

THE PENCHANT FOUNDATION

England & Wales · Charity number 1188402

Details

Status Registered

Legal form CIO

Registered 2020-03-06

Register [View on the Charity Commission register](#)

Contact

Address 5 Madingley Road
Cambridge
CB3 0EE

Phone 01223316766

Email CH@DWYCK.COM

Activities

Objects: TO ADVANCE SUCH CHARITABLE PURPOSES (ACCORDING TO THE LAW OF ENGLAND AND WALES) AS THE CHARITY TRUSTEES FROM TIME TO TIME SEE FIT.

Activities: The Penchant Foundation is a Charitable Incorporated Organisation that makes grants to charities selected by its Trustees. Charities may make applications to the Foundation but should understand that the Trustees give the majority of their grants to charities that they have already identified.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** The General Public/mankind

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£135,454	£290,718	-	-
2024-06-30	£80,749	£213,832	-	-
2023-06-30	£59,415	£232,700	-	-
2022-06-30	£242,358	£270,168	-	-
2021-06-30	£28,699	£297,550	-	-

Trustees

Name	Role	Appointed
Sir Charles Chadwyck-Healey Bt	Chair	2020-03-06
Catherine Davies		2020-03-06
Edward Alexander Chadwyck-Healey		2020-03-06
Faith Miller		2020-03-06
Lady Angela Mary Chadwyck-Healey		2020-03-06

THE PENCHANT FOUNDATION

England & Wales - Charity number 1188402

Accounts

The Penchant Foundation
(Charity Commission No 1188402)
Trustees' Annual Report and
Financial Statements
for the year ended 30 June 2025

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2025

The Trustees present their annual report and financial statements of the charity for the year ended 30 June 2025. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's constitution, 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 published in October 2019.

Reference and Administrative details

Name of Charity: The Penchant Foundation
Charity No. 1188402

Trustees: Sir Charles Chadwyck-Healey Bt
Lady Angela Mary Chadwyck-Healey
Edward Alexander Chadwyck-Healey
Catherine Davies
Faith Miller

Principal Office Address: 5 Madingley Road
Cambridge
CB3 0EE

Bankers: NatWest Bank
21 Petty Cury Cambridge
CB2 3NE

Investment Managers: Brown Advisory
18 Hanover Square
London
W1S 1JY

Accountants: Reza Motazedhi and Co LLP
7 Bell Yard
London WC2A 2JR

Independent Examiner: Reza Motazedhi FCA
7 Bell Yard
London WC2A 2JR

Structure, Governance and Management

Settlers: Sir Charles Chadwyck-Healey
Lady Angela Mary Chadwyck-Healey

Governing Document: The principal governing document is the constitution of the CIO dated 6 March 2020. Power of appointment of additional trustees lies with the existing Trustees, who are the original trustees. No additional trustees have been recruited since the inception of the charity, and it is not considered that any additional trustees are required at present. The Trustees are permitted to appoint income or capital to beneficiaries in the course of meeting the fund's purpose.

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2025

Investment Objectives: The Foundation seeks to produce the best financial return within an acceptable level of risk.

The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the Foundation to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% of the average value of the assets over the prior three years.

The Foundation adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that if in any one year the total return is insufficient to meet the budgeted grant-making expenditure, in the long term the real value of the Foundation will still be maintained in accordance with the investment objective above.

Objectives and activities

Objectives of the Charity: The charitable objectives of the Charity are to advance such charitable purposes (according to the law of England and Wales) as the Charity trustees from time to time see fit.

The Charity intends to carry out its purpose by making grants.

The Charity is governed by the charity Trustees of the Charity ("the Trustees") who have a duty, acting at all times in the best interests of the Charity, to apply the Charity's assets to advance the objects and have ultimate responsibility for all grant-making decisions.

The number of projects and activities which can be supported is limited by the amount of funds available for distribution.

The priorities for funding over the next year will be the making of grants to organisations that submit an application to the Charity (such applications may be by invitation).

Public Benefit: The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in setting the grant-making policy for the year.

Risk:

Attitude to risk:

The Foundation relies on the investment return to fund grant-making. However, grants are generally one-off awards and the number and value of these may vary depending on circumstances. The key risk to the long-term sustainability of the Foundation is inflation, and the assets should be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The Trustees are able to tolerate volatility of the capital value of the Foundation, as long as the Foundation is able to meet its short-term grant making commitments through either income or liquid capital assets.

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2025

Assets:	The Foundation's assets can be invested widely and should be diversified by asset class, by manager and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities, property and any other asset that is deemed suitable for the Foundation.
Currency:	<p>The base currency of the investment portfolio is Sterling.</p> <p>Investment may be made in non-Sterling assets but should not exceed 50% of the total investment portfolio value.</p> <p>Hedging is permitted.</p>
Credit:	<p>The Foundation's cash balances should be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund.</p> <p>Bond exposure should be predominantly focused on investment grade issuers.</p>
Liquidity Requirements:	<p>The Foundation aims to distribute grants of between £150k and £200k per annum. This can be funded from both income and capital.</p> <p>The Trustees wish to keep at least 70% of the assets in investments that can be realised within three months.</p> <p>To allow for volatility of capital values, the Trustees wish to maintain at least 3 years' worth of budgeted grant-making in cash or lower risk liquid investments.</p> <p>A minimum of 2% of the total assets should be kept in cash or near cash investments at all times.</p>
Time Horizon:	<p>The Foundation is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure this sustainability.</p> <p>The Foundation can adopt a long term investment time horizon.</p>
Management, Reporting and Monitoring:	<p>The Investment Manager is required to produce a valuation and performance report quarterly. The Foundation has nominated a list of authorised signatories, two of which are required to sign instructions to the Investment Manager.</p> <p>The Trustees have responsibility for agreeing strategy and monitoring the investment assets. The Trustees meet at least annually to review the portfolio, including an analysis of return, risk and asset allocation. Performance will be monitored against agreed market benchmarks, and against the investment objective of inflation plus 4% over the long term.</p>
Review of Activities:	Grants totaling £250,820 were made in 2025 (2024: £176,158). The breakdown of the grants is shown in note 9 of the accounts. The Trustees monitor their level of grant-making and are prepared to utilise capital for this purpose where needed.
Financial Review:	Total income was £135,454 (2024: £80,749) with expenditure amounting to £290,718 (2024: £213,832). Net assets at the end of the year were £5,644,430 (2024: £5,464,275).

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2025

- Reserves:** The policy of the Trustees is to aim to distribute all the income as it arises to charities each year and not to accumulate reserves. They use their discretion to distribute from capital from time to time.
- Plans for future periods:** The Trustees short-term and long-term objectives are to continue to make grants in accordance with their grant making policy. The Trustees aim to utilise the unrestricted and endowment funds to achieve this objective.
- The Trustees' plans are to release funds from the endowment fund, and the Charity intends to carry out its purposes by making grants.
- Approval and review:** This Investment Policy Statement was prepared by the Trustees of the Penchant Foundation to provide a framework for the management of its investment assets. It will be reviewed on an annual basis to ensure continuing appropriateness.

Respective responsibilities of Trustees:

Accounting Guidelines: 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 & 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:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP 2019 (FRS102);
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) 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 Statement of Recommended Accounting Practice: Accounting and Reporting by Charities (SORP 2019) UK Accounting Standards, the Charities Act 2011 and the Charity's constitution. 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.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's constitution, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Signed:


on behalf of the Trustees

Date:

10 November 2025

Independent examiner's report to the Trustees of the Penchant Foundation

I report to the Trustees on my examination of the accounts of the charity for the year ended 30 June 2025, which are set out on pages 1 to 14.

Responsibilities and basis of report

As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 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 accounts do not accord with those records; or
3. the accounts 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.

Signed:



Reza Motazed FCA
7 Bell Yard
London
WC2A 2JR

Date: **24/11/2025**

The Penchant Foundation

Statement of Financial Activities For the year ended 30 June 2025

		2025	2024
	Expendable Endowment Funds	Unrestricted Income Funds	Total
Note	£	£	£
Income and endowments:			
Investment income	3	-	99,309
Other income	6	-	36,145
		-	99,309
		36,145	36,145
		-	-
Total income	-	135,454	135,454
Expenditure on:			
Costs of raising funds	4	31,243	-
Charitable activities	5	-	259,475
		-	259,475
		31,243	31,243
		-	-
Total expenditure	31,243	259,475	290,718
Net income/(expenditure) before net gains/(losses) on investments	(31,243)	(124,021)	(155,264)
Net gains/(losses) on investment	335,419	-	335,419
	335,419	-	335,419
Net income/(expenditure)	304,176	(124,021)	180,155
	304,176	(124,021)	180,155
Transfer between funds	(124,021)	124,021	-
	(124,021)	124,021	-
Net movement in funds	180,155	-	180,155
	180,155	-	180,155
Reconciliation of funds			
Total funds brought forward	5,464,275	-	5,464,275
	5,464,275	-	5,464,275
Total funds carried forward	5,644,430	-	5,644,430
	5,644,430	-	5,644,430

The Penchant Foundation

Balance sheet As at 30 June 2025

	Note	Expendable Endowment Funds £	2025 Unrestricted Income Funds £	Total £	2024 Total £
Fixed assets					
Investments at market value	2	5,451,707	-	5,451,707	5,267,844
Current assets					
Investment managers' bank accounts		113,432	-	113,432	105,678
NatWest bank accounts		79,291	7,200	86,491	97,953
		192,723	7,200	199,923	203,631
Liabilities					
Creditors: amounts falling due within one year					
Accountants' charges		-	5,400	5,400	5,400
Independent examiners' remuneration		-	1,800	1,800	1,800
		-	7,200	7,200	7,200
Net current assets/(liabilities)		192,723	-	192,723	196,431
Net assets		5,644,430	-	5,644,430	5,464,275
Allocation of the charity net assets:					
The net assets are held for the various funds as follows:-					
Expendable endowment funds	10	5,644,430	-	5,644,430	5,464,275
Unrestricted funds	10	-	-	-	-
Total charity funds		5,644,430	-	5,644,430	5,464,275

Approved by the Trustees on 2/11/25 and signed on their behalf by


Trustee

The Penchant Foundation

Statement of Cash Flows for the year ended 30 June 2025

	Total Funds 2025	Total Funds 2024
Note	£	£
Net cash used in operating activities	8 (254,573)	(212,632)
Cash flows from investing activities:		
Dividends and interest from investments	99,309	80,749
Proceeds from sale of investments	918,448	757,595
Purchase of investments	(766,892)	(784,879)
Net cash provided by investing activities	(3708)	(159,167)
Change in cash and cash equivalents in the reporting world	(3,708)	(159,167)
Cash and cash equivalents brought forward	203,631	362,798
Cash and cash equivalents carried forward	199,923	203,631
Representing:		
Investment managers' accounts	113,432	105,678
Charity's bank account	86,491	97,953
	199,923	203,631

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2025

1. Accounting policies

a) *Basis of preparation*

The accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland issued in October 2019; the Charities Act 2011 and UK Generally Accepted Practice. The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have therefore necessarily departed from the extant 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: Accounting and Reporting by Charities applicable to charities preparing their financial statements in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, rather than the Statement of Recommended Practice: Accounting and Reporting by Charities effective from 1 April 2005, which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention.

b) *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.

c) *Fund accounting*

The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The Trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the donor.

d) *Grants payable*

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities. Grants which have been promised subject to satisfactory performance are not included until payable.

e) *Expenditure*

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

f) Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day-to-day management of the Charity's activities.

g) *Foreign exchange*

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the Statement of Financial Activities.

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2025

1. Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes costs of exhibitions and other educational activities undertaken to further the purposes of the charity.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Debtors

Trade and other debtors are recognized at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts offered.

j) Cash and cash equivalents

Cash and cash equivalents include cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions are recognized when 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 or estimated reliably.

Creditors and provisions are normally recognized at their settlement amount after allowing for any discounts due.

l) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Fixed asset investments

	2025	2024
	£	£
Market value at 30 June 2024	5,267,844	4,752,647
Additions	766,892	784,879
Disposals	(918,448)	(757,595)
Net investment gains/ (losses)	335,419	487,913
	<hr/>	<hr/>
Market value at 30 June 2025	5,451,707	5,267,844
Historical cost at 30 June 2025	4,410,564	4,626,496
	<hr/> <hr/>	<hr/> <hr/>

3. Investment income

	2025	2024
	£	£
Dividends and interest received	99,309	80,749
	<hr/>	<hr/>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2025

4. Cost of raising funds

	2025 £	2024 £
Investment management charges	31,243	28,108

The investment management costs are all attributable to endowment funds.

5. Charitable activities

	2025 £	2024 £
Charitable activities	259,475	185,724

The breakdown of charitable activities is as follow:

	2025 £	2024 £
Grants – note 9	250,820	176,158

Governance costs

	2025 £	2024 £
Accountants' charges	6,855	8,066
Independent Examination charges	1,800	1,500
	<u>8,655</u>	<u>9,566</u>

The charity undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities.

6. Other income

	2025 £	2024 £
Donations	28,885	-
Gift Aid	7,260	-
Repayment interest	-	-
	<u>36,145</u>	<u>-</u>

7. Trustees' remuneration and expenses

During the year, no Trustees were reimbursed for travel and Trustees meeting expenses. Trustees' remuneration was nil.

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2025

8. Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net movement in funds	180,155	354,830
Deduct interest income shown in investing activities	(99,309)	(80,749)
(Deduct gains)/ add back losses on investments	(335,419)	(487,913)
Increase (decrease) in creditors	-	1,200
	<hr/>	<hr/>
Net cash used in operating activities	(254,573)	(212,632)
	<hr/>	<hr/>

9. Grants made

	2025	2024
	£	£
Arthur Rank Hospice Charity	40,000	20,000
Baronets Trust	-	50
Birdlife International	31,000	
BritishTrust for Ornithology	10,000	-
Britten Pears Arts	2,400	3,000
Cambridge and District CAB	40,000	-
Cambridge Arts Theatre	975	975
Centre33	25,000	25,000
CIWF	1,000	
Clock Tower Sanctuary	5,000	5,000
Fanny Basa	-	816
Fauna & Flora International	10,000	10,000
Feeding Families	3,500	3,500
J Dallaway (Individual)	-	15,000
Makhad Trust	5,000	5,000
Ora Choir	5,000	
Orchestra of St.John	5,000	
Order of St Etheldreda	2,000	1,000
RSPB	15,000	15,000
Swandro-Orkney	2,000	-
Table Talk Foundation	1,500	
Team Dominica	3,000	
Tee Valley YMCA	5,000	-
UK Men's Sheds Association	1,500	1,500
University of Cambridge (Archeology)	1,800	900
University of Cambridge (Kettle's Yard)	2,145	11,775
University of Cambridge (Library Visiting Scholar)	-	10,000
University of Cambridge (Library)	-	10,000
University of Cambridge Fitzwilliam Museum	1,500	1,500
Vic's in the community	1,500	1,500
Waterlife Recovery Trust	15,000	15,000
Wildlife Trust for Bedfordshire, Cambridgeshire & Northamptonshire	15,000	15,000
Wolvercote Primary	-	250
Young Carers	-	4,392
	<hr/>	<hr/>
	250,820	176,158
	<hr/> <hr/>	<hr/> <hr/>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2025

9. Grants made (continued)

The grants above are categorised as below:

	2025	2024
	£	£
Biodiversity and Conservation – 6 donations	76,000	55,000
Social & Community - 7 donations	42,500	36,615
Overseas Poverty Relief - 1 donation	5,000	5,000
Arts & Culture - 8 donations	16,675	22,477
Education - 9 donations	67,645	37,066
Medical - 3 donation	43,000	20,000
	<hr/>	<hr/>
	250,820	176,158
	<hr/> <hr/>	<hr/> <hr/>

10 Analysis of charitable funds 2025

	Expendable Endowment Funds	Unrestricted Income Funds	Total Funds
	£	£	£
Analysis of fund movements:			
Balance b/fwd	5,464,275	-	5,464,275
Income	-	135,454	135,454
Expenditure	(31,243)	(259,475)	(290,718)
Gains/(losses)	335,419	-	335,419
Transfers between funds	(124,021)	124,021	-
	<hr/>	<hr/>	<hr/>
Fund c/fwd	5,644,430		5,644,430
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2025

10. Analysis of charitable funds (continued)

2024	Expendable Endowment Funds £	Unrestricted Income Funds £	Total Funds £
Analysis of fund movements:			
Balance b/fwd	5,109,445	-	5,109,445
Income	-	80,749	80,749
Expenditure	(28,108)	(185,724)	(213,832)
Gains/(losses)	487,913	-	487,913
Transfers between funds	(104,975)	104,975	-
	<hr/>	<hr/>	<hr/>
Fund c/fwd	5,464,275	-	5,464,275
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

- a) The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The Trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the Donor.

THE PENCHANT FOUNDATION

England & Wales - Charity number 1188402

Accounts

The Penchant Foundation
(Charity Commission No 1188402)

**Trustees' Annual Report and
Financial Statements
for the year ended 30 June 2024**

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2024

The Trustees present their annual report and financial statements of the charity for the year ended 30 June 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's constitution, 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 published in October 2019.

Reference and Administrative details

Name of Charity:	The Penchant Foundation Charity No. 1188402
Trustees:	Sir Charles Chadwyck-Healey Bt Catherine Davies Lady Angela Mary Chadwyck-Healey Faith Miller Edward Alexander Chadwyck-Healey
Principal Office Address:	5 Madingley Road Cambridge CB3 0EE
Bankers:	NatWest Bank 21 Petty Cury Cambridge CB2 3NE
Investment Managers:	Brown Advisory 18 Hanover Square London W1S 1JY
Accountants:	Reza Motazedi and Co LLP 7 Bell Yard London WC2A 2JR
Independent Examiner:	Reza Motazedi FCA 7 Bell Yard London WC2A 2JR

Structure, Governance and Management

Settlers:	Sir Charles Chadwyck-Healey Lady Angela Mary Chadwyck-Healey
Governing Document:	The principal governing document is the constitution of the CIO dated 6 March 2020. Power of appointment of additional trustees lies with the existing Trustees, who are the original trustees. No additional trustees have been recruited since the inception of the charity and it is not considered that any additional trustees are required at present. The Trustees are permitted to appoint income or capital to beneficiaries in the course of meeting the fund's purpose

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2024

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The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the Foundation to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% of the average value of the assets over the prior three years.

The Foundation adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that if in any one year the total return is insufficient to meet the budgeted grant-making expenditure, in the long term the real value of the Foundation will still be maintained in accordance with the investment objective above.

Objectives and activities

Objectives of the Charity: The charitable objectives of the Charity are to advance such charitable purposes (according to the law of England and Wales) as the Charity trustees from time to time see fit.

The Charity intends to carry out its purpose by making grants.

The Charity is governed by the charity Trustees of the Charity ("the Trustees") who have a duty, acting at all times in the best interests of the Charity, to apply the Charity's assets to advance the objects and have ultimate responsibility for all grant-making decisions.

The number of projects and activities which can be supported is limited by the amount of funds available for distribution.

The priorities for funding over the next year will be the making of grants to organisations that submit an application to the Charity (such applications may be by invitation).

Public Benefit:

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in setting the grant-making policy for the year.

Risk:

Attitude to risk:

The Foundation relies on the investment return to fund grant-making. However, grants are generally one-off awards and the number and value of these may vary depending on circumstances. The key risk to the long-term sustainability of the Foundation is inflation, and the assets should be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The Trustees are able to tolerate volatility of the capital value of the Foundation, as long as the Foundation is able to meet its short-term grant making commitments through either income or liquid capital assets.

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2024

Assets:	<p>The Foundation's assets can be invested widely and should be diversified by asset class, by manager and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities, property and any other asset that is deemed suitable for the Foundation.</p>
Currency:	<p>The base currency of the investment portfolio is Sterling.</p> <p>Investment may be made in non-Sterling assets but should not exceed 50% of the total investment portfolio value.</p> <p>Hedging is permitted.</p>
Credit:	<p>The Foundation's cash balances should be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund.</p> <p>Bond exposure should be predominantly focused on investment grade issuers.</p>
Liquidity Requirements:	<p>The Foundation aims to distribute grants of between £150k and £200k per annum. This can be funded from both income and capital.</p> <p>The Trustees wish to keep at least 70% of the assets in investments that can be realised within three months.</p> <p>To allow for volatility of capital values, the Trustees wish to maintain at least 3 years' worth of budgeted grant-making in cash or lower risk liquid investments.</p> <p>A minimum of 2% of the total assets should be kept in cash or near cash investments at all times.</p>
Time Horizon:	<p>The Foundation is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure this sustainability.</p> <p>The Foundation can adopt a long term investment time horizon.</p>
Management, Reporting and Monitoring:	<p>The Investment Manager is required to produce a valuation and performance report quarterly. The Foundation has nominated a list of authorised signatories, two of which are required to sign instructions to the Investment Manager.</p> <p>The Trustees have responsibility for agreeing strategy and monitoring the investment assets. The Trustees meet at least annually to review the portfolio, including an analysis of return, risk and asset allocation. Performance will be monitored against agreed market benchmarks, and against the investment objective of inflation plus 4% over the long term.</p>
Review of Activities:	<p>Grants totaling £176,158 were made in 2024 (2023: £197,600). The breakdown of the grants is shown in note 9 of the accounts. The Trustees monitor their level of grant-making and are prepared to utilise capital for this purpose where needed.</p>
Financial Review:	<p>Total income was £80,749 (2023: £59,415) with expenditure amounting to £213,832 (2023: £232,700). Net assets at the end of the year were £5,464,275 (2023: £5,109,445).</p>

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2024

Reserves:	The policy of the Trustees is to aim to distribute all the income as it arises to charities each year and not to accumulate reserves. They use their discretion to distribute from capital from time to time.
Plans for future periods:	<p>The Trustees short-term and long-term objectives are to continue to make grants in accordance with their grant making policy. The Trustees aim to utilise the unrestricted and endowment funds to achieve this objective.</p> <p>The Trustees' plans are to release funds from the endowment fund and the Charity intends to carry out its purposes by making grants.</p>
Approval and review:	This Investment Policy Statement was prepared by the Trustees of the Penchant Foundation to provide a framework for the management of its investment assets. It will be reviewed on an annual basis to ensure continuing appropriateness.

Respective responsibilities of Trustees:

Accounting Guidelines: 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 & 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:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP 2019 (FRS102);
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) 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 Statement of Recommended Accounting Practice: Accounting and Reporting by Charities (SORP 2019) UK Accounting Standards, the Charities Act 2011 and the Charity's constitution. 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.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's constitution, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Signed:


on behalf of the Trustees

Date:

19 January 2025

Independent examiner's report to the Trustees of the Penchant Foundation

I report to the Trustees on my examination of the accounts of the charity for the year ended 30 June 2024, which are set out on pages 1 to 14.

Responsibilities and basis of report

As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 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 accounts do not accord with those records; or
3. the accounts 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.

Signed:



Reza Motazed FCA
7 Bell Yard
London
WC2A 2JR

Date:



The Penchant Foundation

Statement of Financial Activities For the year ended 30 June 2024

		2024		2023	
	Note	Expendable Endowment Funds £	Unrestricted Income Funds £	Total £	Total £
Income and endowments:					
Investment income	3	-	80,749	80,749	59,415
Other income	6	-	-	-	-
Total income		<u>-</u>	<u>80,749</u>	<u>80,749</u>	<u>59,415</u>
Expenditure on:					
Costs of raising funds	4	28,108	-	28,108	28,925
Charitable activities	5	-	185,724	185,724	203,775
Total expenditure		<u>28,108</u>	<u>185,724</u>	<u>213,832</u>	<u>232,700</u>
Net income/(expenditure) before net gains/(losses) on investments		<u>(28,108)</u>	<u>(104,975)</u>	<u>(133,083)</u>	<u>(173,285)</u>
Net gains/(losses) on investment		<u>487,913</u>	<u>-</u>	<u>487,913</u>	<u>379,960</u>
Net income/(expenditure)		<u>459,805</u>	<u>(104,975)</u>	<u>354,830</u>	<u>206,675</u>
Transfer between funds		<u>(104,975)</u>	<u>104,975</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>354,830</u>	<u>-</u>	<u>354,830</u>	<u>206,675</u>
Reconciliation of funds					
Total funds brought forward		<u>5,109,445</u>	<u>-</u>	<u>5,109,445</u>	<u>4,902,770</u>
Total funds carried forward		<u>5,464,275</u>	<u>-</u>	<u>5,464,275</u>	<u>5,109,445</u>

The Penchant Foundation

Balance sheet
As at 30 June 2024

		2024	2024	2023
	Note	Expendable Endowment Funds £	Unrestricted Income Funds £	Total £
Fixed assets				
Investments at market value	2	5,267,844	-	5,267,844
Current assets				
Investment managers' bank accounts		105,678	-	105,678
NatWest bank accounts		90,753	7,200	97,953
		196,431	7,200	203,631
Liabilities				
Creditors: amounts falling due within one year				
Accountants' charges		-	5,400	5,400
Independent examiners' remuneration		-	1,800	1,800
		-	7,200	7,200
Net current assets/(liabilities)		196,431	-	196,431
Net assets		5,464,275	-	5,464,275
Allocation of the charity net assets:				
The net assets are held for the various funds as follows:-				
Expendable endowment funds	10	5,464,275	-	5,464,275
Unrestricted funds	10	-	-	-
Total charity funds		5,464,275	-	5,464,275

Approved by the Trustees on 19 Jan 2025 and signed on their behalf by


Trustee

The Penchant Foundation

Statement of Cash Flows for the year ended 30 June 2024

	Total Funds 2024	Total Funds 2023
Note	£	£
Net cash used in operating activities	8 (212,632)	(247,820)
Cash flows from investing activities:		
Dividends and interest from investments	80,749	59,415
Proceeds from sale of investments	757,595	1,592,942
Purchase of investments	(784,879)	(1,378,348)
Net cash provided by investing activities	(159,167)	26,189
Change in cash and cash equivalents in the reporting world	(159,167)	26,189
Cash and cash equivalents brought forward	362,798	336,609
Cash and cash equivalents carried forward	203,631	362,798
Representing:		
Investment managers' accounts	105,678	81,495
Charity's bank account	97,953	281,303
	203,631	362,798

Notes to the accounts
for the year ended 30 June 2024

1. Accounting policies

a) Basis of preparation

The accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland issued in October 2019; the Charities Act 2011 and UK Generally Accepted Practice. The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have therefore necessarily departed from the extant 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: Accounting and Reporting by Charities applicable to charities preparing their financial statements in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, rather than the Statement of Recommended Practice: Accounting and Reporting by Charities effective from 1 April 2005, which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention.

b) 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.

c) Fund accounting

The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The Trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the donor.

d) Grants payable

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities. Grants which have been promised subject to satisfactory performance are not included until payable.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

f) Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements e.g the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day-to-day management of the Charity's activities.

g) Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the Statement of Financial Activities.

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2024

1. Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes costs of exhibitions and other educational activities undertaken to further the purposes of the charity.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Debtors

Trade and other debtors are recognized at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts offered.

j) Cash and cash equivalents

Cash and cash equivalents include cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions are recognized when 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 or estimated reliably.

Creditors and provisions are normally recognized at their settlement amount after allowing for any discounts due.

l) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Fixed asset investments

	2024	2023
	£	£
Market value at 30 June 2023	4,752,647	4,587,281
Additions	784,879	1,378,348
Disposals	(757,595)	(1,592,942)
Net investment gains/ (losses)	487,913	379,960
	<hr/>	<hr/>
Market value at 30 June 2024	5,267,844	4,752,647
Historical cost at 30 June 2024	4,626,496	4,393,386
	<hr/> <hr/>	<hr/> <hr/>

3. Investment income

	2024	2023
	£	£
Dividends and interest received	80,749	59,415
	<hr/>	<hr/>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2024

4. Cost of raising funds

	2024 £	2023 £
Investment management charges	28,108	28,925

The investment management costs are all attributable to endowment funds.

5. Charitable activities

	2024 £	2023 £
Charitable activities	185,724	203,775

The breakdown of charitable activities is as follow:

	2024 £	2023 £
Grants – note 9	176,158	197,600

Governance costs

	2024 £	2023 £
Accountants' charges	8,066	4,500
Independent Examination charges	1,500	1,500
Fee for logo design and guideline	-	175
	<u>£9,566</u>	<u>6,175</u>

The charity undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities.

6. Other income

	2024 £	2023 £
Investment managers gross interest	-	-
Compensation from NatWest	-	-
Repayment interest	-	-
	<u>-</u>	<u>-</u>

7. Trustees' remuneration and expenses

During the year, no Trustees were reimbursed travel and Trustees meeting expenses. Trustees' remuneration was nil.

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2024

8. Reconciliation of net movement in funds to net cash flow from operating activities

	2024	2023
	£	£
Net movement in funds	354,830	206,675
Deduct interest income shown in investing activities	(80,749)	(59,415)
(Deduct gains)/ add back losses on investments	(487,913)	(379,960)
Increase (decrease) in creditors	1,200	(15,120)
	<hr/>	<hr/>
Net cash used in operating activities	(212,632)	(247,820)
	<hr/>	<hr/>

9. Grants made

	2024	2023
	£	£
Arthur Rank Hospice Charity	20,000	20,500
Baronets Trust	50	50
Birdlife International	-	15,000
British Trust for Ornithology	-	10,000
Britten Pears Arts	3,000	-
Cambridge Arts Theatre	975	975
Cambridge Citizens Advice (CAB)	-	20,000
Cambridgeshire Community Foundation	-	6,000
Centre33	25,000	25,000
Clock Tower Sanctuary	5,000	3,000
Fanny Basa	816	240
Fauna & Flora International	10,000	10,000
Feeding Families	3,500	3,500
J Dallaway (Individual)	15,000	15,000
Kingfisher bridge	-	5,000
Makhad Trust	5,000	5,000
Matthew Bate (Ukraine Blake & Bull)	-	8,200
Order of St Etheldreda	1,000	1,000
Oxford University (Bodleian Library)	-	500
Resurgo Trust	-	1,000
RSPB	15,000	10,000
Smart Works	-	1,000
UK Men's Sheds Association	1,500	1,500
University of Cambridge (Archeology)	900	900
University of Cambridge (Kettle's Yard)	11,775	1,775
University of Cambridge (Library)	10,000	14,360
University of Cambridge (Library Visiting Scholar)	10,000	-
University of Cambridge Fitzwilliam Museum	1,500	1,350
Vic's in the community	1,500	1,500
Viva Theatre	-	250
Waterlife Recovery Trust	15,000	-
Wildlife Trust for Bedfordshire, Cambridgeshire & Northamptonshire	15,000	15,000
Wolvercote Primary	250	-
Young Carers	4,392	-
	<hr/>	<hr/>
	176,158	197,600
	<hr/>	<hr/>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2024

9. Grants made (continued)

The grants above are categorised as below:

	2024 £	2023 £
Biodiversity and Conservation – 4 donations	55,000	65,000
Social & Community - 6 donations	36,615	62,800
Overseas Poverty Relief - 1 donation	5,000	13,200
Arts & Culture - 14 donations	22,477	5,240
Education - 7 donations	37,066	29,860
Medical - 1 donation	20,000	20,500
Religious – 0 donations	-	1,000
	<u>176,158</u>	<u>197,600</u>

10 Analysis of charitable funds 2024

	Expendable Endowment Funds £	Unrestricted Income Funds £	Total Funds £
Analysis of fund movements:			
Balance b/fwd	5,109,445	-	5,109,445
Income	-	80,749	80,749
Expenditure	(28,108)	(185,724)	(213,832)
Gains/(losses)	487,913	-	487,913
Transfers between funds	(104,975)	104,975	-
	<u>5,464,275</u>	<u>-</u>	<u>5,464,275</u>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2024

10. Analysis of charitable funds (continued)

2023	Expendable Endowment Funds £	Unrestricted Income Funds £	Total Funds £
Analysis of fund movements:			
Balance b/fwd	4,902,770	-	4,902,770
Income	-	59,415	59,415
Expenditure	(28,925)	(203,775)	(232,700)
Gains/(losses)	379,960	-	379,960
Transfers between funds	(144,360)	144,360	-
Fund c/fwd	5,109,445	-	5,109,445

- a) The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment less amounts which have been transferred to the unrestricted funds for distribution. The Trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the Donor.

THE PENCHANT FOUNDATION

England & Wales - Charity number 1188402

Accounts

The Penchant Foundation
(Charity Commission No 1188402)

Trustees' Annual Report and
Financial Statements
for the year ended 30 June 2023

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2023

The trustees present their annual report and financial statements of the charity for the year ended 30 June 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, 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 published in October 2019.

Reference and Administrative details

Name of Charity:	The Penchant Foundation Charity No. 1188402
Trustees:	Sir Charles Chadwyck-Healey Catherine Davies Lady Angela Mary Chadwyck-Healey Faith Miller Edward Alexander Chadwyck-Healey
Principal Office Address:	5 Madingley Road Cambridge CB3 0EE
Bankers:	NatWest Bank 21 Petty Cury Cambridge CB2 3NE
Investment Managers:	Brown Advisory 18 Hanover Square London W1S1JY
Accountants:	Reza Motazedí and Co LLP 7 Bell Yard London WC2A2JR
Independent Examiner:	Reza Motazedí FCA 7 Bell Yard London WC2A2JR

Structure, Governance and Management

Settlers:	Sir Charles Chadwyck-Healey Lady Angela Mary Chadwyck-Healey
Governing Document:	The principal governing document is the constitution of the CIO dated 6 March 2020. Power of appointment of additional trustees lies with the existing trustees, who are the original trustees. No additional trustees have been recruited since the inception of the charity and it is not considered that any additional trustees are required at present. The trustees are permitted to appoint income or capital to beneficiaries in the course of meeting the fund's purpose.

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2023

Investment Objectives: The Foundation seeks to produce the best financial return within an acceptable level of risk.

The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the Foundation to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% of the average value of the assets over the prior three years.

The Foundation adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that if in any one year the total return is insufficient to meet the budgeted grant-making expenditure, in the long term the real value of the Foundation will still be maintained in accordance with the investment objective above.

Objectives and activities

Objectives of the Charity: The charitable objectives of the Charity are to advance such charitable purposes (according to the law of England and Wales) as the Charity trustees from time to time see fit.

The Charity intends to carry out its purpose by making grants.

The Charity is governed by the charity trustees of the Charity ("the trustees") who have a duty, acting at all times in the best interests of the Charity, to apply the Charity's assets to advance the objects and have ultimate responsibility for all grant-making decisions.

The number of projects and activities which can be supported is limited by the amount of funds available for distribution.

The priorities for funding over the next year will be the making of grants to organisations that submit an application to the Charity (such applications may be by invitation).

Public Benefit: The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in setting the grant-making policy for the year.

Risk:

Attitude to risk:

The Foundation relies on the investment return to fund grant-making. However, grants are generally one-off awards and the number and value of these may vary depending on circumstances. The key risk to the long-term sustainability of the Foundation is inflation, and the assets should be invested to mitigate this risk over the long term. The trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The trustees are able to tolerate volatility of the capital value of the Foundation, as long as the Foundation is able to meet its short-term grant making commitments through either income or liquid capital assets.

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2023

Assets:	<p>The Foundation's assets can be invested widely and should be diversified by asset class, by manager and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities, property and any other asset that is deemed suitable for the Foundation.</p>
Currency:	<p>The base currency of the investment portfolio is Sterling.</p> <p>Investment may be made in non-Sterling assets but should not exceed 50% of the total investment portfolio value.</p> <p>Hedging is permitted.</p>
Credit:	<p>The Foundation's cash balances should be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund.</p> <p>Bond exposure should be predominantly focused on investment grade issuers.</p>
Liquidity Requirements:	<p>The Foundation aims to distribute grants of between £150k and £200k per annum. This can be funded from both income and capital.</p> <p>The Trustees wish to keep at least 70% of the assets in investments that can be realised within three months.</p> <p>To allow for volatility of capital values, the trustees wish to maintain at least 3 years' worth of budgeted grant-making in cash or lower risk liquid investments.</p> <p>A minimum of 2% of the total assets should be kept in cash or near cash investments at all times.</p>
Time Horizon:	<p>The Foundation is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure this sustainability.</p> <p>The Foundation can adopt a long term investment time horizon.</p>
Management, Reporting and Monitoring:	<p>The Investment Manager is required to produce a valuation and performance report quarterly. The Foundation has nominated a list of authorised signatories, two of which are required to sign instructions to the Investment Manager.</p> <p>The Trustees have responsibility for agreeing strategy and monitoring the investment assets. The Trustees meet at least annually to review the portfolio, including an analysis of return, risk and asset allocation. Performance will be monitored against agreed market benchmarks, and against the investment objective of inflation plus 4% over the long term.</p>
Review of Activities:	<p>Grants totalling £197,600 were made in 2023 (2022: £227,300). The breakdown of the grants is shown in note 9 of the accounts. The trustees monitor their level of grant-making and are prepared to utilise capital for this purpose where needed.</p>
Financial Review:	<p>Total income was £59,415 (2022: £36,989) with expenditure amounting to £232,700 (2022: £270,168). Net assets at the end of the year were £5,109,445 (2022: £4,902,770).</p>

The Penchant Foundation

Trustees' Annual Report for the year ended 30 June 2023


- Reserves:** The policy of the trustees is to aim to distribute all the income as it arises to charities each year and not to accumulate reserves. They use their discretion to distribute from capital from time to time.
- Plans for future periods:** The trustees' short-term and long-term objectives are to continue to make grants in accordance with their grant making policy. The trustees aim to utilise the unrestricted and endowment funds to achieve this objective.
- The trustees' plans are to release funds from the endowment fund and the Charity intends to carry out its purposes by making grants.
- Approval and review:** This Investment Policy Statement was prepared by the trustees of the Penchant Foundation to provide a framework for the management of its investment assets. It will be reviewed on an annual basis to ensure continuing appropriateness.

Respective responsibilities of trustees:

- Accounting Guidelines:** 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 & 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 (FRS102);
 - make judgements and estimates that are reasonable and prudent;
 - state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Statement of Recommended Accounting Practice: Accounting and Reporting by Charities (SORP 2019) UK Accounting Standards, the Charities Act 2011 and the Charity's constitution. 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.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's constitution, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Signed: 
on behalf of the trustees

Date: 5 February 2024

Independent examiner's report to the Trustees of the Penchant Foundation

I report to the trustees on my examination of the accounts of the charity for the year ended 30 June 2023, which are set out on pages 1 to 14.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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 accounts do not accord with those records; or
3. the accounts 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.

Signed:

Reza Motazed

Reza Motazed FCA
7 Bell Yard
London
WC2A 2JR

Date:

5th February 2024

The Penchant Foundation

Statement of Financial Activities For the year ended 30 June 2023

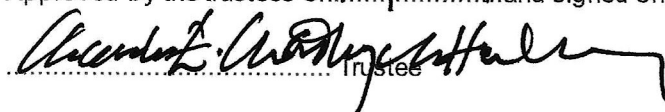
		2023	2022	
	Expendable Endowment Funds	Unrestricted Income Funds	Total	
Note	£	£	£	
Income and endowments:				
Investment income	3	-	59,415	59,415
Other income	6	-	-	-
		<hr/>	<hr/>	<hr/>
Total income	-	59,415	59,415	36,989
Expenditure on:				
Costs of raising funds	4	28,925	-	28,925
Charitable activities	5	-	203,775	203,775
		<hr/>	<hr/>	<hr/>
Total expenditure		28,925	203,775	232,700
Net income/(expenditure) before net gains/(losses) on investments		(28,925)	(144,360)	(173,285)
Net gains/(losses) on investment		379,960	-	379,960
		<hr/>	<hr/>	<hr/>
Net income/(expenditure)		351,035	(144,360)	206,675
		<hr/>	<hr/>	<hr/>
Transfer between funds		(144,360)	144,360	-
		<hr/>	<hr/>	<hr/>
Net movement in funds		206,675	-	206,675
		<hr/>	<hr/>	<hr/>
Reconciliation of funds				
Total funds brought forward		4,902,770	-	4,902,770
		<hr/>	<hr/>	<hr/>
Total funds carried forward		5,109,445	-	5,109,445
		<hr/>	<hr/>	<hr/>

The Penchant Foundation

Balance sheet As at 30 June 2023

	Note	Expendable Endowment Funds £	2023 Unrestricted Income Funds £	Total £	2022 Total £
Fixed assets					
Investments at market value	2	4,752,647	-	4,752,647	4,587,281
Current assets					
Investment managers' bank accounts		81,495	-	81,495	226,411
NatWest bank accounts		275,303	6,000	281,303	110,198
		356,798	6,000	362,798	336,609
Liabilities					
Creditors: amounts falling due within one year					
Accountants' charges		-	4,500	4,500	17,520
Independent examiners' remuneration		-	1,500	1,500	3,600
		-	6,000	6,000	21,120
Net current assets/(liabilities)		356,798	-	355,798	315,489
Net assets		5,109,445	-	5,109,445	4,902,770
Allocation of the charity net assets:					
The net assets are held for the various funds as follows:-					
Expendable endowment funds	10	5,109,445	-	5,109,445	4,902,770
Unrestricted funds	10	-	-	-	-
Total charity funds		5,109,445	-	5,109,445	4,902,770

Approved by the trustees on 5/2/2024 and signed on their behalf by


Trustee

The Penchant Foundation

Statement of Cash Flows for the year ended 30 June 2023

	Note	Total Funds 2023 £	Total Funds 2022 £
Net cash used in operating activities	8	(247,820)	(256,999)
Cash flows from investing activities:			
Dividends and interest from investments		59,415	36,564
Proceeds from sale of investments		1,592,942	319,948
Purchase of investments		(1,378,348)	(290,000)
Other income		-	425
		<hr/>	<hr/>
Net cash provided by investing activities		26,189	66,937
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting world		26,189	(190,062)
Cash and cash equivalents brought forward		336,609	526,671
		<hr/>	<hr/>
Cash and cash equivalents carried forward		362,798	336,609
		<hr/> <hr/>	<hr/> <hr/>
Representing:			
Investment managers' accounts		81,495	226,411
Charity's bank account		281,303	110,198
		<hr/>	<hr/>
		362,798	336,609
		<hr/> <hr/>	<hr/> <hr/>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2023

1. Accounting policies

a) *Basis of preparation*

The accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland issued in October 2019; the Charities Act 2011 and UK Generally Accepted Practice. The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have therefore necessarily departed from the extant 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: Accounting and Reporting by Charities applicable to charities preparing their financial statements in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, rather than the Statement of Recommended Practice: Accounting and Reporting by Charities effective from 1 April 2005, which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention.

b) *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.

c) *Fund accounting*

The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the donor.

d) *Grants payable*

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities. Grants which have been promised subject to satisfactory performance are not included until payable.

e) *Expenditure*

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

- f) Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day-to-day management of the charity's activities.

g) *Foreign exchange*

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the Statement of Financial Activities.

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2023

1. Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes costs of exhibitions and other educational activities undertaken to further the purposes of the charity.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Debtors

Trade and other debtors are recognized at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts offered.

j) Cash and cash equivalents

Cash and cash equivalents include cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions are recognized when 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 or estimated reliably.

Creditors and provisions are normally recognized at their settlement amount after allowing for any discounts due.

l) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Fixed asset investments

	2023	2022
	£	£
Market value at 30 June 2022	4,587,281	5,349,228
Additions	1,378,348	290,000
Disposals	(1,592,942)	(319,948)
Net investment gains/ (losses)	379,960	(731,999)
	<hr/>	<hr/>
Market value at 30 June 2023	4,752,647	4,587,281
	<hr/>	<hr/>
Historical cost at 30 June 2023	4,393,386	4,541,194
	<hr/>	<hr/>

3. Investment income

	2023	2022
	£	£
Dividends and interest received	59,415	36,564
	<hr/>	<hr/>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2023

4. Cost of raising funds

	2023 £	2022 £
Investment management charges	28,925	27,810

The investment management costs are all attributable to endowment funds.

5. Charitable activities

	2023 £	2022 £
Charitable activities	203,775	242,358

The breakdown of charitable activities is as follow:

	2023 £	2022 £
Grants – note 9	197,600	227,300
Donations – Chadwyck-Healey Liberation Collection 1944-1946	-	1,088

Governance costs

	2023 £	2022 £
Accountants' charges	4,500	10,320
Independent Examination charges	1,500	2,400
Fee for logo design and guideline	175	1,250
	<u>6,175</u>	<u>13,970</u>

The charity undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities.

Total charitable activities	<u>203,775</u>	<u>242,358</u>
------------------------------------	----------------	----------------

6. Other income

	2023 £	2022 £
Investment managers gross interest	-	223
Compensation from NatWest	-	200
Repayment interest	-	2
	<u>-</u>	<u>425</u>

7. Trustees' remuneration and expenses

During the year, no trustees were reimbursed travel and trustees meeting expenses. Trustees' remuneration was nil.

The Penchant Foundation

Notes to the accounts

for the year ended 30 June 2023

8. Reconciliation of net movement in funds to net cash flow from operating activities

	2023	2022
	£	£
Net movement in funds	206,675	(965,178)
Deduct interest income shown in investing activities	(59,415)	(36,989)
(Deduct gains)/ add back losses on investments	(379,960)	731,999
Decrease (increase) in debtors	-	449
Increase (decrease) in creditors	(15,120)	12,720
	<hr/>	<hr/>
Net cash used in operating activities	(247,820)	(256,999)
	<hr/>	<hr/>

9. Grants made

	2023	2022
	£	£
Arthur Rank Hospice Charity	20,500	10,000
Baronets Trust	50	-
Birdlife International	15,000	20,000
British Trust for Ornithology	10,000	10,000
Britten Pears Arts	-	2,500
Cam Valley Forum	-	5,000
Cambridge Arts Theatre	975	975
Cambridge Citizens Advice (CAB)	20,000	20,000
Cambridge Literary Festival	-	1,200
Cambridgeshire Community Foundation	6,000	-
Centre33	25,000	50,000
Clock Tower Sanctuary	3,000	3,000
Fanny Bara	240	-
Fauna & Flora Intl	10,000	10,000
Feeding Families	3,500	2,500
Fitzwilliam Museum	1,350	1,350
FNL Honresfield	-	20,000
Grant to individual to support studies	15,000	15,000
Grant to individual to support studies	-	2,000
Kingfishers bridge	5,000	-
Makhad Trust	5,000	5,000
Matthew Bate (Ukraine Blake & Bull)	8,200	-
Open Trust	-	5,000
Order of St Etheldreda	1,000	-
Oxford University (Bodleian Library)	500	-
Resurgo Trust	1,000	1,000
RSPB	10,000	10,000
Smart Works	1,000	1,000
UK Men's Sheds Association	1,500	2,500
University of Cambridge (Museum of Archaeology & Anthropology)	900	-
University of Cambridge (Kettle's Yard)	1,775	2,775
University of Cambridge (University Library)	14,360	10,000
VICS in the Community	1,500	1,500
Viva Theatre	250	-
Wildlife Trust for Bedfordshire, Cambridgeshire & Northamptonshire	15,000	15,000
	<hr/>	<hr/>
	197,600	227,300
	<hr/>	<hr/>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2023

9. Grants made (continued)

The grants above are categorised as below:

	2023	2022
	£	£
Biodiversity and Conservation – 6 donations	65,000	70,000
Social & Community - 12 donations	62,800	81,500
Overseas Poverty Relief - 2 donations	13,200	27,775
Arts & Culture - 5 donations	5,240	6,025
Education - 4 donations	29,860	32,000
Medical - 2 donations	20,500	10,000
Religious – 1 donation	1,000	-
	<u>197,600</u>	<u>227,300</u>

10 Analysis of charitable funds 2023

	Expendable Endowment Funds	Unrestricted Income Funds	Total Funds
	£	£	£
Analysis of fund movements:			
Balance b/fwd	4,902,770	-	4,902,770
Income	-	59,415	59,415
Expenditure	(28,925)	(203,775)	(232,700)
Gains/(losses)	379,960	-	379,960
Transfers between funds	(144,360)	144,360	-
	<u>5,109,445</u>	<u>-</u>	<u>5,109,445</u>

The Penchant Foundation

Notes to the accounts for the year ended 30 June 2023

10. Analysis of charitable funds (continued)

2022	Expendable Endowment Funds £	Unrestricted Income Funds £	Total Funds £
Analysis of fund movements:			
Balance b/fwd	5,867,948	-	5,867,948
Income	-	36,989	36,989
Expenditure	(27,810)	(242,358)	(270,168)
Transfers	(205,369)	205,369	-
Gains/(losses)	(731,999)	-	(731,999)
	<hr/>	<hr/>	<hr/>
Fund c/fwd	4,902,770	-	4,902,770
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

- a) The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment less amounts which have been transferred to the unrestricted funds for distribution. The trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the donor.

THE PENCHANT FOUNDATION

England & Wales - Charity number 1188402

Accounts

**The Penchant Foundation
Dated 6 March 2020
(Charity Commission No 1188402)**

**Trustees' Annual Report and
Financial Statements
for the year ended 30 June 2022**

**Mercer
& Hole** | Trustees

The Penchant Foundation

Dated 6 March 2020

Trustees' Annual Report for the year ended 30 June 2022

The trustees present their annual report and financial statements of the charity for the year ended 30 June 2022. The financial statements 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 published in October 2019.

Reference and Administrative details

Name of Charity:	The Penchant Foundation Charity No. 1188402
Trustees:	Sir Charles Chadwyck-Healey Catherine Davies Lady Angela Mary Chadwyck-Healey Faith Miller Edward Alexander Chadwyck-Healey
Principal Office Address:	5 Madingley Road Cambridge CB3 0EE
Bankers:	Natwest Bank 21 Petty Cury Cambridge CB2 3NE
Investment Managers:	Brown Advisory 6-10 Bruton Street London W1J 6PX
Accountants:	Mercer & Hole Trustees Ltd 72 London Road St Albans, Hertfordshire AL1 1NS
Independent Examiner:	Steve Robinson Mercer & Hole LLP 72 London Road St Albans, Hertfordshire AL1 1NS

Structure, Governance and Management

Settlers:	Sir Charles Chadwyck-Healey Lady Angela Mary Chadwyck-Healey
Governing Document:	The principal governing document is a trust deed dated 6 March 2020. The trust is a private charitable trust controlled by its trustees. Power of appointment of additional trustees lies with the existing trustees, who are the original trustees. No additional trustees have been recruited since the inception of the charity and it is not considered that any additional trustees are required at present. The trustees are permitted to appoint income or capital to beneficiaries in the course of meeting the fund's purpose.

The Penchant Foundation

Dated 6 March 2020

Trustees' Annual Report

for the year ended 30 June 2022

Investment Objectives: The Foundation seeks to produce the best financial return within an acceptable level of risk.

The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the Foundation to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% of the average value of the assets over the prior three years.

The Foundation adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that if in any one year the total return is insufficient to meet the budgeted grant-making expenditure, in the long term the real value of the Foundation will still be maintained in accordance with the investment objective above.

Objectives and activities

Objectives of the Charity: The charitable objectives of the Charity are to advance such charitable purposes (according to the law of England and Wales) as the Charity trustees from time to time see fit.

The Charity intends to carry out its purpose by making grants.

The Charity is governed by the charity trustees of the Charity ("the trustees") who have a duty, acting at all times in the best interests of the Charity, to apply the Charity's assets to advance the objects and have ultimate responsibility for all grant-making decisions.

The number of projects and activities which can be supported is limited by the amount of funds available for distribution.

The priorities for funding over the next year will be the making of grants to organisations that submit an application to the Charity (such applications may be by invitation).

Public Benefit: The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's aims and objectives and in setting the grant-making policy for the year.

Risk:

Attitude to risk: The Foundation relies on the investment return to fund grant-making. However, grants are generally one-off awards and the number and value of these may vary depending on circumstances. The key risk to the long-term sustainability of the Foundation is inflation, and the assets should be invested to mitigate this risk over the long term. The trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The trustees are able to tolerate volatility of the capital value of the Foundation, as long as the Foundation is able to meet its short-term grant making commitments through either income or liquid capital assets.

The Penchant Foundation

Dated 6 March 2020

Trustees' Annual Report

for the year ended 30 June 2022

Assets:	<p>The Foundation's assets can be invested widely and should be diversified by asset class, by manager and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities, property and any other asset that is deemed suitable for the Foundation.</p>
Currency:	<p>The base currency of the investment portfolio is Sterling.</p> <p>Investment may be made in non-Sterling assets, but should not exceed 50% of the total investment portfolio value.</p> <p>Hedging is permitted.</p>
Credit:	<p>The Foundation's cash balances should be deposited with institutions with a minimum rating of A-or invested in a diversified money market fund.</p> <p>Bond exposure should be predominantly focused on investment grade issuers.</p>
Liquidity Requirements:	<p>The Foundation aims to distribute grants of between £150k and £200k per annum. This can be funded from both income and capital.</p> <p>The Trustees wish to keep at least 70% of the assets in investments that can be realised within three months.</p> <p>To allow for volatility of capital values, the trustees wish to maintain at least 3 years' worth of budgeted grant-making in cash or lower risk liquid investments.</p> <p>A minimum of 2% of the total assets should be kept in cash or near cash investments at all times.</p>
Time Horizon:	<p>The Foundation is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure this sustainability.</p> <p>The Foundation can adopt a long term investment time horizon.</p>
Management, Reporting and Monitoring:	<p>The Investment Manager is required to produce a valuation and performance report quarterly. The Foundation has nominated a list of authorised signatories, two of which are required to sign instructions to the Investment Manager.</p> <p>The Trustees have responsibility for agreeing strategy and monitoring the investment assets. The Trustees meet at least annually to review the portfolio, including an analysis of return, risk and asset allocation. Performance will be monitored against agreed market benchmarks, and against the investment objective of inflation plus 4% over the long term.</p>
Review of Activities:	<p>Grants totalling £227,300 were made in 2022 (2021: £269,196). The breakdown of the grants is shown in note 9 of the accounts. The trustees monitor their level of grant-making and are prepared to utilise capital for this purpose where needed.</p>
Financial Review:	<p>Total income was £36,989 (2021: £5,280,944 including the £4,201,796 donation received and £1,050,449 gift aid repayment) with expenditure amounting to £270,168 (2021: £297,550). Net assets at the end of the year were £4,902,770 (2021: £5,867,948).</p>

The Penchant Foundation

Dated 6 March 2020

Trustees' Annual Report for the year ended 30 June 2022

- Reserves:** The policy of the trustees is to aim to distribute all the income as it arises to charities each year and not to accumulate reserves. They use their discretion to distribute from capital from time to time.
- Plans for future periods:** The trustees short-term and long-term objectives are to continue to make grants in accordance with their grant making policy. The trustees aim to utilise the unrestricted and endowment funds to achieve this objective.
- The trustees plans are to release funds from the endowment fund and the Charity intends to carry out its purposes by making grants.
- Approval and review:** This Investment Policy Statement was prepared by the Trustees of the Penchant Foundation to provide a framework for the management of its investment assets. It will be reviewed on an annual basis to ensure continuing appropriateness.

Respective responsibilities of trustees:

Accounting Guidelines: 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 & 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:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP 2019 (FRS102);
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) 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 Statement of Recommended Accounting Practice: Accounting and Reporting by Charities (SORP 2019) UK Accounting Standards, the Charities Act 2011 and trust deed. 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.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Trust Deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Signed:
on behalf of the trustees

Date:

Independent examiner's report to the Trustees of the Penchant Foundation

I report to the trustees on my examination of the accounts of the charity for the year ended 30 June 2022, which are set out on pages 1 to 13.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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 accounts do not accord with those records; or
3. the accounts 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.

Signed:

Steve Robinson FCA
Mercer & Hole LLP
72 London Road
St Albans
Herts
AL1 1NS

Date:

The Penchant Foundation
Dated 6 March 2020

Statement of Financial Activities
for the year ended 30 June 2022

		2022		2021
	Note	Expendable Endowment Funds £	Unrestricted Income Funds £	Total £
Income and endowments:				
Investment income	3	-	36,564	36,564
Other income	6	-	425	425
Donations and legacies		-	-	-
Total income		<u>-</u>	<u>36,989</u>	<u>36,989</u>
Expenditure on:				
Costs of raising funds	4	27,810	-	27,810
Charitable activities	5	-	242,358	242,358
Total expenditure		<u>27,810</u>	<u>242,358</u>	<u>270,168</u>
Net income/(expenditure) before net gains/(losses) on investments		(27,810)	(205,369)	(233,179)
Net gains/(losses) on currency exchange		-	-	-
Net gains/(losses) on investments		<u>(731,999)</u>	<u>-</u>	<u>(731,999)</u>
Net income/(expenditure)		(759,809)	(205,369)	(965,178)
Transfer between funds		<u>(205,369)</u>	<u>205,369</u>	<u>-</u>
Net movement in funds		(965,178)	-	(965,178)
Reconciliation of funds				
Total funds brought forward		<u>5,867,948</u>	<u>-</u>	<u>5,867,948</u>
Total funds carried forward		<u>4,902,770</u>	<u>-</u>	<u>4,902,770</u>

The Penchant Foundation
Dated 6 March 2020

Balance sheet
30 June 2022

		2022			2021
		Expendable Endowment Funds	Unrestricted Income Funds	Total	Total
	Note	£	£	£	£
Fixed assets					
Investments at market value	2	4,587,281	-	4,587,281	5,349,228
Current assets					
Investment managers' bank accounts		226,411	-	226,411	187,487
NatWest bank accounts		97,478	12,720	110,198	339,184
Gift Aid repayment due		-	-	-	449
		<u>323,889</u>	<u>12,720</u>	<u>336,609</u>	<u>527,120</u>
Liabilities					
Creditors: amounts falling due within one year					
Accountants' charges		7,200	10,320	17,520	7,200
Independent examiners' remuneration		<u>1,200</u>	<u>2,400</u>	<u>3,600</u>	<u>1,200</u>
		<u>8,400</u>	<u>12,720</u>	<u>21,120</u>	<u>8,400</u>
Net current assets/(liabilities)		<u>315,489</u>	<u>-</u>	<u>315,489</u>	<u>518,720</u>
Net assets		<u>4,902,770</u>	<u>-</u>	<u>4,902,770</u>	<u>5,867,948</u>
Allocation of the charity net assets:					
The net assets are held for the various funds as follows:-					
Expendable endowment funds	10	<u>4,902,770</u>	<u>-</u>	<u>4,902,770</u>	<u>5,867,948</u>
Unrestricted income funds	10	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charity funds		<u>4,902,770</u>	<u>-</u>	<u>4,902,770</u>	<u>5,867,948</u>

Approved by the trustees on 2023 and signed on their behalf by

..... Trustee

The Penchant Foundation
Dated 6 March 2020

Statement of Cash Flows
for the year ended 30 June 2022

	Note	Total Funds 2022 £	Total Funds 2021 £
Net cash used in operating activities	8	(256,999)	(287,805)
Cash flows from investing activities:			
Dividends and interest from investments		36,564	28,699
Proceeds from sale of investments		319,948	534,595
Purchase of investments		(290,000)	(5,001,063)
Other income		425	1,050,449
Net cash provided by investing activities		<u>66,937</u>	<u>(3,387,320)</u>
Cash flows from financing activities:			
Donations and legacies		-	4,201,796
Net cash provided by financing activities		-	4,201,796
Change in cash and cash equivalents in the reporting period		(190,062)	526,671
Cash and cash equivalents brought forward		<u>526,671</u>	<u>-</u>
Cash and cash equivalents carried forward		<u>336,609</u>	<u>526,671</u>
Representing:			
Investment managers' accounts		226,411	187,487
Charity's bank account		110,198	339,184
		<u>336,609</u>	<u>526,671</u>

Notes to the accounts
for the year ended 30 June 2022

1. Accounting policies

a) Basis of preparation

The accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland issued in October 2019; the Charities Act 2011 and UK Generally Accepted Practice. The trust constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have therefore necessarily departed from the extant 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: Accounting and Reporting by Charities applicable to charities preparing their financial statements in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, rather than the Statement of Recommended Practice: Accounting and Reporting by Charities effective from 1 April 2005, which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention.

b) 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.

c) Fund accounting

The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the donor.

d) Grants payable

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities. Grants which have been promised subject to satisfactory performance are not included until payable.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

f) Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

g) Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the Statement of Financial Activities.

The Penchant Foundation
Dated 6 March 2020

Notes to the accounts
for the year ended 30 June 2022

1. Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes costs of exhibitions and other educational activities undertaken to further the purposes of the charity
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Debtors

Trade and other debtors are recognized at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts offered.

j) Cash and cash equivalents

Cash and cash equivalents includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions are recognized when 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 or estimated reliably.

Creditors and provisions are normally recognized at their settlement amount after allowing for any discounts due.

l) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Fixed asset investments

	2022	2021
	£	£
Market value at 30 June 2021	5,349,228	-
Additions	290,000	5,001,063
Disposals	(319,948)	(534,595)
Net investment gains / (losses)	(731,999)	882,760
Market value at 30 June 2022	<u>4,587,281</u>	<u>5,349,228</u>
Historical cost at 30 June 2022	<u>4,511,194</u>	<u>4,541,194</u>

3. Investment income

	2022	2021
	£	£
Dividends and interest received	<u>36,564</u>	<u>28,699</u>

4. Cost of raising funds

	2022	2021
	£	£
Investment management charges	<u>27,810</u>	<u>16,538</u>

The investment management costs are all attributable to endowment funds.

The Penchant Foundation
Dated 6 March 2020

Notes to the accounts
for the year ended 30 June 2022

5. Charitable activities

	2022	2021
	£	£
Charitable activities	<u>242,358</u>	<u>281,012</u>

The breakdown of charitable activities is as follow:

	2022	2021
	£	£
Grants - note 9	<u>227,300</u>	<u>269,196</u>
Donations - Chadwyck-Healey Liberation Collection 1944-1946	<u>1,088</u>	<u>1,796</u>

Governance costs

	2022	2021
	£	£
Accountants' charges	10,320	8,820
Independent Examination charges	2,400	1,200
Fee for logo design & guideline	<u>1,250</u>	<u>-</u>
	<u>13,970</u>	<u>10,020</u>

The charity undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities.

Total charitable activities	<u>242,358</u>	<u>281,012</u>
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6. Other income

	2022	2021
	£	£
Investment managers gross interest	223	-
Compensation from Natwest	200	-
Gift aid	-	1,050,449
Repayment interest	<u>2</u>	<u>-</u>
	<u>425</u>	<u>1,050,449</u>

7. Trustees remuneration and expenses

During the year, no trustees were reimbursed travel and trustees meeting expenses. Trustees' remuneration was nil.

8. Reconciliation of net movement in funds to net cash flow from operating activities

	2022	2021
	£	£
Net movement in funds	(965,178)	5,867,948
Deduct interest income shown in investing activities	(36,989)	(1,079,148)
Deduct donation receipts shown in financing activities	-	(4,201,796)
(Deduct gains)/ add back losses on investments	731,999	(882,760)
Decrease (increase) in debtors	449	(449)
Increase (decrease) in creditors	<u>12,720</u>	<u>8,400</u>
Net cash used in operating activities	<u>(256,999)</u>	<u>(287,805)</u>

9. Grants made

	2022	2021
	£	£
Arthur Rank Hospice Charity	10,000	5,000
Birdlife International	20,000	-
British Trust for Ornithology	10,000	-
Britten Pears Arts	2,500	-
Cam Valley Forum	5,000	-
Cambridge Citizens Advice (CAB)	<u>20,000</u>	<u>5,000</u>
	<u>67,500</u>	<u>10,000</u>

The Penchant Foundation
Dated 6 March 2020

Notes to the accounts
for the year ended 30 June 2022

9. Grants made (continued)

b/f	67,500	10,000
Cambridge Arts Theatre	975	-
Cambridge Literary Festival	1,200	-
Centre33	50,000	-
Clock Tower Sanctuary	3,000	3,000
Fauna & Flora Intl	10,000	-
Feeding Families	2,500	-
Fitzwilliam Museum	1,350	-
FNL Honresfield	20,000	-
Grant to individual to support studies	15,000	-
Grant to individual to support studies	2,000	-
Makhad Trust	5,000	-
New Orford Town Trust	-	250,023
New Orford Town Trust (legal advice)	-	2,673
Open Trust	5,000	-
Resurgo Trust	1,000	1,000
RSPB	10,000	-
Smart Works	1,000	1,000
UK Men's Sheds Association	2,500	-
University of Cambridge (Library)	10,000	-
University of Cambridge (Kettle's Yard)	2,775	-
VICS in the Community	1,500	1,500
Wildlife Trust for Bedfordshire, Cambridgeshire & Northamptonshire	15,000	-
	<u>227,300</u>	<u>269,196</u>

The grants above are categorised as below:

	2022	2021
	£	£
Biodiversity and Conservation - 6 donations	70,000	-
Social & Community - 8 donations	81,500	264,196
Overseas Poverty Relief - 3 donations	27,775	-
Arts & Culture - 5 donations	6,025	-
Education - 4 donations	32,000	-
Medical - 1 donation	10,000	5,000
	<u>227,300</u>	<u>269,196</u>

10. Analysis of charitable funds

2022	Expendable Endowment Funds	Unrestricted Income Funds	Total Funds
	£	£	£
Analysis of fund movements			
Balance b/fwd	5,867,948	-	5,867,948
Income	-	36,989	36,989
Expenditure	(27,810)	(242,358)	(270,168)
Foreign exchange gains/(losses)	-	-	-
Gains/(losses)	(731,999)	-	(731,999)
Transfers between funds	(205,369)	205,369	-
Fund c/fwd	<u>4,902,770</u>	<u>-</u>	<u>4,902,770</u>

The Penchant Foundation
Dated 6 March 2020

Notes to the accounts
for the year ended 30 June 2022

10. Analysis of charitable funds (continued)

2021	Expendable Endowment Funds £	Unrestricted Income Funds £	Total Funds £
Analysis of fund movements			
Balance b/fwd	-	-	-
Income	5,280,944	-	5,280,944
Expenditure	(297,550)	-	(297,550)
Transfers	1,794	-	1,794
Gains/(losses)	882,760	-	882,760
Fund c/fwd	<u>5,867,948</u>	<u>-</u>	<u>5,867,948</u>

- a) The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the donor.

THE PENCHANT FOUNDATION

England & Wales - Charity number 1188402

Accounts

**The Penchant Foundation
Dated 6 March 2020
(Charity Commission No 1188402)**

**Trustees' Annual Report and
Financial Statements
for the period from 6 March 2020
to 30 June 2021**

The Penchant Foundation

Dated 6 March 2020

Trustees' Annual Report

for the period from 6 March 2020 to 30 June 2021

The trustees present their annual report and financial statements of the charity for the period from 6 March 2020 to 30 June 2021. The financial statements 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 published in October 2019.

Reference and Administrative details

Name of Charity:	The Penchant Foundation Charity No. 1188402
Trustees:	Sir Charles Chadwyck-Healey (Appointed 6 March 2020) Catherine Davies (Appointed 6 March 2020) Lady Angela Mary Chadwyck-Healey (Appointed 6 March 2020) Faith Miller (Appointed 6 March 2020) Edward Alexander Chadwyck-Healey (Appointed 6 March 2020)
Principal Office Address:	5 Madingley Road Cambridge CB3 0EE
Bankers:	Natwest Bank 21 Petty Cury Cambridge CB2 3NE
Investment Managers:	Brown Advisory 6-10 Bruton Street London W1J 6PX
Accountants:	Mercer & Hole Trustees Ltd 72 London Road St Albans, Hertfordshire AL1 1NS
Independent Examiner:	Steve Robinson Mercer & Hole 72 London Road St Albans, Hertfordshire AL1 1NS

Structure, Governance and Management

Settlor:	Sir Charles Chadwyck-Healey
Governing Document:	The principal governing document is a trust deed dated 6 March 2020. The trust is a private charitable trust controlled by its trustees. Power of appointment of additional trustees lies with the existing trustees, who are the original trustees. No additional trustees have been recruited since the inception of the charity and it is not considered that any additional trustees are required at present. The trustees are permitted to appoint income or capital to beneficiaries in the course of meeting the fund's purpose.

The Penchant Foundation

Dated 6 March 2020

Trustees' Annual Report

for the period from 6 March 2020 to 30 June 2021

Governing Document (continued):

Power of appointment of additional trustees lies with the trustees. The trustees are permitted to appoint income or capital to beneficiaries in the course of meeting the fund's purpose.

Investment Objectives:

The Foundation seeks to produce the best financial return within an acceptable level of risk.

The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the Foundation to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% of the average value of the assets over the prior three years.

The Foundation adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that if in any one year the total return is insufficient to meet the budgeted grant-making expenditure, in the long term the real value of the Foundation will still be maintained in accordance with the investment objective above.

Objectives and activities

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

The Charity intends to carry out its purpose by making grants.

The Charity is governed by the charity trustees of the Charity ("the Trustees") who have a duty, acting at all times in the best interests of the Charity, to apply the Charity's assets to advance the objects and have ultimate responsibility for all grant-making decisions.

The number of projects and activities which can be supported is limited by the amount of funds available for distribution.

The priorities for funding over the next year will be the making of grants to organisations that submit an application to the Charity (such applications may be by invitation).

Public benefit:

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's aims and objectives and in setting the grant-making policy for the year.

Risk:

Attitude to risk:

The Foundation relies on the investment return to fund grant-making. However, grants are generally one-off awards and the number and value of these may vary depending on circumstances. The key risk to the long-term sustainability of the Foundation is inflation, and the assets should be invested to mitigate this risk over the long term. The trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The Penchant Foundation

Dated 6 March 2020

Trustees' Annual Report

for the period from 6 March 2020 to 30 June 2021

Attitude to risk (continued):

The trustees are able to tolerate volatility of the capital value of the Foundation, as long as the Foundation is able to meet its short-term grant making commitments through either income or liquid capital assets.

Assets:

The Foundation's assets can be invested widely and should be diversified by asset class, by manager and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities, property and any other asset that is deemed suitable for the Foundation.

Currency:

The base currency of the investment portfolio is Sterling.

Investment may be made in non-Sterling assets, but should not exceed 50% of the total investment portfolio value.

Hedging is permitted.

Credit:

The Foundation's cash balances should be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund.

Bond exposure should be predominantly focused on investment grade issuers.

Liquidity Requirements:

The Foundation aims to distribute grants of between £150k and £200k per annum. This can be funded from both income and capital.

The Trustees wish to keep at least 70% of the assets in investments that can be realised within three months.

To allow for volatility of capital values, the trustees wish to maintain at least 3 years worth of budgeted grant-making in cash or lower risk liquid investments.

A minimum of 2% of the total assets should be kept in cash or near cash investments at all times.

Time Horizon:

The Foundation is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure this sustainability.

The Foundation can adopt a long term investment time horizon.

Management, Reporting and Monitoring:

The Investment Manager is required to produce a valuation and performance report quarterly. The Foundation has nominated a list of authorised signatories, two of which are required to sign instructions to the Investment Manager.

The Trustees have responsibility for agreeing strategy and monitoring the investment assets. The Trustees meet at least annually to review the portfolio, including an analysis of return, risk and asset allocation. Performance will be monitored against agreed market benchmarks, and against the investment objective of inflation plus 4% over the long term.

Review of activities:

Grants totalling £269,196 were made in the period. The breakdown of the grants is shown in note 8 of the accounts. The trustees monitor their level of grant-making and are prepared to utilise capital for this purpose where needed.

The Penchant Foundation

Dated 6 March 2020

Trustees' Annual Report

for the period from 6 March 2020 to 30 June 2021

Plans for future periods: The trustees short-term and long-term objectives are to continue to make grants in accordance with their grant making policy. The trustees aim to utilise the unrestricted and endowment funds to achieve this objective.

The trustees plans are to release funds from the endowment fund and the Charity intends to carry out its purposes by making grants.

Approval and review: This Investment Policy Statement was prepared by the Trustees of the Penchant Foundation to provide a framework for the management of its investment assets. It will be reviewed on an annual basis to ensure continuing appropriateness.

Respective responsibilities of trustees:

Accounting Guidelines: 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).

Respective responsibilities of trustees (continued)

The law applicable to charities in England & 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:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP 2019 (FRS102);
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) 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 Statement of Recommended Accounting Practice: Accounting and Reporting by Charities (SORP 2019) UK Accounting Standards, the Charities Act 2011 and trust deed. 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.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Trust Deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

Signed:

on behalf of the trustees

Date:

.....

Independent examiner's report to the Trustees of the Penchant Foundation

I report to the trustees on my examination of the accounts of the charity for the period from 6 March 2020 to 30 June 2021, which are set out on pages 6 to 12.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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 accounts do not accord with those records; or
3. the accounts 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.

Signed:

Steve Robinson FCA
Mercer & Hole
72 London Road
St Albans
Herts
AL1 1NS

Date:

The Penchant Foundation
Dated 6 March 2020

Statement of Financial Activities
for the period from 6 March 2020 to 30 June 2021

		2021	
		Endowment Funds	Total
	Note	£	£
Income and endowments:			
Investment income	3	28,699	28,699
Other income	5	1,050,449	1,050,449
Donations and legacies		<u>4,201,796</u>	<u>4,201,796</u>
Total income		<u>5,280,944</u>	<u>5,280,944</u>
Expenditure on:			
Costs of raising funds		16,538	16,538
Charitable activities	4	<u>281,012</u>	<u>281,012</u>
Total expenditure		<u>297,550</u>	<u>297,550</u>
Net income/(expenditure) before net gains/(losses) on investments			
		4,983,394	4,983,394
Net gains/(losses) on currency exchange		1,794	1,794
Net gains/(losses) on investments		<u>882,760</u>	<u>882,760</u>
Net income/(expenditure)		5,867,948	5,867,948
Transfer between funds		<u>-</u>	<u>-</u>
Net movement in funds		5,867,948	5,867,948
Reconciliation of funds			
Total funds brought forward		<u>-</u>	<u>-</u>
Total funds carried forward		<u>5,867,948</u>	<u>5,867,948</u>

The Penchant Foundation
Dated 6 March 2020

Balance sheet
30 June 2021

		2021	
		Endowment Funds	Total
	Note	£	£
Fixed assets			
Investments at market value	2	5,349,228	5,349,228
Current assets			
Investment managers' bank accounts		187,487	187,487
NatWest bank accounts		339,184	339,184
Gift Aid repayment due		449	449
		<u>527,120</u>	<u>527,120</u>
Liabilities			
Creditors: amounts falling due within one year			
Accountants' charges		7,200	7,200
Independent examiners' remuneration		1,200	1,200
		<u>8,400</u>	<u>8,400</u>
Net current assets/(liabilities)		<u>518,720</u>	<u>518,720</u>
Net assets		<u>5,867,948</u>	<u>5,867,948</u>
Allocation of the charity net assets:			
The net assets are held for the various funds as follows:-			
Expendable endowment	9	<u>5,867,948</u>	<u>5,867,948</u>
Total charity funds		<u>5,867,948</u>	<u>5,867,948</u>

Approved by the trustees on 2022 and signed on their behalf by

..... Trustee

The Penchant Foundation
Dated 6 March 2020

Statement of Cash Flows
for the period from 6 March 2020 to 30 June 2021

	Note	Total Funds 2021 £
Net cash used in operating activities	7	(287,805)
Cash flows from investing activities:		
Dividends and interest from investments		28,699
Proceeds from sale of investments		534,595
Purchase of investments		(5,001,063)
Other income		<u>1,050,449</u>
Net cash provided by investing activities		<u>(3,387,320)</u>
Cash flows from financing activities:		
Donations and legacies		<u>4,201,796</u>
Net cash provided by financing activities		4,201,796
Change in cash and cash equivalents in the reporting period		526,671
Cash and cash equivalents brought forward		-
Cash and cash equivalents carried forward		<u>526,671</u>
Representing:		
Investment managers' accounts		187,487
Charity's bank account		<u>339,184</u>
		<u>526,671</u>

The Penchant Foundation

Dated 6 March 2020

Notes to the accounts

for the period from 6 March 2020 to 30 June 2021

1. Accounting policies

a) *Basis of preparation*

The accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland issued in October 2019; the Charities Act 2011 and UK Generally Accepted Practice. The trust constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have therefore necessarily departed from the extant 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: Accounting and Reporting by Charities applicable to charities preparing their financial statements in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, rather than the Statement of Recommended Practice: Accounting and Reporting by Charities effective from 1 April 2005, which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention.

b) *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.

c) *Fund accounting*

The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the donor.

d) *Grants payable*

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities. Grants which have been promised subject to satisfactory performance are not included until payable.

e) *Expenditure*

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

f) Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

g) *Foreign exchange*

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the Statement of Financial Activities.

The Penchant Foundation

Dated 6 March 2020

Notes to the accounts

for the period from 6 March 2020 to 30 June 2021

1. Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes costs of exhibitions and other educational activities undertaken to further the purposes of the charity
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Debtors

Trade and other debtors are recognized at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts offered.

j) Cash and cash equivalents

Cash and cash equivalents includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions are recognized when 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 or estimated reliably.

Creditors and provisions are normally recognized at their settlement amount after allowing for any discounts due.

l) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Fixed asset investments

	2021
	£
Additions	5,001,063
Disposals	(534,595)
Net investment gains / (losses)	882,760
Market value at 30 June 2021	<u>5,349,228</u>
Historical cost at 30 June 2021	<u>4,541,194</u>

3. Investment income

Investment income of £28,699 was received during the year.

4. Charitable activities

	2021
	£
Charitable activities	<u>281,012</u>

The breakdown of charitable activities is as follow:

Grants - note 8	<u>269,196</u>
Donations - Chadwyck-Healey Liberation Collection 1944-1946 - note 8	<u>1,796</u>

The Penchant Foundation
Dated 6 March 2020

Notes to the accounts
for the period from 6 March 2020 to 30 June 2021

4. Charitable activities (continued)

Governance costs

Accountants' charges	8,820
Independent Examination charges	1,200
	<u>10,020</u>

The charity undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities.

Total charitable activities	<u>281,012</u>
------------------------------------	-----------------------

5. Other income
2021

	Endowment Funds	Total Funds
	£	£
Gift aid	<u>1,050,449</u>	<u>1,050,449</u>
	<u>1,050,449</u>	<u>1,050,449</u>

6. Trustees remuneration and expenses

During the year, no trustees were reimbursed travel and trustees meeting expenses. Trustees' remuneration was nil.

7. Reconciliation of net movement in funds to net cash flow from operating activities

	2021
	£
Net movement in funds	5,867,948
Deduct interest income shown in investing activities	(1,079,148)
Deduct donation receipts shown in financing activities	(4,201,796)
(Deduct gains)/ add back losses on investments	(882,760)
Decrease (increase) in debtors	(449)
Increase (decrease) in creditors	8,400
Net cash used in operating activities	<u>(287,805)</u>

8. Grants made

	2021
	£
Resurgo Trust	1,000
Smart Works	1,000
New Orford Town Trust	250,023
Clock Tower Sanctuary	3,000
VICS in the Community	1,500
New Orford Town Trust (legal advice)	2,673
Arthur Rank Hospice Charity	5,000
Cambridge Citizens Advice (CAB)	5,000
	<u>269,196</u>

The grants above are categorised as below:

	2021
	£
Social & Community	264,196
Medical	5,000
	<u>269,196</u>

The Penchant Foundation
Dated 6 March 2020

Notes to the accounts
for the period from 6 March 2020 to 30 June 2021

8. Grants made (continued)

Donations - Chadwyck-Healey Liberation Collection 1944-1946

Donations totalling £1,796.40 in relation to the Chadwyck-Healey Liberation Collection 1944-1946 at Cambridge University Library are included separately.

9. Analysis of charitable funds

2021	Endowment Funds	Total Funds
	£	£
Analysis of fund movements		
Balance b/fwd	-	-
Income	5,280,944	5,280,944
Expenditure	(297,550)	(297,550)
Foreign exchange gains/(losses)	1,794	1,794
Gains/(losses)	<u>882,760</u>	<u>882,760</u>
Fund c/fwd	<u>5,867,948</u>	<u>5,867,948</u>

- a) The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required. Any gifts made to the charity as additions to the endowment are treated as expendable endowment unless otherwise directed by the donor.

The Penchant Foundation
 Schedule of Investments and Income Period
 from 6th March 2020 to 30th June 2021

	Holding	Book Value £	Cost £	Proceeds £	Profit (Loss) £	Market Value 30/06/2021 £	Net Income £
Brown Advisory Funds							
US Mid Cap Growth B GBP Cap							
06/07/2020 Purchase	11,838.79090	150,279.78	150,279.78				
06/08/2020 Purchase	3,871.15840	49,803.98	49,803.98				
04/09/2020 Purchase	5,207.75620	70,734.61	70,734.61				
05/10/2020 Purchase	9,567.19820	129,961.25	129,961.25				
24/12/2020 Purchase	3,836.93050	59,089.65	59,089.65				
18/06/2021 Sale	(34,321.83420)	(459,869.27)		534,594.98	74,725.71		
	0.00000	0.00	459,869.27	534,594.98	74,725.71	0	0.00
Brown Advisory Funds							
Global Leaders M GBP Dis Hedged							
06/07/2020 Purchase	30,250.64820	350,000.00	350,000.00				
06/08/2020 Purchase	25,083.61200	300,000.00	300,000.00				
04/09/2020 Purchase	15,325.67050	200,000.00	200,000.00				
05/10/2020 Purchase	12,116.31660	150,000.00	150,000.00				
16/11/2020 Dividend - paid gross							1,034.70
24/12/2020 Purchase	10,924.98180	150,000.00	150,000.00				
	93,701.22910	1,150,000.00	1,150,000.00	0.00	0.00	1,454,243	1,034.70
Brown Advisory Funds							
Metropolis Value C GBP Dis							
08/07/2020 Purchase	14,807.50250	150,000.00	150,000.00				
07/08/2020 Purchase	14,822.13440	150,000.00	150,000.00				
08/09/2020 Purchase	13,979.49670	150,000.00	150,000.00				
06/10/2020 Purchase	13,979.49670	150,000.00	150,000.00				
16/11/2020 Dividend - paid gross							5,056.28

The Pentchant Foundation

Schedule of Investments and Income Period

from 6th March 2020 to 30th June 2021

	Holding	Book Value £	Cost £	Proceeds £	Profit (Loss) £	Market Value 30/06/2021 £	Net Income £
Brown Advisory Funds							
Metropolis Value C GBP Dis							
29/12/2020 Purchase	7,731.95880	90,000.00	90,000.00				
	65,320.58910	690,000.00	690,000.00	0.00	0.00	885,747	5,056.28
Brown Advisory Funds							
US Small Cap Blend C GBP Dis H							
06/08/2020 Purchase	13,086.15050	120,000.00	120,000.00				
04/09/2020 Purchase	6,224.06640	60,000.00	60,000.00				
05/10/2020 Purchase	6,493.50650	60,000.00	60,000.00				
16/11/2020 Dividend - paid gross							108.38
24/12/2020 Purchase	3,281.67730	36,000.00	36,000.00				
22/06/2021 Purchase	22,419.96740	281,818.99	281,818.99				
	51,505.36810	557,818.99	557,818.99	0.00	0.00	657,208	108.38
Carne Global Fund Managers(Lux) Sa							
Metwest Unconstrained Bond Ru-Qd Usd Dis							
07/07/2020 Purchase	57.22000	49,997.79	49,997.79				
06/08/2020 Purchase	79.20000	69,996.97	69,996.97				
07/09/2020 Purchase	45.01000	39,997.10	39,997.10				
06/10/2020 Purchase	45.40000	39,997.02	39,997.02				
07/10/2020 Interest - paid gross							1,363.45
08/01/2021 Interest - paid gross							1,705.99
09/04/2021 Interest - paid gross							1,711.83
	226.83000	199,988.88	199,988.88	0.00	0.00	202,692	4,781.27

The Pentchant Foundation
 Schedule of Investments and Income Period
 from 6th March 2020 to 30th June 2021

	Holding	Book Value £	Cost £	Proceeds £	Profit (Loss) £	Market Value 30/06/2021 £	Net Income £
Fidelity Funds							
Asian Smaller Cos Y Acc Nav							
07/08/2020 Purchase	3,237.56000	80,000.00	80,000.00				
08/09/2020 Purchase	3,960.40000	100,000.00	100,000.00				
06/10/2020 Purchase	2,305.03000	60,000.00	60,000.00				
29/12/2020 Purchase	1,227.83000	36,000.00	36,000.00				
	10,730.82000	276,000.00	276,000.00	0.00	0.00	369,247	0.00
Invesco Management Sa							
Bond C GBP Acc							
25/03/2021 Conversion in	7,216.15900	80,000.00	80,000.00				451.01
11/06/2021 Interest - paid gross							
	7,216.15900	80,000.00	80,000.00	0.00	0.00	80,405	451.01
Invesco Management Sa							
Bond Z GBP Qd Dis							
08/09/2020 Purchase	7,199.87800	80,000.00	80,000.00				
11/12/2020 Interest - paid gross							417.59
11/03/2021 Interest - paid gross							380.87
19/03/2021 Interest - paid gross							9.30
25/03/2021 Conversion out of SEDOL	(7,199.87800)	(80,000.00)		80,000.00			
	0.00000	0.00	80,000.00	80,000.00	0.00	0	807.76

The Penchant Foundation

Schedule of Investments and Income Period

from 6th March 2020 to 30th June 2021

	Holding	Book Value £	Cost £	Proceeds £	Profit (Loss) £	Market Value 30/06/2021 £	Net Income £
Lazard Fund Managers							
Global Listed Infrastructure Instl Inc							
07/08/2020 Purchase	6,097.74700	60,000.00	60,000.00				
09/09/2020 Purchase	6,050.88800	60,000.00	60,000.00				
07/10/2020 Purchase	4,155.11000	40,000.00	40,000.00				
15/10/2020 Dividend - paid gross							1,495.06
30/12/2020 Purchase	2,396.98000	24,000.00	24,000.00				
19/04/2021 Dividend - paid gross							1,811.07
23/06/2021 Purchase	6,263.43000	68,608.36	68,608.36				
	24,964.15500	252,608.36	252,608.36	0.00	0.00	270,197	3,306.13
Pimco Funds Global Investors Series							
Select UK Income Bond Instl Inc Nav							
06/07/2020 Purchase	7,920.79200	80,000.00	80,000.00				245.58
31/07/2020 Interest - paid gross							
06/08/2020 Purchase	8,823.52900	90,000.00	90,000.00				519.14
28/08/2020 Interest - paid gross							
07/09/2020 Purchase	5,836.57600	60,000.00	60,000.00				700.10
30/09/2020 Interest - paid gross							
06/10/2020 Purchase	8,823.52900	90,000.00	90,000.00				973.66
30/10/2020 Interest - paid gross							973.66
30/11/2020 Interest - paid gross							973.66
31/12/2020 Interest - paid gross							973.66
29/01/2021 Interest - paid gross							973.66
26/02/2021 Interest - paid gross							973.66
31/03/2021 Interest - paid gross							973.66
30/04/2021 Interest - paid gross							973.66
28/05/2021 Interest - paid gross							973.66
30/06/2021 Interest - paid gross							973.66
	31,404.42600	320,000.00	320,000.00	0.00	0.00	324,408	10,227.76

The Penchant Foundation

Schedule of Investments and Income Period

from 6th March 2020 to 30th June 2021

	Holding	Book Value £	Cost £	Proceeds £	Profit (Loss) £	Market Value 30/06/2021 £	Net Income £
Polar Capital Funds Plc							
Emerging Markets Stars S GBP Cap							
	07/07/2020 Purchase	80,000.00	80,000.00				
	07/08/2020 Purchase	40,000.00	40,000.00				
	08/09/2020 Purchase	60,000.00	60,000.00				
	06/10/2020 Purchase	60,000.00	60,000.00				
	30/12/2020 Purchase	36,000.00	36,000.00				
	27,708.48200	276,000.00	276,000.00	0.00	0.00	328,899	0.00
Royal London Asset Management							
Short Duration Credit Z GBP Dis							
	08/07/2020 Purchase	60,000.00	60,000.00				
	07/08/2020 Purchase	40,000.00	40,000.00				
	08/09/2020 Purchase	20,000.00	20,000.00				
	30/09/2020 Dividend - paid gross	(538.58)	(538.58)				501.77
	30/09/2020 Equalisation payment	40,000.00	40,000.00				
	06/10/2020 Purchase						
	31/03/2021 Dividend - paid gross	(748.64)	(748.64)				1,872.50
	31/03/2021 Equalisation payment						
	157,463.32720	158,712.78	158,712.78	0.00	0.00	162,660	2,374.27

The Penchant Foundation

Schedule of Investments and Income Period

from 6th March 2020 to 30th June 2021

	Holding	Book Value £	Cost £	Proceeds £	Profit (Loss) £	Market Value 30/06/2021 £	Net Income £
3i Infrastructure							
Ordinary No Par Value							
24/12/2020 Purchase	27,072	80,453.08	80,453.08				
22/06/2021 Purchase	27,715	83,611.87	83,611.87				
	54,787	164,064.95	164,064.95	0.00	0.00	163,265	0.00
Vanguard Investment Series							
Gbl Short Term Bond Index Hedged Inc Nav							
29/12/2020 Purchase	1,342.83000	140,000.00	140,000.00				293.79
14/01/2021 Interest - paid gross							257.76
14/04/2021 Interest - paid gross							551.55
	1,342.83000	140,000.00	140,000.00	0.00	0.00	138,860	551.55
Waystone Mgmt Co (Lux) S.A.(Lu)							
Rwc Nissay Japan Focus B GBP Acc Hgd							
Changed from Rwc Asset Management Llp Nissay Japan Focus B GBP Hdg on 22/03/2021							
07/07/2020 Purchase	519.15790	80,000.00	80,000.00				
11/09/2020 Purchase	607.14790	100,000.00	100,000.00				
09/10/2020 Purchase	344.91520	60,000.00	60,000.00				
07/01/2021 Purchase	184.41390	36,000.00	36,000.00				
	1,655.63490	276,000.00	276,000.00	0.00	0.00	311,397	0.00
TOTAL:		4,541,193.96	5,081,063.23	614,594.98	74,725.71	5,349,228	28,699.11