

MAXWELL MORRISON FAMILY CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

MAXWELL MORRISON FAMILY CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr. M J Morrison Mrs. L Greenhill Mrs K Groves
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Charity number	1165170
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Principal address	The Lodge Acklam Malton Yorkshire YO17 9RG
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MAXWELL MORRISON FAMILY CHARITABLE TRUST

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MAXWELL MORRISON FAMILY CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their report and financial statements for the year ended 5 April 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects are to apply the trust fund both as to capital and income thereof to or towards or for the benefit or in furtherance of such charitable purposes or charitable institutions in such proportion and manner as the trustees shall in their absolute discretion from time to time think fit. The policies adopted in furtherance of these objects are to discuss and agree on suitable beneficiaries from time to time and as applications are presented, and there has been no change in these during the year.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The trustees are pleased to report that a wide range of charities have been supported with grants and donations in varied amounts but all in keeping with the objectives of the charity.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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

Structure, governance and management

The charity was established by a deed of trust created on 31st October 2015.

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

Mr. M J Morrison

Mrs. L Greenhill

Mrs K Groves

The trust deed empowers the trustees for the time being to recruit and appoint suitable additional or alternative trustees as they may see fit.

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

Mr. M J Morrison

Trustee

Dated: 2 February 2022

MAXWELL MORRISON FAMILY CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MAXWELL MORRISON FAMILY CHARITABLE TRUST

I report on the financial statements of the charity for the year ended 5 April 2021, which are set out on pages 3 to 10.

Respective responsibilities of Trustees and examiner

The charity's Trustees are responsible for the preparation of the financial statements. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of Chartered Certified.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Andrew Nicholson

Fellow of the Institute of Financial Accountants

As director for Alexander James & Company Limited, Chartered Certified Accountants

Dated: 2 February 2022

MAXWELL MORRISON FAMILY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	3	344,040	-
Investments	4	5,963	14,673
Total income		350,003	14,673
<u>Expenditure on:</u>			
Raising funds	5	3,447	3,439
Charitable activities	6	83,948	28,550
Total resources expended		87,395	31,989
Net gains/(losses) on investments	10	115,185	(17,250)
Net movement in funds		377,793	(34,566)
Fund balances at 6 April 2020		492,987	527,553
Fund balances at 5 April 2021		870,780	492,987

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

All income and expenditure derive from continuing activities.

MAXWELL MORRISON FAMILY CHARITABLE TRUST

BALANCE SHEET

AS AT 5 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	11		712,051		465,079
Current assets					
Debtors	13	-		808	
Cash at bank and in hand		160,828		31,234	
		<u>160,828</u>		<u>32,042</u>	
Creditors: amounts falling due within one year	14	(2,099)		(4,134)	
Net current assets			158,729		27,908
Total assets less current liabilities			<u>870,780</u>		<u>492,987</u>
Income funds					
Unrestricted funds			870,780		492,987
			<u>870,780</u>		<u>492,987</u>

The financial statements were approved by the Trustees on 2 February 2022

Mr. M J Morrison
Trustee

MAXWELL MORRISON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

Charity information

Maxwell Morrison Family Charitable Trust is an unincorporated charity established by a deed of trust dated 31 October 2015.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

MAXWELL MORRISON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

MAXWELL MORRISON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Total
	2021 £	2020 £
Donations and gifts	344,040	-

During the year to 5th April 2021 the charity received an exceptional donation of £144,040 from an unlisted limited company in which the charity holds ordinary shares. This donation is not expected to recur as that company has now disposed of its assets and is believed to be commencing an orderly winding up of its affairs.

In addition during the year the charity received an exceptional donation of £200,000 from a company in which the trustees of the charity are also directors. This donation is not expected to be repeated.

MAXWELL MORRISON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Income from listed investments	4,300	6,517
Income from unlisted investments	855	7,184
Interest receivable	808	972
	<u>5,963</u>	<u>14,673</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Investment management</u>	<u>3,447</u>	<u>3,439</u>
	<u>3,447</u>	<u>3,439</u>

The charity's main source of regular income which it applies to meeting its objectives is from the professionally managed investment portfolio. The investment manager's professional fees are deducted from the investment portfolio on a quarterly basis.

6 Charitable activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and grants to other charities	82,277	26,516
Share of governance costs (see note 7)	<u>1,671</u>	<u>2,034</u>
	<u>83,948</u>	<u>28,550</u>

MAXWELL MORRISON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

7 Governance costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Accountancy	-	1,671	1,671	2,034	All are governance costs
	-	1,671	1,671	2,034	
Analysed between					
Fundraising	-	-	-	-	
Charitable activities	-	1,671	1,671	2,034	

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

10 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Revaluation of investments	105,318	(19,313)
Gain/(loss) on sale of investments	9,867	2,063
	115,185	(17,250)

Listed investments are recorded at the market value advised to the trustees by the external professional fund manager.

Unlisted investments are carried at cost unless the trustees are able to establish a reliable third party market value.

11 Fixed asset investments

MAXWELL MORRISON FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

11 Fixed asset investments

(Continued)

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 6 April 2020	411,471	53,608	465,079
Additions	141,654	-	141,654
Valuation changes	105,318	-	105,318
At 5 April 2021	658,443	53,608	712,051
Carrying amount			
At 05 April 2021	658,443	53,608	712,051
At 05 April 2020	411,471	53,608	465,079

The Trustees have placed funds under discretionary management with Rathbone Investment Management, a firm authorised by the Prudent Regulation Authority and regulated by the Financial Conduct Authority. The charity's investment funds are held in a diverse portfolio, and the investment performance and strategy is reviewed periodically with the investment manager. The Trustees are satisfied that an appropriate investment policy is therefore adopted for the charity.

12 Financial instruments

2021
£

2020
£

Carrying amount of financial assets

Instruments measured at fair value through profit or loss	658,443	411,471
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13 Debtors

2021
£

2020
£

Amounts falling due within one year:

Other debtors	-	808
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14 Creditors: amounts falling due within one year

2021
£

2020
£

Accruals and deferred income	2,099	4,134
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15 Related party transactions

During the year the charity received an exceptional donation of £200,000 from a company in which the trustees of the charity are also directors. This donation is not expected to be repeated. There are no other related party transactions to be reported.