PEGASUS

(Registered Charity No. 1175685)

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

PEGASUS

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PEGASUS

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and the financial statements of Pegasus ("the Charity" or "the Trust") for the year ended 31 December 2022. These have been prepared in accordance with the accounting policies set out on pages 12 - 14 and comply with the trust deed and applicable charity law. The comparative information for the year ended 31 December 2021 was independently examined.

The financial statements comply with the Charities Act 2011 and where relevant, the Charities Act 2022, the Charity's trust deed dated 24 October 2017 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 issued in October 2019 ("Charities SORP (FRS 102)").

1. REFERENCE AND ADMINISTRATIVE DETAILS

Pegasus, registered charity number 1175685, is based and administered in the United Kingdom. The registered office is Eighth Floor, 6 New Street Square, London, EC4A 3AQ.

Trustees:

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

- Emma Jeffrey
- Samantha Engbarth
- Jane Kenyon

Bankers:

Handelsbanken, 1 Cresswell Park, London, SE3 9RD

Investment Managers and Custodians:

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU

Accountants:

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

Independent Auditor:

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

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established by a Declaration of Trust dated 24 October 2017 and registered with the Charity Commission on 10 November 2017 as an unincorporated charitable trust governed by the proper law of England and Wales.

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

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The management of the Charity is conducted solely by the Trustees. The Trustees' investment powers are unrestricted. The Trustees shall hold at least two meetings in each calendar year.

The number of Trustees shall be a minimum of two at any one time. Future Trustees may be appointed by deed following a resolution of existing Trustees. With the exception of the original Trustees, each Trustee shall retire from office after a term of three years. Retiring Trustees may be re-appointed.

Induction and Training

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

The Trustees have signed fit and proper declarations in line with HMRC guidance.

Trustees' Responsibilities Statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping 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, where relevant the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Internal Controls

The Trustees have overall responsibility for ensuring that the Charity has appropriate systems of internal controls. They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements follow best practice and all applicable law regulation and guidance.

The Trustees are also responsible for the Trust safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Risk Management

A risk assessment has been undertaken which comprises:

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

This continuing process will identify risk areas to which the Charity is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

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

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control;
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

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

Fundraising

The Trustees have referred to the Code of Fundraising Practice ("the Code") which was developed by the fundraising community through the work of the Institute of Fundraising and Public Fundraising Association, and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the new Code and CC20 have no impact on the Charity as it does not engage in any public fundraising activities.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objectives of the Trust are to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

The Trust is established for general charitable purposes and will operate as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The Trustees must apply the income and at their discretion all or part of the capital of the Charity in promoting the objects in any part of the world as the Trustees may, at their discretion, think fit.

Grant Making Policy

The Trustees' grant making policy is to generally consider making donations by way of direct funding and grants to charitable organisations. The recipient projects must be seen as exclusively charitable under English law. The Charity intends to put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including appropriate monitoring and evaluation of the way in which funds are applied by grantees.

Statement of Public Benefit

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

4. ACHIEVEMENT AND PERFORMANCE

Charitable Activities

During the year ended 31 December 2022 the trustees pledged four new charitable commitments totalling £215,000 (2021 – 6 totalling £170,000) and made payments of £50,000 towards previously committed grants (2021 – £24,000). Note 4 to the Financial Statements lists the grantees. The Trustees' grant making policies are set out in section 3 of this report.

Investments

A summary of the investment movements are set out in Note 6 of these financial statements. The investments are recorded in the Balance Sheet at their market values. Any realised profits or losses on transactions carried out during the year, together with any unrealised increase or decrease in individual values or costs established by the investment managers as at 31 December 2022, are recorded in the Statement of Financial Activities.

The Trustees' aim is to increase the value of assets with an overall target of 3% per annum ahead of inflation, to be measured over rolling five-year periods, thereby preserving and growing their value. Inflation is to be measured with reference to the UK Consumer Price Index.

The investment portfolio will be monitored and kept under review by the Trustees who take advice from the Investment Advisor. Full valuations and reports will be received from the Investment Advisor relating to each calendar quarter and these will be reviewed by the Trustees formally twice a year. The Trustees will sign off on any advice before a strategy is implemented.

4. ACHIEVEMENT AND PERFORMANCE (continued)

The Charity's investment portfolio was opened with Nucleus in July 2021. This portfolio was closed in April 2022 and a new portfolio in Sarasin was opened at that time. During the financial year ended 31 December 2022 the portfolios generated realised losses totalling £297,374 (*2021 – gains of £931*) and unrealised losses of £229,326 (*2021 – gains of £115,382*).

Investment income for the year to 31 December 2022 totalled £87,709 (*2021 - £7,433*).

5. FINANCIAL REVIEW

Incoming resources totalled £1,173,742 (2021 - £120,577). The Charity's income included a legacy of £1,086,033 from the estate of Mr P Jeffrey.

Charitable activities totalled £225,590 (2021 - £178,100) relating to charitable expenditure and support costs incurred during the year. Governance costs relate to audit, independent examination and legal fees.

The balance of unrestricted reserves at 31 December 2022 is £5,786,070 (2021 - £5,368,394).

Investment Policy

The Charity's investment objective is to generate a capital appreciation to the Charity in line with the total return of the broader equity market over the long term, after expenses. This should allow the Charity to maintain the real value of the assets, whilst allowing capital withdrawals to fund its annual expenditure. The Trustees have delegated responsibility of the management of the portfolio to Sarasin & Partners LLP.

Reserves Policy

The Trustees have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Charity are regarded as free reserves and the funds at 31 December 2022 will be retained to make grants in accordance with the Charity's charitable objects.

The Trustees may adopt a specific reserves policy in future years.

6. PLANS FOR THE FUTURE

The Trustees do not propose to deviate from the current objectives and activities of the Charity as detailed in section 3 of this report but will further develop and refine their strategies, policies and procedures in future.

7 AUDITOR

It will be proposed that at the next Trustee meeting that Rawlinson & Hunter Audit LLP be reappointed as the auditor to the trust for the ensuing year.

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

26 SEP 2023

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF PEGASUS

Opinion

We have audited the financial statements of Pegasus ("the Charity" or "the Trust") for the year ended 31 December 2022 which comprise the Statement of Financial Activities (including Income and Expenditure), Balance Sheet, 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 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and where applicable, the Charities Act 2022.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF PEGASUS

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the Financial Statements; or
- the Charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, 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

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.

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.

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

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

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

- discussions with the Trustees involved in the risk and compliance functions including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

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

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the analytical review of the detailed Statement of Financial Activities for variances that are either unexpected or felt not to be in accordance with our understanding of the charitable activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Charity for donations in previously unreported related party transactions;
- reviewing correspondence in respect of donations to the Charity during the year to ensure accounted for correctly under the Charities SORP (FRS 102);
- reviewing correspondence and agreements between the Charity and its grantees, and discussions with the management in relation to their compliance with laws and regulations;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- review of Trustees' meeting minutes for unrecorded transactions.

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

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

Other matters

We draw to your attention the fact that the financial statements of the Charity for the year ended 31 December 2021 were unaudited. We have obtained sufficient and appropriate evidence to ensure that the opening balances do not contain misstatements that materially affect the current year's financial statements.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Rawlinson & Hunter Audit LLP

Rawlinson & Hunter Audit LLP
Statutory Auditor & Chartered Accountants
Eighth Floor
6 New Street Square, New Fetter Lane
London
EC4A 3AQ
Date: 26 September 2023

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

PEGASUS

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted Funds	
	Page	2022	2021
		£	£
Income from:			
Donations (note 2)	14	1,086,033	113,144
Investments (note 3)	14	87,709	7,433
Total income		1,173,742	120,577
Expenditure on:			
Charitable activities (note 4)	15	225,590	178,100
Raising funds – Investment management fees (note 5)	15	3,775	6,777
Total expenditure		229,365	184,877
Net (losses)/gains on investment (note 6)	16	(526,701)	116,313
Net income		417,676	52,013
Net movement in funds		417,676	52,013
Reconciliation of funds:			
Funds brought forward at 1 January 2022		5,368,394	5,316,381
Total funds carried forward at 31 December 2022	10	£ 5,786,070	£ 5,368,394

There are no recognised gains or losses in the years ended 31 December 2021 and 2022 other than those included in the Statement of Financial Activities.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 12 to 17 form part of these financial statements.

PEGASUS

BALANCE SHEET

AT 31 DECEMBER 2022

	Page	Unrestricted Funds 2022 £	£	Unrestricted Funds 2021 £	£
Fixed assets:					
Investments (note 6)	16		5,542,213		5,224,205
Current assets:					
Cash at bank (note 7)	16	411,987		258,389	
		411,987		258,389	
Current liabilities:					
Creditors: amounts falling due within one year (note 8)	16	(88,130)		(54,200)	
Net current assets			323,857		204,189
Total assets less current liabilities			5,866,070		5,428,394
Creditors: amounts falling due in more than one year (note 9)	16		(80,000)		(60,000)
Total net assets			£5,786,070		£5,368,394
The funds of the charity					
Unrestricted funds			5,786,070		5,368,394
Total charity funds	9		£5,786,070		£5,368,394

The financial statements were approved and authorised for issue by the Trustees and were signed on their behalf by:

EMMA JEFFREY

[Trustee Name]

26.9.2023

Date

The notes on pages 12 to 17 form part of these financial statements.

PEGASUS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Page	2022 £	2021 £
Net Cash flows from operating activities			
Net incoming resources before gains	9	944,377	(64,300)
Less investment income and deposit interest		(87,709)	(7,433)
Increase in creditors		53,930	85,700
Net cash from operating activities		910,598	13,967
Cash flows from investing activities			
Investment income	9	85,846	7,389
Deposit interest	9	1,863	44
Payments to acquire investments		(5,771,539)	(5,107,892)
Receipts from sales of investments		4,926,830	-
Net cash used for investing activities		(757,000)	(5,100,459)
Net increase / (decrease) in cash and cash equivalents for the year		153,598	(5,086,492)
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 January 2022		258,389	5,344,881
Cash and cash equivalents at 31 December 2022		£ 411,987	£ 258,389
Cash and cash equivalents consist of:			
Cash held with Handelsbanken (note 7)	16	410,497	246,124
Cash held with Sarasin & Partners (note 7)	16	1,490	-
Cash held with Nucleus (note 7)	16	-	12,265
	10	£ 411,987	£ 258,389

The notes on pages 12 to 17 form part of these financial statements.

1. ACCOUNTING POLICIES

General information

Pegasus ("the Trust" or "the Charity") is a charity registered in England (charity number 1175685).

The Trust was established for general charitable purposes and operates as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The Trustees must apply the income and at their discretion all or part of the capital of the Charity in promoting the objects in any part of the world as the Trustees may, at their discretion, think fit.

The address of the registered office is given on page 1 of these financial statements.

Basis of accounting

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, where relevant the Charities Act 2022, and UK Generally Accepted Accounting Practice.

The Charity constitutes a public benefit entity as defined by FRS 102

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

In applying the financial reporting framework, the Trustees are required to make a number of subjective judgements, for example in respect of significant accounting estimates. 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 nature of the estimation means the actual outcomes could differ from those estimates. The Trustees confirm that they have made no significant estimates and judgements affecting these financial statements.

Incoming resources

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the Charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Trust is entitled to receipt. Interest from deposit accounts are included as and when received only

1. ACCOUNTING POLICIES (continued)

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

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Trust in managing its investment portfolios.

Governance costs relating to the general running of the Trust, as opposed to the management functions inherent in generating funds.

Fixed asset investments
Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net (losses)/gains on investments" in the statement of financial activities. The Trust does not acquire put options, derivatives or other complex financial instruments.

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

Status of funds
The entire resources of the Trust are unrestricted and the Trustees have complete discretion for their use in pursuance of their objectives.

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

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

Going Concern
The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from the date of signing of these financial statements. The forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern.

The ongoing conflict in Ukraine and the resulting high energy costs and other cost inflationary factors have affected the global economy. Having considered the contingency plans in place and having reviewed updated cashflow forecasts, the Trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

1. ACCOUNTING POLICIES (continued)

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

Taxation
The Charity is not subject to any taxes on its charitable activities.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

2. INCOME FROM LEGACIES

	Page	2022 £	2021 £
Legacy income	9	£ 1,086,033	£ 113,144

3. INCOME FROM INVESTMENTS

	2022 £	2021 £
Accumulation dividends	70,770	-
Dividends	15,076	7,389
Bank deposit interest	1,863	44
9	£ 87,709	£ 7,433

4. CHARITABLE ACTIVITIES

	Page	2022 £	2021 £
The following grants were awarded to charitable institutions during the year ended 31 December 2022:			
ActionAid (Reg charity no. 274467)		150,000	10,000
DEC Ukraine Fund (Reg. charity no. 1062638)		25,000	-
South East London Arts Network (Reg. charity no. 1157803)		20,000	20,000
Clean Break Theatre Company (Reg. charity no. 1017560)		20,000	-
LangaLanga Trust (Reg. charity no. 1076360)		-	60,000
St Mungo's Community Housing Association (Reg. charity no. 1149085)		-	30,000
The Big Issue Foundation (Reg. charity no. 1049077)		-	30,000
Changing Faces (Reg. charity no. 1011222)		-	20,000
		215,000	170,000
Support costs			
Accountancy fees (governance cost)		6,360	5,220
Audit fees (governance cost)		4,230	600
Independent examination fees (governance cost)		-	1,800
Legal fees (governance cost)		-	480
		10,590	8,100
Total Charitable Activities	9	£ 225,590	£ 178,100

5. EXPENDITURE ON RAISING FUNDS

		2022 £	2021 £
Nucleus investment management fee		4,841	6,699
LEI renewal fee		-	78
Sarasin & Partners LLP management fee rebate		(1,066)	-
	9	£ 3,775	£ 6,777

Sarasin & Partners LLP deduct management fees internally from their fund. The amount deducted is compared against the fee that would have been charged on the underlying investments if they were held outside of the fund on a discretionary basis and the difference is refunded to the charity.

6. FIXED ASSET INVESTMENTS	Page	2022 £	2021 £
Investments at market value comprise:			
Quoted investments		5,542,213	5,224,205
Total investment assets	10	£5,542,213	£5,224,205
Quoted investments			
Market value at 1 January 2022		5,224,205	-
Net investment activity		844,709	5,107,892
Net (losses)/gains on investment activity		(526,701)	116,313
Market value at 31 December 2022		£5,542,213	£5,224,205
Net (losses)/ gains on investment assets			
Net realised (losses)/ gains on sales		(297,375)	931
Net unrealised (losses)/ gains on revaluation		(229,326)	115,382
Total net (losses)/ gains on investment assets	9	(£526,701)	£ 116,313

7. CASH AT BANK		2022 £	2021 £
Handelsbanken		410,497	246,124
Sarasin & Partners income account		1,490	-
Nucleus investment account		-	12,265
	10	£ 411,987	£ 258,389

8. CREDITORS - amounts falling due within one year		2022 £	2021 £
Grant commitments due within one year (note 10)		80,000	50,000
Audit fees		4,500	-
Accountancy fees		3,630	2,400
Independent examination fees		-	1,800
	10	£ 88,130	£ 54,200

9. CREDITORS - amounts falling due beyond one year		2022 £	2021 £
Grant commitments due in more than one year (note 10)	10	£ 80,000	£ 60,000

10. GRANT COMMITTMENTS

	Page	2022 £	2021 £
The Trustees have committed grants to the following organisations. Whilst there are terms placed on the future year commitments, the Trustees are of the opinion that there is a high likelihood of the terms being met and therefore have recognised the outstanding amounts in full.			
ActionAid (Reg. charity 274467)		100,000	-
LangaLanga Trust (Reg. charity no. 1076360)		40,000	50,000
St Mungo's Community Housing Association (Reg. charity no. 1149085		10,000	20,000
The Big Issue Foundation (Reg. charity no. 1049077)		10,000	20,000
Changing Faces (Reg. charity no. 1011222)		-	20,000
	16	£ 160,000	£ 110,000

11. CONTINGENT ASSETS – LEGACY INCOME

The charity is aware that further funds may be received as the ongoing administration of an Estate, of which the charity is a beneficiary, continues. At this time, the total value of the estate is uncertain. Therefore no amount has been accrued in respect of this legacy.

12. RELATED PARTY TRANSACTIONS

During the year to 31 December 2022, the Charity received a legacy of £1,086,033 from the estate of Mr P Jeffrey, father of one of the Trustees (*2021 - £113,144*).

No Trustee received any remuneration or reimbursement of expenses during the year to 31 December 2022 (*2021 - £Nil*).

13. FINANCIAL INSTRUMENTS

		2022 £	2021 £
The carry amounts of the charity's financial instruments are as follows:			
Financial assets – measured at fair value through SOFA:			
-Fixed asset investments	16	5,542,213	5,224,205
-Cash at bank and in hand	16	411,987	258,389
Financial liabilities – measured at amortised cost			
-Creditors	16	8,130	4,200
The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:			
Income and expense – measured at fair value through SOFA:			
-Net (losses)/gains (including changes in fair value)	16	(526,701)	116,313