

CHARITY REGISTRATION NUMBER: 1171715

Pen Trust
Unaudited Financial Statements
5 April 2021

BURGESS HODGSON LLP

Chartered accountants
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Pen Trust
Financial Statements
Year ended 5 April 2021

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Pen Trust
Trustees' Annual Report *(continued)*
Year ended 5 April 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2021.

Reference and administrative details

Registered charity name	Pen Trust
Charity registration number	1171715
Principal office	Westfield Cottage 150 Bloomfield Road Bath BA2 2AT
The trustees	I Main A Hancock C Goddard
Independent examiner	Matthew Lightfoot Burgess Hodgson LLP Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN

Charity Commission Status

This report has been updated from the original version, to be re-submitted to the Charity Commission via enquiry form rather than the PEN Trust web portal.

Appointment of trustees

Trustees were appointed by special resolution during the formation of the Trust and the signing of Trust's governing document in 2017. These Trustees were in place during registration with the Charity Commission in 2016/17 and have been in place during this third full year of operation.

Objectives of the charity and its constitution

1. The advancement of education and the relief of those in need by reason of youth.
2. The occasional giving of grants to other charities, as agreed by the Trustees.

The Trustees have managed the charity throughout its operation with the utmost regard to following the Charity Commission's guidance on public benefit. These are set out in the PEN Trust Trust deed, which is the governing document of the Trust, and constitutes its organisation and operation.

Pen Trust

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Charity performance this year

Summary

The PEN Trust is primarily a grant-giving charity, using its funding to grant funds in turn to other UK charities. In some cases where the Trust has a good relationship with these 'partner' charities, PEN Trustees and Trust volunteers will provide limited non-financial support to these organizations. This model continued into the 20/21 year.

The PEN Trust was set up by employees of PEN Partnership Ltd, a small management consulting business based in Central London, to receive funding from this business and in turn use this funding to provide grants to UK registered charities in the areas of the charitable objectives as set out above.

In normal operating conditions (see COVID-19 note below) PEN Partnership Ltd donates approximately 1% of its revenue to the PEN Trust to enable the Trust to carry out its objectives.

In this fourth year of the PEN Trust's existence, it performed as per its objectives and was successful in doing so, donating £100,258 to charities in the UK.

COVID-19

This year was exceptional due to the onset of the COVID-19 pandemic, which did disrupt to the operations of the Trust, the UK lockdowns making meetings and Trust administration more challenging.

The trust continued however to receive funding from PEN Partnership, and in turn providing grants to partner and other UK charities, this funding being lower than in previous years. This was due to PEN Partnership allocating a smaller proportion of revenues to the Trust, this being due in turn to risk provisioning at PEN Partnership in anticipation of the negative economic effects of the pandemic.

In addition to disruption at PEN Trust, our Partner charities – see below – also faced disruption in their operations and in some cases did not have defined proposals for how grant funding would be spent.

Reserves at year end

In normal operating conditions the Trust aims to grant as much of its funding as possible onwards to other charities and end the year with a small bank balance (reserves). In this year we closed the accounts with over £90,000 in the bank, due largely to the slow-down in operations associated with the early effects of the COVID-19 pandemic on the operations of PEN Partnership and the PEN Trust.

Partnerships

The Trust solidified its grant-giving partnerships with three main UK charities (*Lords Taverners, Downside Fisher, Renaissance Foundation*) representing the majority of charitable activities and the majority of funding provided, albeit these charities saw a heavily disrupted year due to the pandemic.

The Trust also provided donations to a wide range of other charities at the discretion of the Trustees.

Further details on structure and performance can be found below.

Structure and governance

Trustees

Please refer to figure 1 below. The PEN Trust is managed by the Trustees, who meet quarterly at Trustee meetings, at which all business of the Trust is discussed, including management, funding and grant-giving. Feedback and recommendations from the Management Group are also considered at these meetings.

Pen Trust

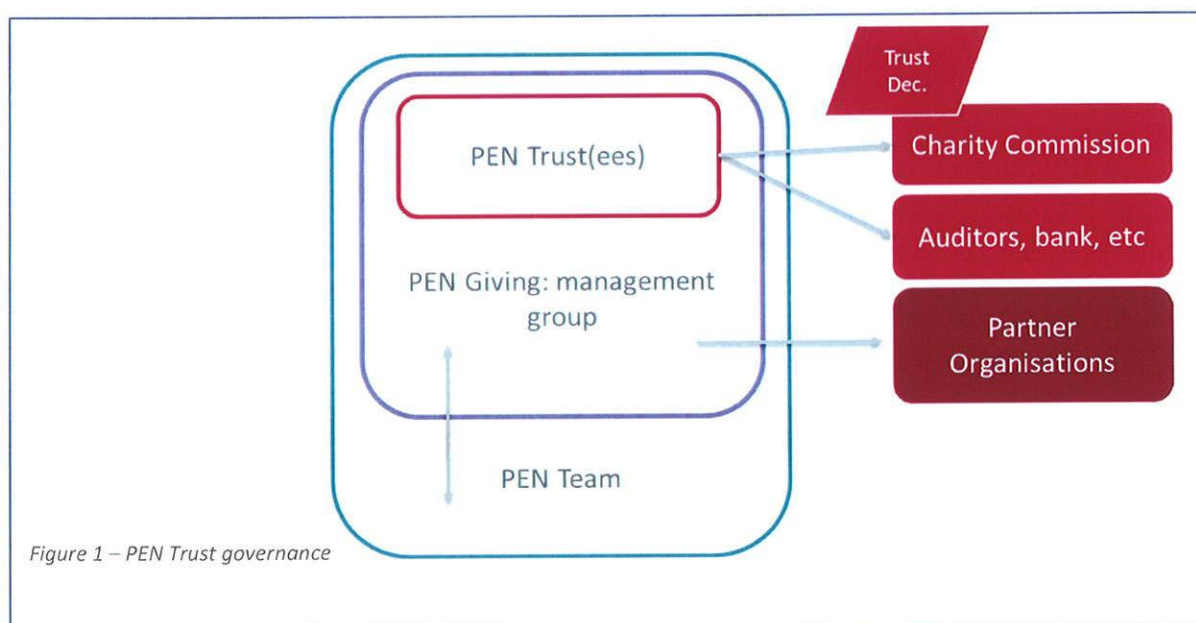
Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Management Group

Under the Trustees sits a management group, made up of the Trustees and some employees of PEN Partnership who volunteer to help the Trust. This is the day-to-day operational group of the Trust and handles the relationships with the charities to which the Trust gives funding. This group also maintains the relationship with the management team at PEN Partnership Ltd, in order to manage the funding provided by the Trust.

This governance structure is depicted in the diagram below.



Performance – financial

Opening balance

The Trust commenced this reporting period with an opening balance of £42,869.

Funding

The PEN Trust received £158,253 in donations from PEN Partnership Ltd in this reporting period.

Expenditure

Total expenditure on PEN Trust activities was £106,244, which is made up of charitable grant giving in totality. The Trust also faced £70 of bank charges.

Please refer to externally audited financial statements for further details.

Reserves

At the end of the period the PEN Trust held a cash surplus (unrestricted funds) of £94,808. This surplus will be used in the next period according to the Trusts reserves policy, namely:

Reserves are maintained into the following year, and used in addition to the Trusts annual funding to achieve its objectives.

Pen Trust

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Performance - non-financial

The Trust has achieved its objectives this year, donating much needed grants to Youth Charities around London and the South East, and providing one-off donations to many other charities as selected by volunteers running the Trust.

The main objectives of our partner charities are listed below and can be found in their own literature.

Charitable donations (CC number)	Societal benefit provided
Downside Fisher (252196)	Provision of youth services and youth club facilities to children and young people in South London
Lords Taverners (306054)	Provision of sports and especially cricket-based leisure and education to disadvantage and disabled young people
Renaissance Foundation (1128772)	Provision of external education and experience programmes for disadvantaged children and child carers in East London

Trustees and PEN Trust volunteers have also worked with our main partner charities to provide non-financial support where possible. This has included:

- Technical / IT support
- Project and event management
- Marketing and online promotion

The PEN Trust continues to build these relationships and is looking forward to continuing them into the next period.

The trustees' annual report was approved on 21.4.22 and signed on behalf of the board of trustees by:



I Main
Trustee

Pen Trust

Independent Examiner's Report to the Trustees of Pen Trust

Year ended 5 April 2021

I report to the trustees on my examination of the financial statements of Pen Trust ('the charity') for the year ended 5 April 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Matthew Lightfoot
Burgess Hodgson LLP
Independent Examiner

Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

31/8/22

Pen Trust
Statement of Financial Activities
Year ended 5 April 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	158,253	158,253	129,680
Total income		<u>158,253</u>	<u>158,253</u>	<u>129,680</u>
Expenditure				
Expenditure on charitable activities	5,6	106,314	106,314	176,807
Total expenditure		<u>106,314</u>	<u>106,314</u>	<u>176,807</u>
Net income/(expenditure) and net movement in funds		<u>51,939</u>	<u>51,939</u>	<u>(47,127)</u>
Reconciliation of funds				
Total funds brought forward		42,869	42,869	89,996
Total funds carried forward		<u>94,808</u>	<u>94,808</u>	<u>42,869</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Pen Trust
Statement of Financial Position
5 April 2021

	Note	2021 £	£	2020 £
Current assets				
Cash at bank and in hand		94,808		42,869
Net current assets			94,808	42,869
Total assets less current liabilities			94,808	42,869
Funds of the charity				
Unrestricted funds			94,808	42,869
Total charity funds	10		94,808	42,869

These financial statements were approved by the board of trustees and authorised for issue on 25.8.22, and are signed on behalf of the board by:



I Main
Trustee

Pen Trust
Notes to the Financial Statements
Year ended 5 April 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Westfield Cottage, 150 Bloomfield Road, Bath, BA2 2AT.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

Pen Trust

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

3. Accounting policies *(continued)*

Resources expended *(continued)*

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangements entered into.

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 the profit and loss account in other administrative expenses.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations received	158,253	158,253	129,680	129,680

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
All charitable activities	106,244	106,244	176,732	176,732
Support costs	70	70	75	75
	<u>106,314</u>	<u>106,314</u>	<u>176,807</u>	<u>176,807</u>

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
All charitable activities	106,244	—	106,244	176,732
Governance costs	—	70	70	75
	<u>106,244</u>	<u>70</u>	<u>106,314</u>	<u>176,807</u>

7. Independent examination fees

For the reporting period there were £Nil fees payable to the independent examiner for the independent examination of the financial statements (2020: £Nil).

Pen Trust

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

8. Staff costs

The total staff costs and employee benefits for the reporting period are £Nil (2020: £Nil).

The average head count of employees during the year was Nil (2020: Nil).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

9. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred.

10. Analysis of charitable funds

Unrestricted funds

	At 6 April 2020	Income	Expenditure	At 5 April 2021
	£	£	£	£
General funds	<u>42,869</u>	<u>158,253</u>	<u>(106,314)</u>	<u>94,808</u>

	At 6 April 2019	Income	Expenditure	At 5 April 2020
	£	£	£	£
General funds	<u>89,996</u>	<u>129,680</u>	<u>(176,807)</u>	<u>42,869</u>

11. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2021
	£	£
Current assets	<u>94,808</u>	<u>94,808</u>

	Unrestricted Funds	Total Funds 2020
	£	£
Current assets	<u>42,869</u>	<u>42,869</u>