by Sarnia Properties Limited (2019: £40,328).

12 Net gains/(losses) on investments

	2020 £	2019 £
Net realised investment gain/(loss) on disposal of investments	(191,052)	41,374
Revaluations	235,130	1,269,404
Net gains/(losses) on investments	44,078	1,310,778

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13 Fixed asset investments

Group

	2020 £	Restated 2019 £
Investment properties	8,639,213	8,639,213
Listed investments	3,889,138	3,873,238
	<u>12,528,351</u>	<u>12,512,451</u>

Investment properties

	Investment properties £
Cost or Valuation	
At 1 January 2020	8,639,213
Revaluation	-
Additions	-
At 31 December 2020	<u>8,639,213</u>
Net book value	
At 31 December 2020	<u>8,639,213</u>
At 31 December 2019	<u>8,639,213</u>

Listed investments

	2020 £	Restated 2019 £
Cost or Valuation		
Market Value at 1 January	3,860,578	3,320,228
Acquisitions at cost	648,802	496,938
Disposals	(881,764)	(477,721)
Revaluation	<u>235,130</u>	<u>521,133</u>
Market Value at 31 December	3,862,746	3,860,578
Cash held within the investment portfolio	<u>26,392</u>	<u>12,660</u>
	<u>3,889,138</u>	<u>3,873,238</u>

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13 Fixed asset investments (continued)

The fair value of the investment properties is based on a review carried out by the Trustees. In doing so Trustees consulted with property professionals to ascertain the likely value that the property may obtain if marketed at the Balance Sheet date.

The charity does not hold information regarding the historic cost of its investment properties.

Charity

	2020 £	Restated 2019 £
Investment properties	870,000	870,000
Shares in group undertakings and participating interests	8,762,324	8,676,839
Listed investments	3,889,138	3,873,238
	<u>13,521,462</u>	<u>13,420,077</u>

Investment properties

	Investment properties £
Cost or Valuation	
At 1 January 2020	870,000
Revaluation	-
At 31 December 2020	<u>870,000</u>
Net book value	
At 31 December 2020	<u>870,000</u>
At 31 December 2019	<u>870,000</u>

The investment properties held in the Parent charity were revalued at fair value by RBC Surveyors as at 31 December 2019. The trustees consider this to be appropriate fair value as they do not consider there to be any change in the value of the property since the formal valuation.

The Parent Charity invested in a range of listed investments. The portfolio is managed by J M Finn & Co, registered investment managers who are regulated by the Financial Conduct Authority.

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13 Fixed asset investments (continued)

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2020	8,676,839	8,676,839
Revaluation	85,485	85,485
At 31 December 2020	8,762,324	8,762,324
Net book value		
At 31 December 2020	8,762,324	8,762,324
At 31 December 2019	8,676,839	8,676,839

Listed investments

	2020 £	Restated 2019 £
Cost or Valuation		
Market Value at 1 January	3,860,578	3,320,228
Acquisitions at cost	648,802	496,938
Disposals	(881,764)	(477,722)
Revaluation	235,130	521,134
Market Value at 31 December	3,862,746	3,860,578
Cash held within investment portfolio	26,391	12,660
	3,889,137	3,873,238

The investment in subsidiary undertakings represents a 100% holding in the ordinary share capital of Sarnia Properties Limited, a company registered in Guernsey. Its registered number is 900 and its registered office address is First Floor, Harbour Court, Les Amballes, St Peter Port, Guernsey. At the year end, the aggregate capital and reserves of the company amounted to £8,762,324 (2019: £8,676,839). Its turnover was £613,157 (2019: £587,260), its operating profit was £427,552 (2019: £367,675), from which dividends of £300,000 (2019: £250,000), leaving a retained profit after tax and dividends for the year of £85,485 (2019: £77,347).

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13 Fixed asset investments (continued)

The investment properties held in the subsidiary Sarnia Properties Limited were revalued at Existing Use Value (EUV) by Swoffers, an independent RICS qualified valuer, on 29 December 2016 and included an adjustment for work required. A desktop valuation as at 31 December 2019 was obtained by D2 Real Estate Limited, Chartered Surveyors who have followed the same methodology applied as in the previous formal valuation carried out by Swoffers. The fair value of the Parent charity's investment in the subsidiary has been revalued to the subsidiary's net assets including this property valuation.

14 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Prepayments	635	217	635	217
Accrued income	1,363	1,025	1,363	1,025
Other debtors	24,632	26,371	-	250
	<u>26,630</u>	<u>27,613</u>	<u>1,998</u>	<u>1,492</u>

15 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Accruals	<u>175,705</u>	<u>240,714</u>	<u>54,117</u>	<u>114,888</u>

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

16 Funds

Group

	Restated Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains £	Balance at 31 December 2020 £
General	5,527,397	752,885	(807,135)	44,078	5,517,225
Designated	8,080,000	-	-	-	8,080,000
Total funds	13,607,397	752,885	(807,135)	44,078	13,597,225

	Restated Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains £	Restated Balance at 31 December 2019 £
General	4,299,264	743,885	(826,530)	1,310,778	5,527,397
Designated	8,080,000	-	-	-	8,080,000
Total funds	12,379,264	743,885	(826,530)	1,310,778	13,607,397

Charity

	Restated Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains £	Balance at 31 December 2020 £
Unrestricted funds					
General	5,527,397	435,177	(574,912)	129,563	5,517,225
Designated	8,080,000	-	-	-	8,080,000
Total funds	13,607,397	435,177	(574,912)	129,563	13,597,225

	Restated Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains £	Restated Balance at 31 December 2019 £
Unrestricted					
General	4,299,264	398,729	(558,721)	1,388,125	5,527,397
Designated	8,080,000	-	-	-	8,080,000
Total funds	12,379,264	398,729	(558,721)	1,388,125	13,607,397

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17 Analysis of net assets between funds

Group

	Unrestricted funds £	Designated Funds £	2020 Total Funds £
Fixed asset investments	4,448,351	8,080,000	12,528,351
Current assets	1,244,579	-	1,244,579
Current liabilities	(175,705)	-	(175,705)
Total net assets	5,517,225	8,080,000	13,597,225

Charity

	Unrestricted Funds £	Designated Funds £	2020 Total Funds £
Fixed asset investments	5,441,462	8,080,000	13,521,462
Current assets	129,880	-	129,880
Current liabilities	(54,117)	-	(54,117)
Total net assets	5,517,225	8,080,000	13,597,225

Group – Restated

	Unrestricted Funds £	Designated Funds £	2019 Total Funds £
Fixed asset investments	4,419,791	8,080,000	12,499,791
Current assets	1,348,320	-	1,348,320
Current liabilities	(240,714)	-	(240,714)
Total net assets	5,527,397	8,080,000	13,607,397

Charity – Restated

	Unrestricted Funds £	Designated Funds £	2019 Total Funds £
Fixed asset investments	5,327,417	8,080,000	13,407,417
Current assets	314,868	-	314,868
Current liabilities	(114,888)	-	(114,888)
Total net assets	5,527,397	8,080,000	13,607,397

THE PARGITER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18 Prior Year Restatement

Investment classification

The prior year comparatives have been restated to reflect a correction to the classification of cash held in investment portfolios. Previously the cash held in the investment portfolio was classified within cash at bank and in hand. However, in accordance with the Statement of Recommended Practice, classification as cash within fixed asset investments is more appropriate. £12,660 has therefore been reclassified from cash to investments. The restatement has no impact on total assets.

Reserves classification

During the year the Trustees identified that funds previously classified as Endowment Funds were gifted without restriction and therefore should be classified as unrestricted funds. These were assets that were donated to the former charity by the founding Trustee in 2010 with no legally binding requirements attached to the donation. Therefore a prior period adjustment has been made to transfer funds previously classified as endowment funds to unrestricted funds. The total amount transferred out of endowment funds was £12,169,378, of which £4,089,378 is treated as unrestricted and £8,080,000 as designated.

The amount classified as designated represents the value of the initial gift.

The adjustment reclassifies these funds only and there is no net effect on total funds.

The effect of the prior year adjustment on the reserves as at 1 January 2019 is as follows:

	Permanent Endowment Funds £	Expendable Endowment Funds £	Unrestricted Funds £	Designated Funds £	Total Funds £
As previously reported	4,929,921	7,239,457	209,886	-	12,379,264
Prior year adjustment	(4,929,921)	(7,239,457)	4,089,378	8,080,000	-
As restated at 1 January 2019	-	-	4,299,264	8,080,000	12,379,264