

THE SAMUEL TAK LEE CHARITABLE TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Charity No: 1161914

THE SAMUEL TAK LEE CHARITABLE TRUST

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FOR THE YEAR ENDED 31 MARCH 2023

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THE SAMUEL TAK LEE CHARITABLE TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

Board of Trustees	STL PTC UK Limited acting by Philip James Hardie, sole director STL PTC UK (No.2) Limited acting by Malcolm Pugh, sole director
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Address and Registered Office	London House 9a Margaret Street London W1W 8RJ
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Charity Number	1161914
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ADVISERS

Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
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Bankers	Citibank NA Citigroup Centre Canada Square Canary Wharf London E14 5LB
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THE SAMUEL TAK LEE CHARITABLE TRUST

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

Governing Document

The Samuel Tak Lee Charitable Trust (the "**Charity**") was established by trust deed dated 29th December 2014, at the instigation of Samuel Tak Lee (Tak Yee Samuel Li). The Charity operates in England and Wales, China, Hong Kong and the United States of America.

The Charity was registered with the Charity Commission on 1 June 2015 with charity number 1161914.

Trustees

During the year, the board of the trustees consisted of STL PTC UK Limited, acting by Philip James Hardie as a sole director, and STL PTC UK (No 2) Limited, acting by Malcolm Pugh as sole director.

The Charity's constitution requires there to be at least two trustees unless the trustee is a trust corporation. The trustees are required to hold at least two ordinary meetings each year.

The trustees are aware of their legal obligations under charity law and have due regard to the Charity Commission's guidance on public benefit. The trustees strive to meet the requirements and proffer this report as showing this intent.

At trustee meetings, the trustees review the grant-making strategy and areas of activity of the Charity. During the year, this has included considering grant-making and reviewing the performance of key recipients of grants alongside the day-to-day administration and management of the Charity.

The trustees also adhere to a number of objectives in order to achieve the best outcome for beneficiaries. These include policies to:

- pay grants in line with the Charity's budget and the commitments entered into; and
- monitor the effectiveness of grants made.

Remuneration of Key Management Personnel

The Charity has no employees and the trustees receive no remuneration for their services. All trustees give of their time on a voluntary basis. The trustees receive no personal benefit from the Charity at the present time, neither is it intended that the trustees should receive personal benefit from the Charity at any time. No expenses were reimbursed to the trustees during the year or preceding year.

Objectives and Activities

The objects of the Charity are the promotion and advancement of education for the public benefit in particular, but not exclusively, through making grants to educational establishments for educational projects, providing and assisting in the provision of educational facilities, and providing for the education of those who would not otherwise have access to education due to their economic and/or social circumstances. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing and implementing the Charity's grant-making policy during the year.

The strategies employed to achieve the Charity's aims and objectives are:

- identifying centres of educational excellence, such as universities, in need of funding for particular educational projects and providing funding for such educational projects;
- providing funding for the provision of educational facilities at educational institutions;
- providing funding to educational institutions to facilitate the undertaking of research; and
- providing funding for the provision of education generally.

During the year, the trustees met these objectives by continuing to monitor financial grants made to educational institutions for use towards specific education and training projects. The trustees have applied vigorous scrutiny to the potential recipients of any grant. Coincidentally, these recipients are also charitable organisations established in accordance with the charity laws of their own jurisdiction. The trustees have taken care when choosing which grants to make during the year and have chosen projects which the trustees believe will benefit the public in accordance with the Charity's ethos and objectives.

The primary beneficiaries of the Charity are students worldwide regardless of background and therefore not just those defined by reference to any protected characteristic.

Grant Making Policy

The trustees assess grant applications on the merits of the proposals received. Any application received from any geographical area within the UK or overseas is eligible for consideration. Applications from previous recipients of grants or previously unsuccessful applicants will also be considered by the trustees.

THE SAMUEL TAK LEE CHARITABLE TRUST

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

During the year, the trustees approved grants totalling £1,631,124 (2022: £Nil) from the Charity's existing funds. These are disclosed in further detail below:

Massachusetts Institute of Technology

Grants approved 2023: £Nil (2022: £Nil)

The trustees have been making regular grants to Massachusetts Institute of Technology ("MIT") since 2015 to enable MIT to establish, administer and manage a programme enabling and promoting the creation of a new generation of socially responsible entrepreneurs and academics within the field of real estate and to improve and maintain a building within the MIT campus, in which this programme is based.

In May 2019 the trustees identified an education project to support a full professorship in the MIT Stephen A. Schwarzman College of Computing and accordingly approved a grant of US\$12,800,000/£10,167,726 to be made over several years. The first payment was made in May 2019 and subsequent payments were committed to be made every April until 2023. The MIT Stephen A. Schwarzman College of Computing is an interdisciplinary hub for work in artificial intelligence, computer science, data science, and related fields. As previously detailed, the grants made to MIT further the objects of the Charity and the expenditure by MIT meets the charitable purposes of the Charity. In light of the COVID-19 pandemic, the trustees and MIT discussed the payment of the grant to MIT and agreed to pause payments to MIT temporarily. During 2022 the Charity and MIT entered discussions regarding the future of the grant and it was agreed by both parties, in June 2022, for the first payment of US\$3m to be returned to the Charity and the gift agreement regarding the professorship support be cancelled. Consequently no further payments are to be made.

Harvard University

Grants approved 2023: £Nil (2022: £Nil)

In May 2019 the trustees identified an education project to support at Harvard University and approved a grant of US\$1,000,000/£624,595 in support of Harvard's HBS Fund to be made over several years. The first payment was made in May 2019 and subsequent payments were committed to be made every June until 2023. Harvard University is a US charitable organisation and an education institution. The HBS Fund provides support to existing programs and new initiatives that will play a critical role in maintaining the School's leadership position in business education. In light of the COVID-19 pandemic, the trustees took the decision in discussion with Harvard to temporarily pause payments throughout 2020 and 2021, however, during the year ended 31 March 2022 the remainder of the HBS grant was paid in full.

Columbia University

Grants approved 2023: £1,631,124 (2022: £Nil)

In January 2023 the Trustees identified an education project to support at Columbia University and approved a grant of US\$2,000,000/£1,631,124 in support of The Fu Foundation School of Engineering and Applied Science ("Fu Foundation School"). In recognition of the donation, Columbia has established the Irene & Samuel Tak Lee Scholarship Fund, a permanent endowment fund, which will provide scholarships to the undergraduate student enrolled at the Fu Foundation School. Columbia University is a US charitable organisation and an education institution

Investment and Financial Review

At 31 March 2023, the financial statements show the Charity has net assets of £2,750,019 (2022: net liabilities of £5,947,851) and net current assets of £2,750,019 (2022: net current liabilities of £2,037,002). The trustees consider the Charity can meet its obligations as they fall due.

The trustees balance the certainty of cash deposits against the possible volatility of holding investments. The interest rate environment for cash deposits has improved during the year and the trustees continue with the approach of maintaining accessible cash holdings.

Plans for the Future

The trustees will continue their grant making activities whilst minimising administrative costs within the constraints of current regulations and maintaining sound business practices. The trustees will continue to identify further educational related institutions and programmes that may benefit from the Charity and are in line with the objects of the Charity.

Principal Risks

The trustees have and will continue to take measures to identify and mitigate risks to the Charity, including the financial ability to meet commitments entered into.

THE SAMUEL TAK LEE CHARITABLE TRUST

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves Policy

The Charity has minimal running costs and overheads and it aims to distribute financial grants at the earliest opportunity. Cash is therefore considered the most appropriate investment holding for surplus charitable funds. As at 31 March 2023, cash amounting to £2,764,557 (2022: £1,928,915) was held by the Charity against which the Charity has outstanding contractual commitments of approximately £Nil (2022: £9.0m) due to be met over the next three years. However, as mentioned in 'achievements and performance', following the cancellation of the MIT professorship grant in June 2022 and a return of the US\$3m initial payment, the trustees now maintain sufficient funds based on the current level of expected and future activities.

The Charity does not intend to hold significant investments as part of its reserves strategy and it is not deemed appropriate for the Charity to maintain significant reserves to cover ongoing overheads.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the charity and of the income and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, 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 assume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Information provided to auditors

With regard to the preparation of this Annual Report and Financial Statements, so far as each trustee is aware there is no relevant audit information of which the Charity's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

BY ORDER OF THE TRUSTEES:



STL PTC UK (NO 2) Limited
Acting by Malcolm Pugh, sole director
Date: 17 January 2024

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SAMUEL TAK LEE CHARITABLE TRUST

Opinion

We have audited the financial statements of The Samuel Tak Lee Charitable Trust for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 2023 and of the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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. 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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SAMUEL TAK LEE CHARITABLE TRUST (continued)

- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

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 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

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:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the risk of misappropriation of assets and the risks of misrepresentation of financial information. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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.

**INDEPENDENT AUDITORS' REPORT TO THE
TRUSTEES OF THE SAMUEL TAK LEE CHARITABLE TRUST (continued)**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and 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.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors
Date: 17 January 2024

10 Queen Street Place
London
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE SAMUEL TAK LEE CHARITABLE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Total 2023 £	Total 2022 £
INCOME:				
Investment income	2	34,001	34,001	1,546
Total Income		<u>34,001</u>	<u>34,001</u>	<u>1,546</u>
EXPENDITURE ON:				
Cost of raising funds				
Costs of generating income	3	(60)	(60)	(60)
Charitable activities				
Promotion of education	4	8,683,432	8,683,432	(12,798)
Total Expenditure		<u>8,683,372</u>	<u>8,683,372</u>	<u>(12,858)</u>
Net Expenditure		<u>8,717,373</u>	<u>8,717,373</u>	<u>(11,312)</u>
Finance costs		-	-	(74,534)
Foreign exchange (losses)/ gains		(19,503)	(19,503)	67,978
NET MOVEMENT IN FUNDS		<u>£8,697,870</u>	<u>£8,697,870</u>	<u>£(17,868)</u>
RECONCILIATION OF FUNDS				
Funds brought forward at 1 April 2022		<u>(5,947,851)</u>	<u>(5,947,851)</u>	<u>(5,929,983)</u>
Funds carried forward at 31 March 2023		<u>£2,750,019</u>	<u>£2,750,019</u>	<u>£(5,947,851)</u>

All of the above results are derived from continuing activities. All other recognised gains or losses recognised in the period are included above.

The notes on pages 11 to 14 form part of these financial statements.

THE SAMUEL TAK LEE CHARITABLE TRUST

BALANCE SHEET

AT 31 MARCH 2023

	Notes	2023 £	2022 £
CURRENT ASSETS			
Cash at bank and in hand	5	2,764,557	1,928,915
CREDITORS: amounts falling due within one year	6	(14,538)	(3,965,917)
NET CURRENT ASSETS/(LIABILITIES)		<u>2,750,019</u>	<u>(2,037,002)</u>
CREDITORS: amounts falling due in more than one year	7	-	(3,910,849)
NET ASSETS/(LIABILITIES)		<u>£2,750,019</u>	<u>£(5,947,851)</u>
FUNDS			
Unrestricted funds	8	<u>2,750,019</u>	<u>(5,947,851)</u>
TOTAL FUNDS		<u>£2,750,019</u>	<u>£(5,947,851)</u>

The financial statements were approved by Order of the Board of Trustees on 17 January 2024 and authorised for issue by:



Mr Malcolm Pugh
Charity No: 1161914

The notes on pages 11 to 14 form part of these financial statements.

THE SAMUEL TAK LEE CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	2023		2022	
	£	£	£	£
NET CASH INFLOW FROM OPERATIONS				
Net movement in funds	8,697,870		(17,868)	
Investment income	(34,001)		(1,546)	
Decrease in creditors	(7,862,228)		(553,358)	
Net cash provided from operations		801,641		(572,772)
NET CASH FLOW FROM INVESTING ACTIVITIES				
Investment income	34,001		1,546	
Cash inflow from investing activities		34,001		1,546
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		835,642		(571,226)
Cash and cash equivalents at beginning of the period		1,928,915		2,500,141
Cash and cash equivalents at the end of the period		£2,764,557		£1,928,915
ANALYSIS OF CHANGE IN NET DEBT	At 1 April 2022	Cash flows	At 31 March 2023	
	£	£	£	
Cash and cash equivalents	1,928,915	835,642	2,764,557	
	£1,928,915	£835,642	£2,764,557	

THE SAMUEL TAK LEE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the 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). The accounts are drawn up on the historical cost basis of accounting.

The Trust is a Public Benefit Entity registered as a charity. It registered as a charity in June 2015 (charity number: 1161914).

Going Concern

The financial statements are prepared on a going concern basis. The Statement of Financial Activities shows that the Charity had a surplus in the year of £8,697,870 with a net asset position of £2,750,019. In making their going concern assessment, the trustees took into account the financial position of the charitable trust over the following 12 months from the date of signing the financial statements. The cash available to the Charity is expected to be sufficient to cover the expected cash outflows for a period of at least 12 months following the approval of the financial statements.

Accordingly, the trustees believe the going concern basis is appropriate as the basis of preparation for these financial statements, given the Charity has ability to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial period.

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

a) Income

Income is the amounts derived and donations and are recognised as and when receivable. Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

THE SAMUEL TAK LEE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (continued)

- b) Expenditure
All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category. Resources expended include attributable VAT which cannot be recovered.
Governance costs comprise the costs of complying with constitutional and statutory requirements.
- c) Grant expenditure
Grants payable are recognised when committed, and are discounted as appropriate (see 1(g)).
- d) Taxation
The entity is a registered charity and its income and gains are exempt from taxation under the provisions of Section 505 of the Income and Corporation Taxes Act 1988.
- e) Fund accounting
Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.
- f) Creditors
Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors are discounted to the present value of the future cash flows where appropriate.
- g) Grant creditors
Grant creditors have been included in short or long term liabilities in accordance with the payment schedules of the grant agreement. Amounts committed have been discounted at an appropriate rate to reflect the deferred payment terms.
The difference between the amount accrued and the total payable is charged to the income and expenditure account annually as finance costs.
- h) Foreign Currencies
Monetary assets and liabilities (including grant creditors) demonstrated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.
Transactions in foreign currencies (including grants payable) are translated into sterling at the rate ruling on the date of the transaction.
Exchange gains and losses are recognised in the Statement of Financial Activities.
- i) Cash at bank
Cash at bank and in hand includes bank account, cash and short term liquid investments with a maturity of three months or less from the date of acquisition or opening the deposit or similar account.
- j) Financial Instruments
The charity only has financial instruments of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

THE SAMUEL TAK LEE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

2. INVESTMENT INCOME		2023	2022
		£	£
Included in investment income are:			
Bank Interest		£34,001	£1,546
3. COSTS OF RAISING FUNDS	Unrestricted Funds	Total	Total
	£	2023	2022
		£	£
Bank charges	£60	£60	£60
4. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES	Unrestricted Funds	Total	Total
	£	2023	2022
		£	£
Legal costs	600	600	7,038
Governance costs	7,500	7,500	5,760
Charitable donation	1,631,124	1,631,124	-
Annulled grant	(7,863,728)	(7,863,728)	-
Returned donation	(2,458,928)	(2,458,928)	
	£(8,683,432)	£(8,683,432)	£12,798
Included in governance costs is:			
Auditors' remuneration – audit (including VAT)		£7,500	£5,760
No trustee expenses have been incurred in the year (2022: £nil).			
5. CASH AND BANK		2023	2022
		£	£
Cash at bank and in hand		2,764,557	1,928,915
		£2,764,557	£1,928,915
6. CREDITORS: amounts falling due within one year		2023	2022
		£	£
Accruals and other creditors		7,500	13,038
Grants committed		-	3,952,879
Amounts due from related parties		7,038	-
		£14,538	£3,965,917

THE SAMUEL TAK LEE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

7.	CREDITORS: amounts falling due after one year			2023 £	2022 £	
	Grants committed			-	£3,910,849	
	The grants committed due with one year and after one year relate to the grants committed to MIT, discounted at a rate of 1.9% per annum. It was agreed on 16 June 2022 that the donation paid to MIT during 2019 equating to \$3m would be returned to the Charity and the remaining committed grant totalling £7,863,728 would no longer be due following cancellation of the gift agreement. The donation was returned in full during June 2022.					
8.	NET ASSETS OF THE CHARITY	Current Assets £	Current Liabilities £	Long term Liabilities £	Fund Balances £	
	Unrestricted funds	2,764,557	(14,538)	-	2,750,019	
9.	STATEMENT OF FUNDS					
		Opening funds £	Income £	Expenditure £	Gains and Losses £	Closing funds £
	For the year ended 31 March 2023					
	Unrestricted funds					
	General fund	(5,947,851)	34,001	8,683,372	(19,503)	2,750,019
		Opening funds £	Income £	Expenditure £	Gains and Losses £	Closing funds £
	For the year ended 31 March 2022					
	Unrestricted funds					
	General fund	(5,929,983)	1,546	(19,414)	-	(5,947,851)

The unrestricted fund receives donations for the purpose of paying grants to educational establishments together with meeting other direct charitable expenditure, and to finance the day-to-day expenditure of the Charity.

10. RELATED PARTY TRANSACTIONS

There was one related party transaction that was paid during the year totalling £7,038 (2022: £nil), the balance is outstanding at year end (2022: £nil).

11. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is the Li Family Settlement, a trust governed by Jersey law, and the ultimate controlling party of the Charity during the year was considered to be T Y S Li.