

SIR HALLEY STEWART TRUST

England & Wales · Charity number 208491

Details

Status Registered

Legal form Other

Registered 1963-01-28

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

Contact

Address The Trust Partnership Ltd
6 Trull Farm Buildings
Trull
Tetbury
GL8 8SQ

Phone 02081440375

Email email@sirhalleystewart.org.uk

Website www.sirhalleystewart.org.uk

Activities

Objects: TO ADVANCE RELIGION. TO ADVANCE EDUCATION. TO RELIEVE POVERTY. TO PROMOTE OTHER CHARITABLE PURPOSES BENEFICIAL TO THE COMMUNITY.

Activities: The Trust aims to promote and assist innovative research activities or pioneering developments (within certain priority areas) with a view to making such work self-supporting. It emphasises prevention rather than alleviation of human suffering. Full details of current funding priorities can be found on the Trust's website : www.sirhalleystewart.org.uk

Classification

- **How:** Makes Grants To Organisations, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives, Disability, Religious Activities, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,714,374	£1,631,629	£43,331,148	0
2024-03-31	£1,245,829	£1,645,505	£45,368,743	1
2023-03-31	£1,339,131	£1,446,252	£41,456,554	1
2022-03-31	£1,296,751	£1,658,806	£42,830,032	2
2021-03-31	£1,315,690	£1,320,850	£39,217,405	1

Trustees

Name	Role	Appointed
Sir Halley Stewart Trustee Ltd		2023-04-01

SIR HALLEY STEWART TRUST

England & Wales - Charity number 208491

Accounts

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

SIR HALLEY STEWART TRUST

CONTENTS

	Page
Reference and administrative details of the charity, its Trustee and advisers	1
Trustee's report	2 - 13
Independent auditors' report on the financial statements	14 - 17
Statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 - 39

SIR HALLEY STEWART TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025**

Corporate Trustee	Sir Halley Stewart Trustee Limited (company number 14486782)
Directors of the Corporate Trustee	<p>Mrs Theresa Bartlett BSc (Hons), (Chair)</p> <p>Dr Duncan Stewart MB, BS, D.Obst, COG, (President) (retired 20 February 2025)</p> <p>Ms Celia Atherton BA (Hons), CQSW, OBE (President) (appointed 20 February 2025)</p> <p>Mr Andrew Wauchope BA, FCISI, (Honorary Treasurer)</p> <p>Mrs Louisa Elder MA Cantab, (Vice Chair)</p> <p>Dr James Bunn MBBS, MSc, DTM&H, MRCP, FRCPCH</p> <p>Mr Jay Evans</p> <p>Ms Vivienne Evans OBE</p> <p>Ms Shemara Fletcher-Hoyte BA (Hons), MA</p> <p>Ms Kate Garbers</p> <p>Mr Andrew Graystone BA, PGCE, MA</p> <p>Mrs Amy Holcroft BA (Hons), Dip.Law (CPE), Dip.Law (LPC), CIPP/E</p> <p>Dr Judith Johnson, PhD, ClinPsyD, CPsychol</p> <p>Dr Mzwandile A Mabhala MFPH, FRSPH, FRSM</p> <p>Ms Christine Morgan MA Cantab</p> <p>Mr Hugh Richardson</p> <p>Revd Prof David Wilkinson BSc, PhD, MA, PhD, FRAS</p> <p>Prof John Wyatt FRCP, FRCPCH</p>
Charity registered number	208491
Principal office	<p>BM Sir Halley Stewart Trust</p> <p>London</p> <p>WC1N 3XX</p>
Management	<p>Ms Kate Danielson (Clerk)</p> <p>The Trust Partnership</p>
Independent auditors	<p>Peters Elworthy & Moore</p> <p>Chartered Accountants</p> <p>Statutory Auditor</p> <p>Salisbury House</p> <p>Station Road</p> <p>Cambridge</p> <p>CB1 2LA</p>
Bankers	<p>CAF Bank Limited</p> <p>25 Kings Hill Avenue</p> <p>King Hill</p> <p>West Malling</p> <p>Kent</p> <p>ME19 4JQ</p>
Investment Managers	<p>CCLA Investment Management Limited</p> <p>1 Angel Lane</p> <p>London</p> <p>EC4R 3AB</p>

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2025

CHAIR'S STATEMENT

During the 2024/25 year the Sir Halley Stewart Trust ('the Trust') celebrated its Centenary. Over the last 100 years, the Trust has given grants worth £29.5 million (about £75 million adjusted for inflation) across the Medical, Social and Religious themes.

Analysis has shown that many of these inspiring and innovative projects have been grouped into themes such as

- refugees, asylum and migration
- tropical and parasitic diseases
- the modern hospice movement
- integrated education in Northern Ireland from the 1980's to just after the Good Friday Agreement in 1998

The Trust also aims to spot and support talent and we have taken great pleasure in the success of our grantees and their projects and have been delighted to maintain and develop a longer-term relationship with many of them.

We have had many notable successes. However, we are also a Trust that is often a 'first funder' and are prepared to support under-funded causes so inevitably there are examples of projects that have not been successful. This too is part of our DNA.

Our Centenary events on October 9th 2024 were designed to celebrate 100 years of grant-making, and to honour Sir Halley Stewart and the history of the Trust. We launched our 100 Year Review (https://www.sirhalleystewart.org.uk/wp-content/uploads/2024/10/Sir_Halley_Stewart_Trust_100_Year_Review_Web.pdf) (an independent evaluation of the impact the of Trust's work over the past century) and the Outcomes and Impact Review (https://www.sirhalleystewart.org.uk/wp-content/uploads/2024/10/Sir_Halley_Stewart_Trust_Outcomes_Impact_Brochure_Web.pdf) (demonstrating the development of a bespoke, light-touch approach to evidencing impact and outcomes) along with a celebration of the Trust's key achievements. We hope these reports will encourage others (both grantees and grantors) to have a greater focus on evaluating the impact of their work. Our sincere thanks go to Helix Research and Evaluation and to our Evaluation sub-committee.

The Outcomes and Impact Review found that our funding not only made a direct and sustained difference in the short-term but also contributed to longer-term impacts. These include conceptual, capacity-building, attitudinal and instrumental changes which may continue for several years after the funded projects have completed. These findings validate our approach and enable us to move forward positively.

As part of the Centenary events, we also wanted to consider the current challenges and opportunities for grant-funders, communities and government. We were delighted that Irene Higginson (Professor of Palliative Care and Policy at KCL and Scientific Director at Cicely Saunders International), Elizabeth Oldfield (broadcaster, writer and lecturer, and former Director of Theos) and Enver Solomon (CEO of the Refugee Council) were kind enough to lead the discussion of these important areas.

We also held a Grantee reception to bring together grant holders since 2017 and those featured in the Centenary publications, current and former Trustees, Stewart family members and other special guests. We wanted to thank our grantees for all their wonderful work, to enable conversations between individuals with shared areas of interest and inspire potential partnerships or future areas of collaboration. We remain encouraged by the diversity of projects that we support and the innovation, expertise and commitment shown by our grantees. We are consistently impressed by the outcomes and impact of their projects, often achieved in very difficult circumstances.

We were pleased that the Centenary events highlighted some areas of special interest and concern to the Trust and showcased our broad approach to grant making. I would like to thank the Centenary Working Group for their hard work in producing such a thought-provoking, positive and exciting programme. We are very grateful to Fi Glover (broadcaster and writer who currently presents an afternoon show on Times Radio) for her help in hosting and facilitating the events so expertly.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

As part of our preparations for our Centenary, we previously held a Strategy Away Day. During this, discussions led us to thinking about how we could fund more proactively when considering who and how we fund. A decision was made to investigate how we could fund specific areas, projects and ideas that cut across our three themes. A group of trustees, the Moving Forward Group, has been working on developing an approach that we will be piloting alongside our normal funding streams. I was pleased to announce that next year the Trust will be actively funding social prescription work, working alongside organisations in the sector to ensure we learn from the experts about what is needed and consider how we can best add value.

During the year we have also launched our updated website (<https://www.sirhalleystewart.org.uk/>) which was designed to be as accessible and helpful to applicants as possible as well as showcasing the achievements of the Trust. We have also revised the format of the Report and Accounts with the aim of improving the clarity and usefulness of our reporting. Many thanks are due to the Working Group.

Alongside the Centenary events, we have continued our regular grant making programme and during the 2024/25 year, the Trust awarded 33 grants totalling £1,047,000 to leading research and development projects. The majority were from our Main Grants programme, with nine from the Small Grants Programme. My colleagues who chair the Medical, Religious and Social sub-committees report in the following pages on the funding awarded in their particular grant categories. As evidence of the increasing importance we attach to measuring the outcomes and impact of our grant making activities, the Evaluation sub-committee will also report on their ongoing work.

The Board continues to work to ensure that our administrative costs remain low. The largest of these are investment costs and this will be a focus for the Finance sub-committee in the coming year.

At our February Board meeting our President, Dr Duncan Stewart, retired after many years of service. As a great grandson of our founder, he has done much to maintain links to the original ethos and has written the definitive guide to Sir Halley: <https://www.sirhalleystewart.org.uk/wp-content/uploads/2024/09/Sir-Halley-Stewart-History-Booklet-by-Duncan-Stewart.pdf>. Trustees celebrated the huge contribution he has made to the Trust since 1986 (he is the only trustee who has also been a grantee, Vice-Chair, Chair and President) and all agreed that he has been a great pleasure to work with. John Wyatt, Chair of the Medical sub-committee, said that Duncan “encapsulates many of the virtues of this unusual Trust, in his humility, friendliness, genuine humanitarian purpose, openness to new ideas, humour and practicality”.

We are delighted that Celia Atherton, OBE, Chair of our Social sub-committee, has kindly agreed to take on this role. We value her clarity of thought and wealth of expertise and I very much look forward to working with her.

But arguably the most important ‘thank you’ is to our knowledgeable, collaborative and committed Directors. The Trust simply would not have achieved so much or so well without their involvement. It is a pleasure to work with them and the Trust owes them a huge debt of gratitude.

We have had an exceptionally busy and productive year celebrating our Centenary while also ensuring that our governance and processes are robust and resilient. We have modernised where appropriate and gone to great lengths to make sure that we are ‘fit for purpose’; this approach is ongoing. The Trust’s grant-making continues to be focussed on high quality and robust work which has the potential to make a difference to wider society both within the UK and internationally. We approach our next 100 years positively, confident that our work continues to have great relevance and that we will be able to rise to the many challenges ahead.

Theresa Bartlett

Theresa Bartlett
Chair of the Corporate Trustee

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

OVERVIEW

TRUSTEE'S ANNUAL REPORT

The Trustee presents its annual report together with the audited financial statements of the Sir Halley Stewart Trust (the Trust), for the year ended 31 March 2025. The Trustee confirms that the annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (second edition October 2019, effective 1 January 2019).

HISTORY AND ETHOS

Sir Halley Stewart was a Non-Conformist Christian Minister, a Member of Parliament, a pioneering industrialist and a philanthropist. In 1924, when he founded the Trust, he specified four objects: to advance religion and education, to relieve poverty and to promote other charitable purposes beneficial to the community. The mind of Christ is to be expressed in the prevention and removal of human misery and in the realisation of national and worldwide brotherhood. Sir Halley stated that he wished the Trustee to have the fullest discretion to apply the income of the Trust within its objects, though not for dogmatic theological purposes.

Until his death in 1937, Sir Halley continued to take a keen personal interest in the Trust and acted as Chairman of the Trustee 1924-33. A tradition of supporting medical research was established during this period. In 1933 Sir Halley put on record guidance for administration of the Trust. "It is primarily for research to prevent human suffering; not for its relief, and not for granting help to charitable institutions." The Trust's aims are promoting and assisting pioneer research activities with a view to making such work self-supporting at the earliest possible moment.

These founding principles led to the current grant strategy and the three themes of medical, social and religious grant-giving.

PUBLIC BENEFIT

Directors have considered the Charity Commission guidance on public benefit when making grants and considering grant-making policies. The intended and likely impact of all applications is considered both at sub-committee and at Board level before a grant is awarded and this is followed through in the monitoring and evaluation of each supported project. A summary of grant making in 2024-25 is set out below in the three reports by the sub-committee Chairs for each category.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Sir Halley Stewart Trust has the legal form of a charitable trust.

Its governing document is a Deed of Gift dated 15 December 1924, as amended by a deed of name change dated 21 October 1933, a deed of variation dated 21 October 1933, a Charity Commission scheme dated 11 October 1978, a Charity Commission scheme dated 21 July 1997, a Charity Commission scheme dated 24 March 2023 and a trustee resolution dated 23 March 2023 which became effective on 1 April 2023. Together these documents form the Trust Deed.

The objects of the Trust are, in general:

1. to advance Christian religion;
2. to advance education;
3. to relieve poverty; and
4. to promote other charitable purposes beneficial to the community.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

The Trust's Deed of Gift gives three principles to which the Directors should have regard in administering the Trust income:

1. "to furthering for every individual such favourable opportunities of education, service and leisure as shall enable him or her most perfectly to develop the body, mind and spirit;
2. in all social life whether domestic, industrial or national, to securing a just environment; and
3. in international relationships to fostering good will between all races, tribes, peoples and nations as to secure the fulfilment of hope of 'Peace on Earth'."

There have been no changes in the objectives since the last annual report.

The sole Trustee of the Trust is Sir Halley Stewart Trustee Limited, a company limited by guarantee (registration number 14486782), whose registered office is The Trust Partnership, 6 Trull Farm Buildings, Tetbury, Gloucestershire GL8 8SQ. It is a non-trading company. The Trustee is governed by its memorandum and articles of association. The Directors of the Corporate Trustee are listed above, on page 1.

DECISION MAKING

The Corporate Trustee, known as Sir Halley Stewart Trustee Limited, was appointed as Trustee on 1 April 2023 and is governed by Articles of Association. Its sole purpose is to act as the corporate trustee for the Sir Halley Stewart Trust.

The Board of the corporate trustee must consist of a minimum of five trustees/directors and must use reasonable endeavours to procure two members of the Stewart family to act as Directors at any one time. All Directors serve an initial term of five years and can be reappointed. A formal recruitment process follows a skills audit with an induction programme provided for all new Directors. Training is provided as needed.

The Corporate Trustee is responsible for all major policy decisions and for approving strategy and objectives. The Board of Directors meets three times a year to approve grants, receive reports and conduct the business of the Trust. The sub-committees are Medical, Religious, Social, Evaluation, and Finance, each of which reports to, and advises, the Board on its areas of responsibility. The Chair is elected by the Directors and sits as a member of all sub-committees. The Honorary Treasurer oversees the financial records of the Trust, presents financial reports at Director meetings, together with the Annual Accounts, and Chairs the Finance sub-committee.

Directors are volunteers. They give their time freely and, during the course of the year, no Director received remuneration.

Day-to-day management and administration, including grants assessment and management, is outsourced to The Trust Partnership under a service contract. The appointment of the Clerk is delegated to The Trust Partnership. The service contract is reviewed annually.

GRANT MAKING POLICY AND PROCEDURE

The Trust provides grants to support innovative and pioneering Medical, Religious and Social projects to enable human flourishing and to prevent suffering in line with the founder's wishes. The Trust funds a wide range of organisations to achieve this goal, with grants of one to three years in duration and up to circa £60,000 per project (with a £30,000 limit per year), although in exceptional cases up to £80,000 may be considered. The Trust is underpinned by Christian values but welcomes applications from other faith and non-faith projects. Sub-committees meet regularly to consider Medical, Religious and Social grant-making policies and criteria. In 2023, a change was made to the criteria for Social projects, restricting applications to service-delivery charitable organisations, with an annual income up to £3 million. The new criteria were reviewed this year and a decision was taken that they would remain in place for the future. This change ensures that applicants have the same chance of success as for the two other two themes.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Grants are usually in the form of salary contributions to support innovative and imaginative people — often promising young researchers — with whom Directors can develop a direct relationship. Sometimes a contribution towards the expenses of a project is given. In general, the Trust does not favour grant-giving to enable the completion of a project initiated by other bodies.

The Trust's new website (www.sirhalleystewart.org.uk) sets out the process by which it selects successful applicants; provides clear application criteria; and gives examples of previous grants. During the year, a new Eligibility Checker was introduced. This has significantly reduced the number of ineligible and unsuitable projects without wasting the valuable time and resources of the applicants themselves and the Trust. However, the Trust is still very over-subscribed with applications and so the assessment and grant awards process remains extremely competitive.

The Trust has several assessment phases in each grant round. Unsuccessful applicants are sent a decline notification, explaining the reason for rejection. Projects judged as possibly suitable for a grant within the budgetary limit are considered by members of the Trust's sub-committees, using their specialised knowledge. At this stage queries and possible modifications of the application are dealt with by personal contact with the applicant, either by the Grants Assessor or by individual Directors. Final Main Grant decisions are made at Board meetings by all Directors, after detailed and informed discussion. Small Grant awards, to a maximum of £5,000, may be made throughout the year by Director consensus.

One of the key requirements of the Trust is the wide-scale dissemination of the findings of funded projects. The Trust welcomes future applications from projects which can achieve this level of sustainability, reach and impact.

ACHIEVEMENTS AND PERFORMANCE

Directors review their performance each year on the basis of the following objectives:

1. To fund a range of innovative research and development projects across Medical, Religious and Social themes.

The grants agreed this year are outlined below by the three Chairs of the sub-committees. They highlight key themes and trends in the applications received and illustrate the breadth and range of proposals with a sample of grants awarded. They also summarise how the Trust's objects and ethos have been challenged and met in the process. Key achievements and any specific plans for the coming year are included.

2. To manage existing grants effectively.

The Grants Assessor, supported by the administrative team at The Trust Partnership, manages the grants day-to-day and reports on progress at Board meetings. Interim reports and final grant reports are reviewed by the Grants Assessor and by the lead Director for each grant and concern raised if required. Directors attend events hosted by grantees where possible and seek to maintain an on-going relationship with researchers and grantees as appropriate.

3. To maintain and develop the ongoing operations of the Trust.

This has been the first full year when existing grants and the operations of the Trust have been managed exclusively by The Trust Partnership. The handover was carefully managed and the relationship is working well. During this period, a Board Skills Audit and a Board Diversity Audit were carried out and equity, diversity and inclusion training was offered to all Directors. The results of both audits will inform recruitment of new Directors.

The Financial Review below gives an explanation of the finances and investment performance over the past year.

GRANTS

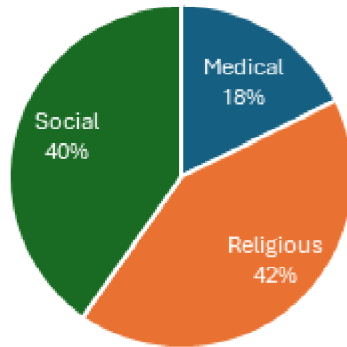
A list of the major grants committed by the Trust during the financial year is set out in note 6 of the Accounts.

SIR HALLEY STEWART TRUST

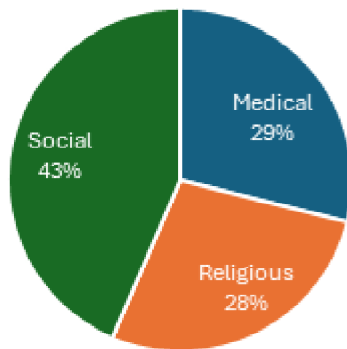
**TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

The breakdown of grants by programme area for the year is shown below, with the breakdown from the previous year, 2023-24 underneath.

Breakdown of grants by programme area
2024-25



Breakdown of grants by programme area
2023-24



Medical grants – Professor John Wyatt (Chair of sub-committee)

In 2024/25, the Trust awarded £194,000 in grant funding to nine projects under our Medical theme.

This year was notable in that over half of the funding was for international projects. Among these were two initiatives in Sierra Leone: one focused on expanding palliative care by training national staff to deliver teaching and mentoring at the government teaching hospital, and to empower healthcare professionals across the country; and another supporting the development of the new Paediatric Association of Sierra Leone, building vital child health infrastructure in a country with one of the world's highest child mortality rates. Additional overseas projects included the deployment of an innovative, low-cost device to improve dramatically the treatment of ear and eye conditions in Zambia and Nepal.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Within the UK, all funded projects supported the health and wellbeing of children and young people. One project will create an accessible, practical training package to enhance breast feeding education, with a focus on positioning and attachment. Another is researching surgical techniques for children born with Congenital Diaphragmatic Hernia, aiming to improve outcomes and reduce long-term complications. A further study will explore what good health means for Unaccompanied Asylum-Seeking Children, using their voices to shape youth-led recommendations. We also supported an evaluation of a new model of adolescent health services, looking at how it could be adapted and expanded more broadly.

Our core Medical funding priorities continue to focus on practical, forward-looking projects that aim to alleviate human suffering and demonstrate potential for clinical application within five to ten years. We welcome pioneering proposals that aim to improve the quality of life for older adults facing physical or psychological challenges; prevent disease and disability among children, marginalised communities, and those impacted by tropical infectious and parasitic diseases; and explore innovation in any medical field with the potential to enhance health outcomes.

We greatly value the time, care, and effort that applicants invest in their proposals. Our two-stage assessment process is designed to ensure that only the most promising projects reach final consideration. Nevertheless, the breadth, quality, and ambition of applications this year made our decision-making particularly difficult. Regrettably, many excellent projects could not be funded due to limited resources.

Religious grants – Revd. Professor David Wilkinson (Chair of sub-committee)

During 2024/25 the Trust provided thirteen Religious grants, totalling £482,759.

The diversity of these grants shows the wide nature of religious initiatives in communities beyond religious institutions and the intention of the Trust to fund projects which make a difference to people's everyday lives.

From the University of the Highlands and Islands in the north of Scotland through to the south of England, projects are high impact even if they explore some very specialized areas. As examples, we funded research and resources to support those bereaved by suicide, alongside another project which helps those with learning disabilities to consider and discuss death, and another project which supports hospice staff in responding to the spiritual needs of young people facing life threatening illness. Two projects in Bradford explored ways of challenging Islamophobia and building bridges of harmony through women of different faith communities. A number of projects worked with schools and young people to engage the big and sometimes controversial contemporary questions of faith and the world, and yet another project supported a new undergraduate programme in theology and counselling.

Core funding priorities remain the advancement of Christian religion, through innovative and practical ecumenical projects. We fund ground-breaking inspirational projects, which include wide dissemination to share learning with others working in similar fields. In particular, we prioritise projects that break down religious and secular divides, involve the vocational development of key people, and initiatives that are untested and have the potential to be game-changers.

We currently have five specific priority areas for awarding Religious grants:

- to encourage Christian people to uphold, engage and communicate their faith in the public domain;
- to encourage dialogue between Christian faith and contemporary issues in a secular society;
- to encourage closer working relationships between Christian denominations; and / or to improve inter-faith relationships by facilitating a better understanding between faiths. A particular area of interest is improving dialogue and mutual understanding between Christian and Muslim faiths;
- to support and encourage the innovative education and communication of Christianity within the UK and also internationally; and
- to encourage specific groups of people to explore their experience of spirituality and their spiritual needs and strengths, and to help others to understand these.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

We continue to explore new ways to bring our grantees together to share their valuable learning and explore potential collaborations.

Social grants – Ms Celia Atherton (Chair of sub-committee)

Over this year the Trust made ten Social grants worth a total of £397,000, ranging from £5,000 (from the Small Grants programme) to £60,000. The grant periods range from one to three years. Our areas of interest focus on practical on-the-ground projects with direct impact for disadvantaged people. We are interested in new ways of tackling problems where the results will be disseminated widely, and the learning used positively by others. We look for projects that involve beneficiaries as both creators and recipients of the services or research.

The range of projects this year reflects our own concerns – housing, modern slavery, asylum and refugees, LGBTQ+, work insecurity, disabilities, the criminal justice system, care leavers, youth services, loneliness. While most of our grants tackle these subjects head-on, some use an arts focus to help people move out of disadvantage.

In addition to these grants we continue our joint partnership funding with the Wates Foundation of a project to support abused young women to avoid homelessness. This work is time and resource intensive, and everyone is learning what needs to be done at local and national level to make services like this standard for every vulnerable young person.

We are both impressed and humbled by the imagination, determination and sheer humanity that our grantees bring to the difficult subject matters focussed on in their projects. Our recent work to help them, and ourselves, better understand the outcomes and the longer-term impacts of their work show that most projects do make a real and positive difference to service beneficiaries, policy makers and the wider service communities. Nevertheless, sometimes things also go wrong and we are always pleased to see the resilience that grantees bring to overcoming hurdles along the way.

For the coming year, alongside our normal grant-making, we will be exploring the opportunities for more partnership-funded projects, a workshop to explore the impact of non-linear approaches to helping offenders desist from further criminal activity, and also recruiting a new Social Director.

Evaluation sub-committee

A key aspect of our Centenary celebrations was to devise and test a new methodology for an independent evaluation of the outcomes and longer-term impacts of our grants. And to use that both to learn what works and what doesn't and to check that our grant-making was effectively focussed on our overall aims for making a difference and tackling issues in the UK and beyond.

We have just completed the first full year of this new approach to evaluation and are encouraged to continue our explorations. In this year our independent evaluation team (Helix) gathered data on the outcomes of 20 grants which had just completed, and on the longer-term impacts of a further seven which had completed three years earlier. In addition to completing a questionnaire and, if they chose, providing a narrative report, a sample of in-depth interviews added a richness to our understanding of the effects of our grants over this period. We collect information on outcomes and impacts for service beneficiaries, for grantee organisations themselves, for local and wider communities, and for policy and practice. For the coming year we will also collect data on outcomes for lead project workers.

This work will continue so that we can measure trends over time. This will allow us, and our grantees (who reported great benefits for themselves in doing this evaluation work with us), to understand more about how to improve our grant-making and how, therefore, best to use our own resources to help find better ways to help people out of disadvantage, at home and abroad.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

PLANS FOR THE FUTURE

As referenced in the reports above, Directors will focus this coming year on the following areas:

- To fund a pilot programme trialling a new model of proactive funding which will launch this year. This will focus on social prescription work and details will be announced on the website.
- Following the success of the Centenary events and previous workshops to bring together experts in their field to discuss a topic and to assist with the Trust's grant making, the Trust plans to hold two events in the coming year. One will be hosted by the Social sub-committee and one by the Religious sub-committee and grantees and peers working in the chosen area will be invited to attend. This work aligns with the Trust's ethos to facilitate collaborative working.
- The Evaluation sub-committee will continue to work with the team at Helix Research and Evaluation to refine the improvements to the Trust's monitoring and evaluation of grants. Evaluating the outcomes and longer-term impacts of the Trust's grant giving was a key focus of the Centenary in 2024 and work is on-going to create a template for how to continue this process in future. Building the knowledge learned in the process of evaluation into Directors' future assessment of applications is a priority.
- To hold internal workshops to understand more about the impact of AI on grant making.

FINANCIAL REVIEW ENDOWMENT

The assets of the Trust are held as a permanent endowment. These assets are the source of funding of the Trust, so the performance of investments over the long-term is vitally important to the sustainability of the Trust, and the impact it can make through the grants it awards.

The Trust operates a Total Return approach to investment, with power to spend both income and capital, provided the core endowment of the fund is maintained. The Trust has power under its Scheme to invest in stocks, shares, funds, securities and other property. The Trustee has appointed a professional investment manager, currently CCLA, to manage the endowment fund.

INVESTMENT POLICY

The Trust's investment objective is to maximise the level of financial return, within an acceptable level of risk, that at least preserves the long-term real value of the Trust's assets while providing funds to meet stable and sustainable spending requirements. In order to achieve this objective, the Trust's investment policy is:

- to hold a diversified global portfolio of investments across a range of asset classes;
- to seek to use the advantages of the Trust's long-term investment horizon and its ability to tolerate short-term volatility; and
- to mitigate risks given the Trust's aim to exist in perpetuity, the absence of new contributions and its complete dependence on the investment portfolio to fund its charitable mission.

The current investment objective is to generate a long-term real return of 4 per cent. a year, after expenses. This should allow the Trust to at least maintain the real value of the assets, whilst funding annual expenditure of up to 4 per cent. of the average of each of the preceding 5 years' year-end market valuations of the endowment.

It is recognised that, in order to achieve the aim of sustaining a 4 per cent. spending rate over the long term, there will be periods of short-term volatility of investment returns. The investment strategy seeks to build a diversified portfolio that minimises the impact of short-term losses. Given the endowment portfolio's strategic asset allocation and investment strategy, it is understood that potential short-term losses are possible.

The Trust also recognises that there are several other forms of risk beyond short term volatility that need to be managed as part of the ongoing oversight of the portfolio. These risks include the prudent management of liquidity, the level of exposure to non-Sterling denominated assets, the level of overall leverage in the portfolio and risks associated with investing alongside investors with different goals.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

RESPONSIBLE INVESTMENT

The endowment fund adopts a 'responsible investment' approach, to protect the financial interests and reputation of the Trust. This responsible investment policy excludes direct investment in companies that have any involvement in the manufacture of weapons that are banned by international treaties; and companies with 'significant involvement' (i.e., more than 10% of turnover) in the production of pornography.

The endowment fund also benefits from the investment manager's active stewardship programme: CCLA votes at all investee companies' AGMs and engages on a range of topical issues including climate change, modern slavery, mental health, corporate governance (including executive remuneration), nutrition, alcohol marketing and the use of plastics.

ASSET ALLOCATION AND PERFORMANCE

The endowment's investment portfolio is currently invested by CCLA as investment manager in its COIF Charities Investment Fund. This is an actively managed long-term multi-asset fund designed to help meet the growth and income requirements of a wide range of charities, through a highly diversified and well-balanced spread of investments, whilst keeping risk levels sensibly under control. That fund invests largely in real assets equities, both in the UK and overseas, and property as well as infrastructure, private equity, bonds and other assets, offering diversified sources of income which should rise over time. The equities comprise well managed global companies with sound finances and resilient businesses.

As at 31 March 2025 the asset allocation of the COIF Charities Investment Fund was:

Asset class breakdown	Allocation (%)
Equity	64.18
Fixed Interest	9.83
Cash & Near Cash	7.85
Infrastructure & Operating Assets	7.30
Property	4.63
Private Equity & Other	4.57
Contractual & Other Income	1.63
Derivatives	0.02

Performance of the COIF Charities Investment Fund over the financial year was disappointing throughout the year, with the portfolio falling by 3.31% in the final quarter to March 2025, although the performance improved at the beginning of 2025. Whilst this performance mirrored falls in the world markets caused by US policy changes, the performance in other quarters was disappointing in relative terms. The portfolio fell in value over the year so that at the end of the year to 31 March 2025, the value of the Trust's holdings had fallen to £43,425,116 compared to a value of £45,542,931 in March 2024.

The portfolio's annual return was -2.0% over the year compared to a 3% return in the ARC Steady Growth Charity Index, which collects performance data from peer group charities. The return was also less than the market comparator (a weighted "basket" of 45% non-UK equities, 30% UK equities, 15% UK government bonds, 5% UK commercial property and 5% cash) which returned 4.05%. This return was lower than the COIF Charities Investment Fund target benchmark of CPI plus 5%, which was 7.8%.

As a result of this disappointing performance, the Finance sub-committee is carrying out a review of our investment manager and will make a recommendation to the Board on the action to be taken.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

TOTAL RETURN APPROACH TO INVESTING

The Trust operates a Total Return approach to investments, with freedom to invest the entire endowment with the aim of maximising total returns regardless of whether those returns accrue by way of income or capital growth. The investment power of total return was granted by a Charity Commission Order on 22 March 2005. The difference between the total of endowment funds as at 22 March 2005 and the value of the gift component represented the opening balance of unapplied total return, amounting to £15.3 million. Until the power is exercised to transfer a portion of unapplied total return to unrestricted funds, the unapplied total return remains invested as part of the permanent endowment. The power allows the Directors to decide in each year how much of the unapplied total return is transferred to unrestricted funds and so is available for expenditure.

The investment return to be transferred to the unrestricted income fund is calculated as up to 4.0 per cent. of the average of each of the preceding 5 years' year-end market valuations of the Endowment (referred to as the "Spending Rate"); these funds are available for grant making and operating costs. The Directors review the Spending Rate from time to time and adjust it as necessary to take account of prevailing rates of investment return and operating costs. It has been agreed by the Directors that the Spending Rate should increase from its previous level of up to 3.5 per cent. to up to 4.0 per cent. to allow explicitly for the inclusion of investment management costs (previously not recognised explicitly, as they are treated by the investment manager as a charge made within the endowment fund).

Five year summary of financial performance

	2020-21	2021-22	2022-23	2023-24	2024-25
Income from investments £'000	1,315	1,297	1,339	1,352	1,713
Investment management costs £'000	424	517	377	361	340
Gains/ (losses) on investments £'000	7,190	3,974	(1,266)	4,208	(2,118)
Net movements in funds £'000	6,834	3,612	(1,373)	3,915	(2,036)
Support costs £'000	73	88	172	210	245
Grants made £'000	1,092	1,054	897	1,074	1,046
Costs as % of grants made	46%	57%	61%	53%	56%
Endowment year end value £million	40.5	44.2	42.2	45.5	43.4
Endowment performance %	+24.06	+11.59	-0.95	+12.12	-1.98
Endowment benchmark %	+22.96	+11.76	-3.94	+16.73	+4.06
UK CPI + 5%	+5.74	+12.04	+15.08	+8.18	+7.63
Global equities %	+38.43	+15.39	-0.99	+22.45	+4.76

RESERVES POLICY

The Corporate Trustee aims to maintain readily available free reserves in unrestricted funds at a level equivalent to six months of the higher of projected gross income or gross expenditure for the next financial year. The Trustee considers that this level would provide flexibility should unforeseen circumstances arise to give an urgent need for additional grants or other expenditure in delivering the Trust's objectives regardless of short-term fluctuations of income and expenditure or unforeseen financial burdens. The free reserves requirement will be calculated and monitored on a quarterly basis. Excess reserves (i.e. above the upper level of the target range) may be used to fund increases in expenditure in order to achieve the Trust's objectives subject to agreement by the Trustee.

The target level of free reserves amounted to £600,000 as at 31 March 2025, and the Trust's unrestricted general fund was £696,000 at that date. The Trustee has been working on the best way to spend the designated fund amount and a plan is in place to do so in 2025/26.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

RISK MANAGEMENT

The Trustee carries out regular assessments of the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate their exposure to the major risks. The Risk Register and Scheme of Delegation are reviewed annually by the Finance sub-committee, and referred to the Directors as appropriate. Major risks relate to governance and management, operations, finances, external factors and compliance. The Risk Register assesses the severity and impact of key risks and proposed mitigation.

The top five risks identified by the Trustee are:

1. Spending capacity of endowment is not maintained
2. Ineffective management of the investment portfolio; endowment portfolio underperforms
3. Inadequate IT systems and maintenance
4. Data protection breach
5. Breach of internal control procedures

Comprehensive controls are in place to enable the Trust to respond to, and as far as possible, mitigate, these risks. Internal policies and procedures are reviewed and updated on a rolling programme and advice is taken where necessary. Regular strategic reviews are undertaken.

TRUSTEE'S RESPONSIBILITIES STATEMENT

The Trustee is responsible for preparing the Trustee's 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 Trustee 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 Trustee is required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and accounting estimates that are reasonable and prudent;
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is 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.

Approved by order of the members of the board of the Corporate Trustee and signed on their behalf by:

Theresa Bartlett

Mrs Theresa Bartlett BSc (Hons), (Chair)
Chair of the Corporate Trustee

Date: 22 July 2025

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SIR HALLEY STEWART TRUST

OPINION

We have audited the financial statements of Sir Halley Stewart Trust (the 'charity') for the year ended 31 March 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SIR HALLEY STEWART TRUST
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustee are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustee's report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEE

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SIR HALLEY STEWART TRUST
(CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, and those with an indirect effect;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence available; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SIR HALLEY STEWART TRUST
(CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED...)

In response to the risk of irregularities, including fraud and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence made available to us such as correspondence with HMRC, from regulators or legal advisors as relevant.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

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

Peters Elworthy & Moore

Peters Elworthy & Moore
Chartered Accountants
Statutory Auditor
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 05 August 2025

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SIR HALLEY STEWART TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Endowment funds 2025 £000	Unrestricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
INCOME AND ENDOWMENTS FROM:					
Investments	3	1,713	1	1,714	1,246
TOTAL INCOME AND ENDOWMENTS		1,713	1	1,714	1,246
EXPENDITURE ON:					
Cost of raising funds					
Investment management costs	4	340	-	340	361
Charitable activities		-	1,292	1,292	1,284
TOTAL EXPENDITURE		340	1,292	1,632	1,645
NET INCOME/(EXPENDITURE) BEFORE NET (LOSSES)/GAINS ON INVESTMENTS					
		1,373	(1,291)	82	(399)
Net (losses)/gains on investments		(2,118)	-	(2,118)	4,310
NET (EXPENDITURE)/INCOME		(745)	(1,291)	(2,036)	3,911
Endowment return transferred	14	(1,371)	1,371	-	-
NET MOVEMENT IN FUNDS		(2,116)	80	(2,036)	3,911
RECONCILIATION OF FUNDS:					
Total funds brought forward		44,602	766	45,368	41,457
Net movement in funds		(2,116)	80	(2,036)	3,911
TOTAL FUNDS CARRIED FORWARD		42,486	846	43,332	45,368

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 39 form part of these financial statements.

SIR HALLEY STEWART TRUST

**BALANCE SHEET
AS AT 31 MARCH 2025**

	Note	2025 £000		2024 £000
FIXED ASSETS				
Investments	10	43,425		45,543
		43,425		45,543
CURRENT ASSETS				
Debtors	11	4	5	
Cash at bank and in hand		819		823
		823		828
CURRENT LIABILITIES				
Creditors: amounts falling due within one year	12	(747)		(775)
		76		53
NET CURRENT ASSETS				
TOTAL ASSETS LESS CURRENT LIABILITIES		43,501		45,596
Creditors: amounts falling due after more than one year	13	(169)		(228)
NET ASSETS EXCLUDING PENSION ASSET		43,332		45,368
TOTAL NET ASSETS		43,332		45,368
CHARITY FUNDS				
Endowment funds	14	42,486		44,602
Unrestricted funds	14	846		766
TOTAL FUNDS		43,332		45,368

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



Mr Andrew Wauchope
Honorary Treasurer of the Corporate Trustee

Date: 05 August 2025

The notes on pages 21 to 39 form part of these financial statements.

SIR HALLEY STEWART TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £000	2024 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	16	(1,718)	(1,914)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		1,714	1,352
NET CASH PROVIDED BY INVESTING ACTIVITIES			
		1,714	1,352
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR			
Cash and cash equivalents at the beginning of the year		823	1,385
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR			
	17	819	823

The notes on pages 21 to 39 form part of these financial statements

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (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 Republic of Ireland (FRS 102) (second edition October 2019) effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. Sir Halley Stewart Trust meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

The Trustee has prepared forecasts to March 2026 and considered the period beyond this to at least 12 months from the date of approval of these financial statements.

The Trustee considers that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.3 FUND ACCOUNTING

Unrestricted income funds are funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustee, at its discretion, have created a fund for a specific purpose.

Permanent endowment funds comprise those funds the capital of which must be invested in perpetuity and is managed on a total return basis. Investment income and any increase or decrease in the value of investments and the net income is credited or debited to the endowment fund, being included in the unapplied total return. The Trustee at its discretion, may allocate any part of the unapplied total return to the general purposes of the Trust. The Unapplied Total Return is subject to a transfer to permanent endowment in respect of a sum authorised by the Corporate Trustee. The transfer is designed to maintain the real value of the Trust's endowment. A further transfer is made to general reserves in respect of the 'spending rule' in accordance with the Charity Commission Total Return Order.

Investment income, costs and gains and losses are allocated to the endowment fund.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES (CONTINUED)**1.4 INCOME**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Interest on funds held on deposit is included when receivable and the income can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. All expenditure is accounted for on an accruals basis.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds comprise costs directly attributable to activities for raising funds such as investment managers fees.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES (CONTINUED)**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £500 are capitalised and valued at historical cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment - straight line over 3 years

1.7 FIXED ASSET INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.8 TOTAL RETURN INVESTMENT ACCOUNTING

The Trust is authorised to adopt a "total return" basis for the investment of its permanent endowment. The Trust can invest its permanent endowment without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be retained for investment or transferred to unrestricted funds at the discretion of the Trustee (see note 2 below).

1.9 DEBTORS

Other debtors are recognised at the settlement amount.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand 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.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES (CONTINUED)**1.11 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The most significant areas of adjustment and key assumptions that affect the items in the accounts are to do with estimating the liability from multi-year grant commitments. The trustee does not consider the impact of discounting to be material and therefore no adjustment is made. Further no adjustment is made for the potential clawback of grants that are unused. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

2. TOTAL RETURN INVESTMENT

The investment power of total return was granted by a Charity Commission Order on 22 March 2005. At the time the power was granted the trustee identified the value of the gifts of permanent endowment received up until 22 March 2005. The difference between the total of endowment funds as at 22 March 2005 and the value of the gift component represented the opening balance of unapplied total return.

The power of total return permits the Trustee to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to unrestricted funds, the unapplied total return remains invested as part of the permanent endowment.

The power allows the Trustee to decide in each year how much of the unapplied total return is transferred to unrestricted funds and so available for expenditure. The investment return to be transferred to unrestricted funds is calculated as up to 4.0 per cent. of the average of each of the preceding 5 years' year-end market valuations of the endowment.

	Endowment 2025 £000	Unapplied Total Return 2025 £000	Total 2025 £000	Total 2024 £000
At the beginning of the year:				
Gift component of the permanent endowment	15,322	-	15,322	15,322
Unapplied total return	-	29,280	29,280	25,713
	<u>15,322</u>	<u>29,280</u>	<u>44,602</u>	<u>41,035</u>
Movements in the year:				
Investment return: dividends and interest	-	1,713	1,713	1,245
Investment return: unrealised gains/(losses)	-	(2,118)	(2,118)	4,310
Less: investment management costs	-	(340)	(340)	(361)
Unapplied total return allocated to income	-	(1,371)	(1,371)	(1,627)
	<u>-</u>	<u>(2,116)</u>	<u>(2,116)</u>	<u>3,567</u>
At the end of the year	<u>15,322</u>	<u>27,164</u>	<u>42,486</u>	<u>44,602</u>
TOTAL 2024	<u><u>15,322</u></u>	<u><u>29,280</u></u>	<u><u>44,602</u></u>	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

3. INVESTMENT INCOME

	Endowment funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Dividends receivable	1,713	1,713	1,245
Bank interest receivable	-	1	1
	<u>1,713</u>	<u>1,714</u>	<u>1,246</u>
TOTAL 2024	<u>1,245</u>	<u>1,246</u>	

4. INVESTMENT MANAGEMENT COSTS

	Endowment funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Investment management fees	340	340	361
	<u>340</u>	<u>340</u>	<u>361</u>
TOTAL 2024	<u>361</u>	<u>361</u>	

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities 2025 £000	Support costs 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Grants payable	1,047	245	1,292	1,284
	<u>1,047</u>	<u>245</u>	<u>1,292</u>	<u>1,284</u>
TOTAL 2024	<u>1,074</u>	<u>210</u>	<u>1,284</u>	

Support costs are allocated to grants payable on the basis of the total number of grants awarded.

In 2024 and 2025 all expenditure on charitable activities was attributable to unrestricted funds.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Activities 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Management (see note 8)	118	118	121
Staff costs	-	-	25
Meetings	10	10	8
Publications and subscriptions	3	3	1
Miscellaneous	3	3	-
Accountancy	3	3	11
Audit	19	19	18
Insurance	2	2	1
Trustee's travel	10	10	5
Legal fees	-	-	11
Centenary fund costs	57	57	2
Helix project costs	20	20	7
	<u>245</u>	<u>245</u>	<u>210</u>
TOTAL 2024	<u>210</u>	<u>210</u>	

Included in support costs are governance costs totalling £28k (2024 - £34k), this relates to audit fees of £19k (2024 - £18k), Directors of the Corporate Trustee's travel expenses of £10k (2024 - £5k) and Legal fees of £NIL (2024 - £11k).

6. ANALYSIS OF GRANTS

	Grants to Institutions 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Grants awarded	1,047	1,047	1,074
TOTAL 2024	<u>1,074</u>	<u>1,074</u>	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

Grants of £10,000 and over:

	2025	2024
	£000	£000
Islington Mind	60	-
Virtual Doctors	60	-
Nazarene College	60	-
Hope at Home	60	-
Faith in Later Life	60	-
Able Child Africa	60	-
RCPCH	60	-
Young Women's Trust	59	-
Clowns Without Borders	59	-
Scripture Union	55	-
York University	54	-
The Big House	53	-
Better Communities Bradford	45	-
Partners of Prisoners	43	-
RAFFA	40	-
Muslim Women's Council	35	-
NIESR	30	-
Sheffield University	30	-
Northumbria University	26	-
Awareness Foundation	26	-
The Well Centre	21	-
The Bytes Project	15	-
Centre for Child and Family Justice Research, Lancaster University	15	-
Open Clasp Theatre Company	14	-
Manchester Metropolitan University / Lancaster University	11	-
University of Aberdeen	-	66
Zimbabwe Educational Trust	-	60
The Cambridge Friendship Trust	-	60
Spark Inside	-	60
CodeBrave Foundation	-	60
Healthbus Trust	-	60
Prison Phoenix Trust	-	60
Kings Global Health Partnerships	-	60
The Souster Youth Trust	-	58
Theos Think	-	56
WONDER Foundation	-	56
Subtotal c/f	1,051	656

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

Grants of £10,000 and over (continued):

Subtotal b/f	1,051	656
OneBodyOneFaith	-	50
University College London	-	45
Oxford Health Charity	-	40
Tekkatho Foundation	-	40
Groundwater Relief	-	32
Strength & Stem	-	32
Queen's University Belfast	-	30
Hospice UK	-	30
Migrants Organise	-	30
University of West London	-	30
Canterbury Christchurch University	-	25
University of Edinburgh	-	20
Grants under £10,000	53	53
Grants cancelled	(57)	(39)
	<u>1,047</u>	<u>1,074</u>

Grants reconciliation

	2025	2024
	£000	£000
Grants creditor brought forward	979	1,617
Grants awarded in the year (see above)	1,047	1,074
Grants paid in the year	(1,167)	(1,755)
Grants repaid in the year	36	43
Grants creditor carried forward	<u>895</u>	<u>979</u>

The value of grants to individuals was £nil (2024 - £nil).

There were no grants made with conditions not being met (2024 - none).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

7. AUDITORS' REMUNERATION

	2025 £000	2024 £000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	14	13
Fees payable to the charity's auditor in respect of: All non-audit services not included above	<u>8</u>	<u>8</u>

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2025 £000	2024 £000
Wages and salaries	-	22
Social security costs	-	2
	<u>-</u>	<u>24</u>

The average number of persons employed by the charity during the year was as follows:

	2025 No.	2024 No.
Administration	<u>-</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Trust comprise the Directors of the Corporate Trustee, the Clerk and the Grants Assessor. No directors of the corporate trustee received any remuneration or benefits in kind from the charity (2024 - £nil). The total employee benefits of the key management personnel of the charity were £nil (2024 - £24k). Amounts paid to The Trust Partnership in the year were £118k (2024 - £121k).

During the year, 12 (2024 - 4) Directors of the Corporate Trustee received reimbursement of expenses for travel totalling to £8k (2024 - £3k).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. TANGIBLE FIXED ASSETS

	Computer equipment £000
COST OR VALUATION	
At 1 April 2024	4
At 31 March 2025	4
DEPRECIATION	
At 1 April 2024	4
At 31 March 2025	4
NET BOOK VALUE	
At 31 March 2025	-
At 31 March 2024	-

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

10. FIXED ASSET INVESTMENTS

	Listed investments £000
COST OR VALUATION	
At 1 April 2024	45,543
Revaluations	(2,118)
AT 31 MARCH 2025	43,425
 NET BOOK VALUE	
AT 31 MARCH 2025	43,425
AT 31 MARCH 2024	45,543

All listed investments are listed on recognised stock exchanges. Day-to-day management of the investments was delegated by the trustee during the year to CCLA.

INVESTMENT RISK MANAGEMENT

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are included at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustee's Annual Report. The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

11. DEBTORS: AMOUNTS DUE WITHIN ONE YEAR

	2025	2024
	£000	£000
Prepayments and accrued income	4	5
	<u>4</u>	<u>5</u>
	<u><u>4</u></u>	<u><u>5</u></u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£000	£000
Trade creditors	18	14
Accruals and deferred income	3	9
Grants accrued - institutional (see note 5)	726	752
	<u>747</u>	<u>775</u>
	<u><u>747</u></u>	<u><u>775</u></u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£000	£000
Grants accrued - institutional (see note 5)	169	228
	<u>169</u>	<u>228</u>
	<u><u>169</u></u>	<u><u>228</u></u>

There are no funding commitments at the year end (2024 - none).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2025 £000
UNRESTRICTED INCOME FUNDS						
DESIGNATED FUNDS						
The Centenary Fund	57	-	(57)	-	-	-
Moving Forward Group Fund	150	-	-	-	-	150
	<u>207</u>	<u>-</u>	<u>(57)</u>	<u>-</u>	<u>-</u>	<u>150</u>
GENERAL FUNDS						
General Funds	559	1	(1,235)	1,371	-	696
	<u>766</u>	<u>1</u>	<u>(1,292)</u>	<u>1,371</u>	<u>-</u>	<u>846</u>
ENDOWMENT FUNDS						
Permanent Endowment Fund	44,602	1,713	(340)	(1,371)	(2,118)	42,486
	<u>45,368</u>	<u>1,714</u>	<u>(1,632)</u>	<u>-</u>	<u>(2,118)</u>	<u>43,332</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

14. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2024 £000
UNRESTRICTED INCOME FUNDS						
DESIGNATED FUNDS						
The Centenary Fund	59	-	(2)	-	-	57
Moving Forward Group Fund	-	-	-	150	-	150
	<u>59</u>	<u>-</u>	<u>(2)</u>	<u>150</u>	<u>-</u>	<u>207</u>
GENERAL FUNDS						
General Funds	363	1	(1,282)	1,477	-	559
	<u>422</u>	<u>1</u>	<u>(1,284)</u>	<u>1,627</u>	<u>-</u>	<u>766</u>
ENDOWMENT FUNDS						
Permanent Endowment Fund	41,035	1,245	(361)	(1,627)	4,310	44,602
	<u>41,457</u>	<u>1,246</u>	<u>(1,645)</u>	<u>-</u>	<u>4,310</u>	<u>45,368</u>
TOTAL OF FUNDS	<u><u>41,457</u></u>	<u><u>1,246</u></u>	<u><u>(1,645)</u></u>	<u><u>-</u></u>	<u><u>4,310</u></u>	<u><u>45,368</u></u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

14. STATEMENT OF FUNDS (CONTINUED)

The Centenary Fund was established by the Trustee to mark the Trust's centenary in 2024. All remaining designated expenditure took place during 2024/25.

The Moving Forward Group Fund established in 2023/24 is to make grants at the initiative of the Board, rather than grant applicants, in support of one or more themes supporting innovative and pioneering Medical, Religious and Social projects in line with the Trusts' aim to enable human flourishing and to prevent suffering.

The transfer comprises the total return on endowment funds applied for the purposes of the charity (see note 2).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Endowment funds 2025 £000	Unrestricted funds 2025 £000	Total funds 2025 £000
Fixed asset investments	43,381	44	43,425
Current assets	-	823	823
Creditors due within one year	(726)	(21)	(747)
Creditors due in more than one year	(169)	-	(169)
TOTAL	<u>42,486</u>	<u>846</u>	<u>43,332</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Endowment funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000
Fixed asset investments	45,543	-	45,543
Current assets	64	764	828
Creditors due within one year	(777)	2	(775)
Creditors due in more than one year	(228)	-	(228)
TOTAL	<u>44,602</u>	<u>766</u>	<u>45,368</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£000	£000
Net income/expenditure for the year (as per Statement of Financial Activities)	(2,036)	3,911
ADJUSTMENTS FOR:		
Net (gains)/losses on investments	2,118	(3,874)
Dividends, interests and rents from investments	(1,714)	(1,352)
Increase in debtors	1	(5)
Decrease in creditors	(87)	(594)
NET CASH USED IN OPERATING ACTIVITIES	(1,718)	(1,914)

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025	2024
	£000	£000
Cash in hand	819	823
TOTAL CASH AND CASH EQUIVALENTS	819	823

18. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2024 £000	Cash flows £000	At 31 March 2025 £000
Cash at bank and in hand	823	(4)	819
	823	(4)	819

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

19. PENSION COMMITMENTS

During the year the charity made contributions to its employees personal defined contribution pension schemes. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £nil (2024 - £437). £nil (2024 - £nil) were payable to the fund at the balance sheet date and are included in creditors. At the year end the charity had no employees and therefore had ceased making contributions to personal pension schemes.

20. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than the reimbursement of trustee expenses, as disclosed in note 8, and grants to organisations where a Director of the Corporate Trustee has an interest. When a grant is given to an organisation where a Director of the Corporate Trustee has an interest in that entity (either through being a Trustee, Director, or Employee), they make a declaration of interest and remove themselves from the decision-making process with regard to grant authorisation. During the year 4 (2024 - nil) grants amounting to £52,000 (2024 - £nil) were made to organisations where a Director of the Corporate Trustee has an interest.

SIR HALLEY STEWART TRUST

England & Wales - Charity number 208491

Accounts

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

SIR HALLEY STEWART TRUST

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2 - 12
Independent auditors' report on the financial statements	13 - 16
Statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20 - 38

SIR HALLEY STEWART TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees	Sir Halley Stewart Trustee Limited (appointed 1 April 2023)
Charity registered number	208491
Principal office	BM Sir Halley Stewart Trust London WC1N 3XX
Management	Ms Kate Danielson (Clerk) Ms Heidi Yorke (Grants Assessor from 9 June 2023)
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	CAF Bank Limited 25 Kings Hill Avenue King Hill West Malling Kent ME19 4JQ
Investment Managers	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2024

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

During the 2023/24 year, The Sir Halley Stewart Trust ("the Trust") awarded 39 grants totalling £1,074,496 to leading research and development projects having returned to our normal thrice-yearly grant-making cycle. The majority were from our Main Grants programme but 7 were from the Small Grants Programme. My colleagues who Chair the Medical, Religious and Social sub-committees report below regarding the funding awarded in their particular grant categories. In addition, we continue to explore other innovative funding approaches, such as our proactive funding partnership with the Wates Foundation. We remain delighted by the variety, innovation and high standard of applications and inspired by the achievements of funded projects.

During the year, we were delighted to welcome two new directors of the corporate trustee, Dr Jude Johnson and Mr Jay Evans to the Medical sub-committee. Jude is a Clinical Psychologist who is also a past grantee, while Jay is an expert in the area of digital health, with wide international experience. Their expertise will further enrich the depth and breadth of experience we are fortunate to have on our Board.

In addition to their governance responsibilities, the directors of the corporate trustee are actively involved in grant assessment and our grant-making benefits greatly from this expertise. This necessitates a larger and more stable Board, which has many advantages including providing valuable institutional memory. The sub-committee structure works well in supporting the main Board, and I remain immensely grateful for all that the directors of the corporate trustee contribute to The Trust.

The Trust Partnership ("TTP") provides us with clerking and administrative services and our relationship continues to evolve in a positive manner. After careful consideration, we decided to bring our grant management activities under the same umbrella. We would like to thank our previous Grant Manager, Lorraine Faires, for her involvement with the Trust, and wish her well for the future.

We are busy making the final preparations for our Centenary Events. We have approached these celebrations with a sense of excitement and pride in our achievements but also in a reflective and dispassionate manner. We have asked ourselves similar questions to those that we ask of our applicants and grantees – what has been our impact, what are the outcomes and how have they been measured? Our Outcomes and Impact sub-committee has continued its excellent work with Helix Research and Evaluation Limited and both the Retrospective Review (of funded work over the last 100 years) and the Prospective Review (piloting and embedding new grant outcomes and impact monitoring and evaluation processes, to inform future funding and maximise a long-lasting legacy) will be presented at the Trust's centenary celebrations later in 2024. We will also publish a celebration of the Trust's key achievements since Sir Halley founded the charity in 1924.

Over nearly 100 years, the Trust has given grants worth £29.5 million (about £75 million adjusted for inflation) across the Medical, Social and Religious themes. As a strong, committed and diverse Board we end our first century in a robust position and look forward to meeting the challenges of the next century with enthusiasm and a sense of dedication to our purpose.

Theresa Bartlett

Theresa Bartlett

Chair of the Corporate Trustee

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

A BRIEF SUMMARY OF THE TRUST'S ETHOS

During the course of his life our founder, Sir Halley Stewart, was a Non-Conformist Christian Minister, a Member of Parliament, a pioneering industrialist and a philanthropist. In 1924, when he founded the Trust, he specified four objects; to advance religion and education, to relieve poverty and to promote other charitable purposes beneficial to the community. The mind of Christ is to be expressed in the prevention and removal of human misery and in the realisation of national and worldwide brotherhood. Sir Halley stated that he wished the Trustees to have the fullest discretion to apply the income of the Trust within its objects, though not for dogmatic theological purposes.

Until his death in 1937, Sir Halley continued to take a keen personal interest in the Trust and acted as Chairman of the Trustees from 1924-33. A tradition of supporting medical research was established during this period. In 1933 Sir Halley put on record guidance for administration of the Trust. "It is primarily for research to prevent human suffering; not for its relief, and not for granting help to charitable institutions." The Trust's aims are promoting and assisting pioneer research activities with a view to making such work self-supporting at the earliest possible moment.

The wide range of areas in which we are involved in grant-making necessitates a Board which possesses a diversity of skills and experience. Directors of the corporate trustee are appointed from within the Stewart family (with four directors in this category at present) and from those in sympathy with the broad aims of the Trust who can contribute from personal expertise to its management or areas of interest. The composition of the present Board includes members with special experience in the religious, social and medical fields, and members with financial experience appropriate to the administration of the capital endowment.

In line with the general principles set out in The Trust Deed and the subsequent guidance by the founder, and with regard to public benefit, grant-giving by the Trust falls into three main areas: Religious, Social, and Medical. Education is a theme that runs across all three grant-making areas. Three sub-committees recommend policies in each field and their reports that follow describe the wide range of applications supported during the financial year 2023/24.

The Trust continually monitors the effectiveness of previously made grants. All grants are given on the basis defined by our founder, that is, "to prevent human suffering". The deliberations that lead to the grant of awards for religious, social or medical purposes explicitly test applications in the context of this aim. In particular directors of the corporate trustee need to be convinced that the outcomes proposed by applicants will, if achieved, generate actual benefits to people in the short to medium term rather than providing theoretical insights that will take many years before they can be translated into such benefits. In all three areas of our grant giving, this guiding principle means that our activities are carried out "for the public benefit". The public in our context is sometimes the population of the United Kingdom but on other occasions populations and groups in other countries, particularly in Africa.

The Trust aims to maintain personal and informal contact with applicants as appropriate, to keep paperwork to the minimum consistent with efficient administration, and to make decisions on applications within four months if possible. As ways of keeping in personal touch and monitoring the outcomes of the Trust's grant giving, the directors of the corporate trustee and staff visit funded projects and attend grantee events where possible, and also from time to time meet with grant holders before Board meetings.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION

The Sir Halley Stewart Trust was established under a trust deed dated 15 December 1924 by the settlor, Sir Halley Stewart, and is a registered charity (number 208491). The original trust deed was amended by a deed of name change dated 21 October 1933, a deed of variation dated 21 October 1933, a Charity Commission scheme dated 11 October 1978, a Charity Commission scheme dated 21 July 1997, a Charity Commission order dated 22 March 2005 and a Charity Commission Scheme dated 24 March 2023 which appointed a corporate Trustee to be known as Sir Halley Stewart Trustee Limited.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

As of 1 April 2023, the sole Trustee of the Trust is Sir Halley Stewart Trustee Limited, a company limited by guarantee (registration number 14486782), whose registered office is The Trust Partnership, 6 Trull Farm Buildings, Tetbury, Gloucestershire GL8 8SQ. It is a non-trading company. The Trustee is governed by its memorandum and articles of association. The Trustee's directors (also known as "Trustees") are listed below.

The objects of the Trust are, in general:

1. to advance Christian religion;
2. to advance education;
3. to relieve poverty; and
4. to promote other charitable purposes beneficial to the community.

The settlor gave guidance that he wished the Trust principally to provide grants for research into the prevention of human suffering, with the view to making such pioneering research work self-supporting at the earliest possible moment.

The Trust Deed gives three principles to which the Trustees should have regard in administering the Trust income:

1. to furthering for every individual such favourable opportunities of education, service and leisure as shall enable him or her most perfectly to develop the body, mind and spirit;
2. in all social life whether domestic, industrial or national, to securing a just environment; and
3. in international relationships to fostering good will between all races, tribes, peoples and nations as to secure the fulfilment of hope of 'Peace on Earth'.

There have been no changes in the objectives since the last annual report.

TRUSTEES

On 1 April 2023 the Trustees became members of a newly established Corporate Trustee which is the sole trustee of the Sir Halley Stewart Trust. The directors of the corporate trustee are:

Mrs Theresa Bartlett BSc (Hons), (Chair)
Ms Celia Atherton BA (Hons), CQSW, OBE
Dr James Bunn MBBS, MSc, DTM&H, MRCP, FRCPCH
Mrs Louisa Elder MA Cantab, (Vice Chair)
Mr Jay Evans (appointed 22 February 2024)
Ms Vivienne Evans OBE
Ms Shemara Fletcher BA (Hons), MA
Ms Kate Garbers
Mr Andrew Graystone BA, PGCE, MA
Dr Judith Johnson, PhD, ClinPsyD, CPsychol (appointed 22 February 2024)
Ms Christine Morgan MA Cantab
Mrs Amy Holcroft BA (Hons), Dip.Law (CPE), Dip.Law (LPC), CIPP/E
Dr Mzwandile A Mabhala MFPH, FRSPH, FRSM
Mr Hugh Richardson
Dr Duncan Stewart MB, BS, D.Obst, RCOG, (President)
Mr Andrew Wauchope BA, FCISI, (Honorary Treasurer)
Revd Prof David Wilkinson BSc, PhD, MA, PhD, FRAS
Prof John Wyatt FRCP, FRCPCH

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

There must be at least five Directors of the Corporate Trustee, but no maximum number is set. Directors are initially appointed for a term of seven years, with the option of a further five-year tenure. This process can be repeated on subsequent occasions if appropriate. Directors are appointed following a formal recruitment process, including an assessment of the Trust's needs and the mix of skills and experience on the Corporate Trustee. A structured induction programme is provided for all for new Directors. Trustee effectiveness is maintained and ensured through regular reviews of both Corporate Trustee and individual Director performance, and Trustee training is provided as needed.

DECISION MAKING

The Trustee is responsible for all major policy decisions and for approving strategy and objectives. The Trustees meet three times a year to approve grants, receive reports and conduct the business of the Trust. The sub-committees of the Corporate Trustee are Medical, Religious, Social, Outcomes and Impact, and Finance, each of which reports to, and advises, the Corporate Trustee on its areas of responsibility. The Chair is elected by the Trustees and sits as a member of all sub-committees. The Honorary Treasurer oversees the financial records of the Trust, presents financial reports at Trustee meetings, together with the Annual Accounts, and Chairs the Finance sub-committee.

The Trust considers that its key management comprise the Directors of the Corporate Trustee, the Clerk and Grants Assessor. Between them, they are in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

As of June 2023, the Trust no longer has any direct employees, with the Clerk and Grants Assessor being provided by a service contract with The Trust Partnership.

TRUSTEE'S ANNUAL REPORT

The Trustee presents its annual report together with the audited financial statements of the Sir Halley Stewart Trust (the Trust), for the year ended 31 March 2024. The Trustee confirms that the annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (second edition October 2019, effective 1 January 2019).

GRANT MAKING POLICIES

The Trust provides grants to support innovative and pioneering Medical, Religious and Social projects to enable human flourishing and to prevent suffering. The Trust funds a wide range of organisations to achieve this goal, with grants normally ranging from one to three years in duration and up to circa £60,000 per project (with a £30,000 limit per year), although in exceptional cases up to £80,000 may be considered. The Trust is underpinned by Christian values but welcomes applications from other faith and non-faith projects. Sub-committees meet regularly to consider Medical, Religious and Social grant-making policies.

Grants are usually in the form of salary contributions and the Trustee prefers to support innovative and imaginative people — often promising young researchers — with whom they can develop a direct relationship. Sometimes a contribution towards the expenses of a project is given. In general, the Trustee does not favour grant-giving to enable the completion of a project initiated by other bodies.

The Trust maintains a website (www.sirhalleystewart.org.uk) that sets out the process by which it selects successful applicants; provides clear application criteria; and gives examples of the kinds of grants that have previously been given. During the year we changed the process so that potential applicants are now required to complete the Expression of Interest Form before making an application, so that unsuitable projects can be deflected without wasting the valuable time and resources of the applicants themselves and the Trust. The Trust's online application form, combined with these consultations, significantly reduces the number of ineligible applications in each grant round. However, the Trust is still very over-subscribed with applications and so the assessment and grant awards process remains extremely competitive.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The Trust has several assessment phases in each grant round. Unsuccessful applicants are sent a decline notification, explaining the reason for rejection and/or offering a feedback call. Projects judged as possibly suitable for a grant within the budgetary limit are considered by members of the Trust's sub-committees, using their specialised knowledge. At this stage queries and possible modifications of the application are dealt with by personal contact with the applicant. Final Main Grant decisions are made by all Directors, after detailed and informed discussion, at Corporate Trustee meetings. Small Grant awards, to a maximum of £5,000, may be made throughout the year by Trustee consensus.

ACHIEVEMENTS AND PERFORMANCE REVIEW OF ACTIVITIES

During the year the Trustee sets out to fund a range of innovative research and development projects that meet the Trust's Medical, Religious and Social criteria; to manage the existing grants portfolio effectively; and to continue and develop the ongoing operations of the Trust. The Trustee is pleased to have achieved all three of these objectives, which are detailed further in the Chair's Statement above and the following reports by Chairs of sub-committees.

GRANTS

An analysis of the major grants committed by the Trust during the financial year is set out in note 6 of the Accounts.

Medical grants – Professor John Wyatt (Chair of sub-committee)

In 2023/24 over £331,362 of grant funding was provided to ten projects within the Medical category. The majority of awards were for large multi-year projects by academic institutions aimed to improve healthcare both in the UK and overseas.

Coincidentally, fifty per cent. of awards supported work improving healthcare for infants and children. A larger grant supported research into new technology which can accurately diagnose early invasive bacterial infections in infants, leading to more effective treatment. Small grants of just £5,000 supported the evaluation of an intervention for children who have experienced trauma, which seems timely with an increase in conflict globally; and a study into reducing fasting time for formula-fed infants prior to anaesthetic.

At the other end of the age spectrum, one award was for a project aimed to empower discussions with healthcare professionals about their use of anticholinergic medicines for older people.

We supported projects focussing on disadvantaged groups. Awards supported a longitudinal study of a novel model of healthcare for homeless people to leverage future investment; and the implementation of a trauma registry in the Democratic Republic of Congo to improve emergency care.

One of the key requirements of the Trust is the wide-scale dissemination of the findings of funded projects. This year, we were delighted to award funding to convert the workshops and materials created through a previous award into a Massive Open Online Course, making it freely available to health professionals in the future. We welcome future applications from projects which can achieve this level of sustainability, reach and impact.

After the loss of key Trustees last year, we welcomed two new Trustees, Jay Evans and Jude Johnson, who bring considerable knowledge and experience to the sub-committee. They are already making a valuable contribution to the Trust.

Our core Medical priorities remain focussed on practical innovative projects that aim to prevent human suffering and are capable of clinical application within five to ten years. We are open to applications for pioneering work focussed on improving the quality of life for older people suffering from physical or psychological disorders; the prevention of disease and disability in children, disadvantaged groups and those affected by tropical infectious and parasitic diseases; and innovations in any discipline that are likely to improve health care.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

We recognise the time and resources which go into making an application to the Trust. Our processes aim to ensure that only strong projects reach the stage of a full application. Even with that said, the high volume, quality, and variety of applications made our deliberations very challenging and, of course, meant that sadly, some very good projects could not be supported due to a lack of funds.

Religious grants – Revd. Professor David Wilkinson (Chair of sub-committee)

During 2023/24 the Trust provided just under £303,770 of Religious grants.

The projects we supported continue to demonstrate the diverse nature of this funding category, and the valuable impact of faith-based work on a wide variety of topics. As examples, we funded research on a community of friendship among people of differing intellectual abilities for mutual learning and faith development. This research based in a small community, contrasts with another research project carried out by Theos and the Good Faith Foundation which examines the role of faith communities in the important area of social prescribing. Alongside research projects, we funded a number of groups developing resources for youth ministry, those who have experienced trauma and abuse within faith communities, and OneBody One Faith who have produced resources and leadership development programmes towards inclusive and safe faith communities. An imaginative project based at Canterbury Christ Church University is looking at the experience of children who moved into secondary education in the midst of the pandemic using the experience and expertise of school chaplains for research and on-going resources for support.

Core funding priorities remain the advancement of Christian religion, through innovative and practical ecumenical projects. We fund ground-breaking inspirational projects, which include wide dissemination to share learning with others working in similar fields. In particular, we prioritise projects that break down religious and secular divides, involve the vocational development of key people, and initiatives that are untested and have the potential to be game-changers. We currently have five specific priority areas for awarding Religious grants:

- to encourage Christian people to uphold, engage and communicate their faith in the public domain;
- to encourage dialogue between Christian faith and contemporary issues in a secular society;
- to encourage closer working relationships between Christian denominations; and / or to improve inter-faith relationships by facilitating a better understanding between faiths. A particular area of interest is improving dialogue and mutual understanding between Christian and Muslim faiths;
- to support and encourage the innovative education and communication of Christianity within the UK and also internationally; and
- to encourage specific groups of people to explore their experience of spirituality and their spiritual needs and strengths, and to help others to understand these.

We continue to explore new ways to bring our Grantees together to share their valuable learning and explore potential collaborations.

Social grants – Ms Celia Atherton (Chair of sub-committee)

In this year thirteen grants totalling £439,364 were made under the Social theme, plus one additional grant in partnership with the Wates Foundation. The thirteen grants included three small grants of £5,000 each, with the others covering a spread from £32,000 to £60,000 for projects running across one to three years.

We are committed to our grants being focussed on practical on-the-ground projects with direct impact for disadvantaged people. We are interested in new ways of tackling problems where the results will be disseminated widely, and the learning used positively by others. We look for projects that involve beneficiaries as both creators and recipients of the services or research. While the majority of our grants are for work in the UK, five are international. Of the eight UK grants, five were national across England, with the other three focussing on a particular area.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Our continued concern for migrants is, this year, represented in one grant to support women who have been trafficked to find a route to peace and employment through floristry. Another grant supported the provision of expert advocacy for migrants thought not to have the mental capacity to be represented in hearings.

Our concern for marginalised people stretches beyond migration, to include this year, two prison-focussed grants – one to a project bringing staff and inmates together to prevent or resolve in-prison conflict; and another to extend in-prison opportunities for yoga and meditation by making a long-standing in-person or paper-based programme available digitally. So many marginalised people suffer mental health problems and we were pleased to be able to make a small grant to demonstrate the evidence base for investing in young people's mental health. Another grant focussed on promoting greater diversity in the hospice offering, especially for trans and gender-diverse people at the end of life.

One of our small grants focussed on those who provide succour to marginalised people – by supporting birth children within adoptive families.

Four of our grants were to support education, both in the UK and further afield. One grant, in Kenya, focussed on encouraging educational opportunities for students with dyslexia while another, in Zimbabwe, takes primary education as a key intervention point for helping agricultural communities to promote climate-smart agriculture. With the world feeling ever more war torn we have taken careful steps to support some important educational projects in countries as diverse in location and challenges as Myanmar and Lebanon. We also funded a water-supply project in Yemen, another country trying to become more sustainable while experiencing great conflict.

Our final grant this year was to increase family involvement in youth work in England. Provision for our youth has been decimated over recent years and we want to support others to deliver work that really makes a difference to young people's experiences and contributions.

We are impressed and humbled by the imagination, determination and professionalism of both the applications and the work delivered by the organisations we are able to assist. Over the year we have continued to receive far more excellent applications that we can fund and that continues to be a source of concern to us – the application rate to the Social theme was still far greater than to the medical or religious themes and this reduced significantly the applicants' chances of success. We have therefore further refined our criteria by, for example, restricting applicants to practical service organisations with a relatively small financial turnover – although we still welcome applications that include an independent evaluation/ research partner.

The grant involving the Wates Foundation, another family trust, is a pro-active initiative and the successful applicants are mid-way through their two-year project to reduce and prevent homelessness for young women, under the age of 25, who had experienced directly or indirectly abuse. We hope that the results of this work result in a blueprint for services elsewhere.

FINANCIAL REVIEW

ENDOWMENT

The assets of the Trust are held as a permanent endowment. These assets are the source of funding of the Trust, so the performance of investments over the long-term is vitally important to the sustainability of the Trust, and the impact it can make through the grants it awards.

The Trust operates a Total Return approach to investment, with power to spend both income and capital, provided the core endowment of the fund is maintained. The Trust has power under its Scheme to invest in stocks, shares, funds securities and other property. The Trustee has appointed a professional investment manager, currently CCLA, to manage the endowment fund.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

INVESTMENT POLICY

The Trust's investment objective is to maximise the level of financial return, within an acceptable level of risk, that at least preserves the long-term real value of the Trust's assets while providing funds to meet stable and sustainable spending requirements. In order to achieve this objective, the Trust's investment policy is:

- to hold a diversified global portfolio of investments across a range of asset classes:
- to seek to use the advantages of the Trust's long-term investment horizon and its ability to tolerate short-term volatility; and
- to mitigate risks given the Trust's aim to exist in perpetuity, the absence of new contributions and its complete dependence on the investment portfolio to fund its charitable mission.

The current investment objective is to generate a long-term real return of 4 per cent. a year, after expenses. This should allow the Trust to at least maintain the real value of the assets, whilst funding annual expenditure of up to 4 per cent. of the average of each of the preceding 5 years' year-end market valuations of the endowment.

It is recognised that, in order to achieve the aim of sustaining a 4 per cent. spending rate over the long term, there will be periods of short-term volatility of investment returns. The investment strategy seeks to build a diversified portfolio that minimises the impact of short-term losses. Given the endowment portfolio's strategic asset allocation and investment strategy, it is understood that potential short-term losses are possible.

The Trust also recognises that there are several other forms of risk beyond short term volatility that need to be managed as part of the ongoing oversight of the portfolio. These risks include the prudent management of liquidity, the level of exposure to non-Sterling denominated assets, the level of overall leverage in the portfolio and risks associated with investing alongside investors with different goals.

RESPONSIBLE INVESTMENT

The endowment fund adopts a 'responsible investment' approach, to protect the financial interests and reputation of the Trust. This responsible investment policy excludes investment in companies that have any involvement in the manufacture of weapons that are banned by international treaties; and companies with 'significant involvement' (i.e., more than 10% of turnover) in the production of pornography.

The endowment fund also benefits from the investment manager's active stewardship programme: CCLA votes at all investee companies' AGMs and engages on a range of topical issues including climate change, modern slavery, mental health, corporate governance (including executive remuneration), nutrition, alcohol marketing and the use of plastics.

ASSET ALLOCATION AND PERFORMANCE

The endowment's investment portfolio is invested by CCLA as investment manager in its COIF Charities Investment Fund, which is an actively managed long-term multi-asset fund designed to help meet the growth and income requirements of a wide range of charities, through a highly diversified and well-balanced spread of investments, whilst keeping risk levels sensibly under control. That fund invests largely in real assets equities, both in the UK and overseas, and property as well as infrastructure, private equity, bonds and other assets, offering diversified sources of income which should rise over time. The equities comprise well managed global companies with sound finances and resilient businesses.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

As at 31 March 2024 the asset allocation of the COIF Charities Investment Fund was:-

Global Equities	72.18%
Infrastructure and operating assets	9.41%
Property	3.96%
Contractual and other income	1.15%
Private equity and other	3.43%
Fixed interest	8.25%
Cash and near cash	1.62%

Performance of the COIF Charities Investment Fund over the financial year was reasonable throughout the year, although most of the performance came in the last two quarters as the economic outlook improved. This was despite increasing signs that US interest rates would remain higher for longer than initially expected. The portfolio rose steadily throughout the year and at the end of March 2024, the value of the Trust's holdings had risen to £45,542,931 compared to a value of £41,698,691 in March 2023.

The fund returned 12.16% over the year compared to a 4% return in the ARC Steady Growth Charity Index, which collects performance data from peer group charities. It was behind the market comparator (a weighted "basket" of 45% non-UK equities, 30% UK equities, 15% UK government bonds, 5% UK commercial property and 5% cash) which returned 16.72%. This return was ahead of the COIF Charities Investment Fund target benchmark of CPI plus 5%, which was 8.8%.

TOTAL RETURN APPROACH TO INVESTING

The Trust operates a Total Return approach to investments, with freedom to invest the entire endowment with the aim of maximising total returns regardless of whether those returns accrue by way of income or capital growth. The investment power of total return was granted by a Charity Commission Order on 22 March 2005. The difference between the total of endowment funds as at 22 March 2005 and the value of the gift component represented the opening balance of unapplied total return, amounting to £15.3 million. Until the power is exercised to transfer a portion of unapplied total return to unrestricted funds, the unapplied total return remains invested as part of the permanent endowment. The power allows the trustees to decide in each year how much of the unapplied total return is transferred to unrestricted funds and so is available for expenditure. The investment return to be transferred to the unrestricted income fund is calculated as up to 4.0 per cent. of the average of each of the preceding 5 years' year-end market valuations of the Endowment (referred to as the "Spending Rate"); these funds are available for grant making and operating costs. The Trustees review the Spending Rate from time to time and adjust it as necessary to take account of prevailing rates of investment return and operating costs. It has been agreed by the Trustees that the Spending Rate should increase from its previous level of up to 3.5 per cent. to up to 4.0 per cent. to allow explicitly for the inclusion of investment management costs (previously not recognised explicitly, as they are treated by the investment manager as a charge made within the endowment fund).

	2019-20	2020-21	2021-22	2022-23	2023-24
Income from investments	1,295	1,315	1,297	1,339	1,352
Investment management costs	315	424	517	377	361
Support costs	134	73	88	172	210
Grants made	995	1,092	1,054	897	1,074
Gains/ (losses) on investments	(1,157)	7,190	3,974	(1,266)	4,208
Net movements in funds	(1,064)	6,834	3,612	(1,373)	3,915
Total costs as a % of grants made	45%	46%	57%	61%	53%
Endowment year end value (£m's)	33.0	39.9	43.3	41.7	45.5

Figures are in £'000s unless stated.

SIR HALLEY STEWART TRUST

TRUSTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

RESERVES POLICY

The Corporate Trustee aims to maintain readily available free reserves in unrestricted funds at a level equivalent to six months of the higher of projected gross income or gross expenditure for the next financial year. The Trustee considers that this level would provide flexibility should unforeseen circumstances arise to give an urgent need for additional grants or other expenditure in delivering the Trust's objectives regardless of short-term fluctuations of income and expenditure or unforeseen financial burdens. The free reserves requirement will be calculated and monitored on a quarterly basis. Excess reserves (i.e. above the upper level of the target range) may be used to fund increases in expenditure in order to achieve the Trust's objectives subject to agreement by the Trustee.

The target level of free reserves amounted to £600,000 as at 31 March 2024, and the Trust's unrestricted general fund was £559,000 at that date. It is hoped to reach and to maintain the targeted reserve level in future years.

PLANS FOR FUTURE PERIODS

The Sir Halley Stewart Trust is a lasting testimony to the generosity and charitable concerns of the donors, Sir Halley Stewart and Mrs Pearce. The Trustee's approach will remain in accordance with the wishes of Sir Halley Stewart and we will continue to work with potential and existing grantees to pursue these core purposes. To this end, the Trust's policies and practices are reviewed regularly. In 2024, the Trust will be marking the centenary of its foundation.

RISK MANAGEMENT

The Trustee carries out regular assessments of the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate their exposure to the major risks. The Risk Register and Scheme of Delegation are reviewed annually by the Finance Sub-Committee, which makes any necessary changes and reports to the Trustee as appropriate. The Trustee considers that the major risks to which the charity is exposed relate to governance and management, operations, finances, external factors and compliance. The Trust's Risk Register outlines key risks within each of these areas and how the Trust acts to mitigate those risks, including assessing the likelihood of occurrence and severity of impact, control procedures, and the monitoring process for each identified risk and mitigation action.

The top five risks identified by the Trustee are:

1. Spending capacity of endowment is not maintained
2. Ineffective management of the investment portfolio; endowment portfolio underperforms
3. Loss of key personnel
4. Negative / Inappropriate action of trustees or grantees
5. Data protection becomes weak and GDPR compliance becomes poor

Comprehensive controls are in place to enable the Trust to respond to, and as far as possible mitigate, these risks. These include: regularly updating and adhering to policies such as Antibribery, Scheme of Delegation, Safeguarding, Data Protection, Privacy Notice, Confidential Information, and Trustee Code of Conduct; detailed succession planning; following Charity Commission guidance on recruiting and good governance for Trustee and Staff appointments; scrutinising the management of Trust investments; appointing suitable investment managers, finance and accountancy providers and other advisors as required; requiring declarations of any possible conflicts of interest at Board meetings and acting accordingly to avoid such conflicts; obtaining appropriate insurance cover; maintaining appropriate electronic and hard copy record storage; providing clear communication, rigorous review and oversight processes for all Trust activities; and holding regular strategic reviews.

SIR HALLEY STEWART TRUST

**TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

TRUSTEE'S RESPONSIBILITIES STATEMENT

The Trustee is responsible for preparing the Trustee's 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 Trustee 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 Trustee is required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and accounting estimates that are reasonable and prudent;
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Theresa Bartlett

Mrs Theresa Bartlett BSc (Hons)
Chair of the Corporate Trustee

Date: 12 July 2024

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SIR HALLEY STEWART TRUST

OPINION

We have audited the financial statements of Sir Halley Stewart Trust (the 'charity') for the year ended 31 March 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SIR HALLEY STEWART TRUST
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEE

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SIR HALLEY STEWART TRUST (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, and those with an indirect effect;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence available; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SIR HALLEY STEWART TRUST
(CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED...)

In response to the risk of irregularities, including fraud and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence made available to us such as that correspondence with HMRC, relevant regulators and the charity's legal advisors (where applicable).

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

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

Peters Elworthy & Moore

Peters Elworthy & Moore
Chartered Accountants
Statutory Auditor
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 12 July 2024

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SIR HALLEY STEWART TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Endowment funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
INCOME AND ENDOWMENTS FROM:					
Investments	3	1,245	1	1,246	1,339
TOTAL INCOME AND ENDOWMENTS		1,245	1	1,246	1,339
EXPENDITURE ON:					
Cost of raising funds					
Investment management costs	4	361	-	361	377
Charitable activities		-	1,284	1,284	1,069
TOTAL EXPENDITURE		361	1,284	1,645	1,446
NET INCOME/(EXPENDITURE) BEFORE NET GAINS/(LOSSES) ON INVESTMENTS					
		884	(1,283)	(399)	(107)
Net gains/(losses) on investments		4,310	-	4,310	(1,266)
NET INCOME/(EXPENDITURE)		5,194	(1,283)	3,911	(1,373)
Endowment return transferred	14	(1,627)	1,627	-	-
NET MOVEMENT IN FUNDS		3,567	344	3,911	(1,373)
RECONCILIATION OF FUNDS:					
Total funds brought forward		41,035	422	41,457	42,830
Net movement in funds		3,567	344	3,911	(1,373)
TOTAL FUNDS CARRIED FORWARD		44,602	766	45,368	41,457

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 38 form part of these financial statements.

SIR HALLEY STEWART TRUST

**BALANCE SHEET
AS AT 31 MARCH 2024**

	Note	2024 £000	2023 £000
FIXED ASSETS			
Tangible assets	9	-	1
Investments	10	45,543	41,699
		45,543	41,700
CURRENT ASSETS			
Debtors	11	5	-
Cash at bank and in hand	17	823	1,385
		828	1,385
Creditors: amounts falling due within one year	12	(775)	(1,167)
		53	218
TOTAL ASSETS LESS CURRENT LIABILITIES		45,596	41,918
Creditors: amounts falling due after more than one year	13	(228)	(461)
NET ASSETS EXCLUDING PENSION ASSET		45,368	41,457
TOTAL NET ASSETS		45,368	41,457
CHARITY FUNDS			
Endowment funds	14	44,602	41,035
Unrestricted funds	14	766	422
TOTAL FUNDS		45,368	41,457

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



Mr Andrew Wauchope
Honorary Treasurer

Date: 12 July 2024

The notes on pages 20 to 38 form part of these financial statements.

SIR HALLEY STEWART TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £000	2023 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	16	(1,914)	(1,171)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		1,352	1,339
NET CASH PROVIDED BY INVESTING ACTIVITIES			
		1,352	1,339
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR			
Cash and cash equivalents at the beginning of the year		1,385	1,217
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR			
	17	823	1,385

The notes on pages 20 to 38 form part of these financial statements

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (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 Republic of Ireland (FRS 102) (second edition October 2019) effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. Sir Halley Stewart Trust meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

The Trustee has prepared forecasts to March 2025 and considered the period beyond this to at least 12 months from the date of approval of these financial statements.

The Trustee considers that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.3 FUND ACCOUNTING

Unrestricted income funds are funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustee, at its discretion, have created a fund for a specific purpose.

Permanent endowment funds comprise those funds the capital of which must be invested in perpetuity and is managed on a total return basis. Investment income and any increase or decrease in the value of investments and the net income is credited or debited to the endowment fund, being included in the unapplied total return. The Trustee at its discretion, may allocate any part of the unapplied total return to the general purposes of the Trust. The Unapplied Total Return is subject to a transfer to permanent endowment in respect of a sum authorised by the Corporate Trustee. The transfer is designed to maintain the real value of the Trust's endowment. A further transfer is made to general reserves in respect of the 'spending rule' in accordance with the Charity Commission Total Return Order.

Investment income, costs and gains and losses are allocated to the endowment fund.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES (CONTINUED)**1.4 INCOME**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Interest on funds held on deposit is included when receivable and the income can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. All expenditure is accounted for on an accruals basis.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds comprise costs directly attributable to activities for raising funds such as investment managers fees.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES (CONTINUED)**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £500 are capitalised and valued at historical cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment - straight line over 3 years

1.7 FIXED ASSET INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.8 TOTAL RETURN INVESTMENT ACCOUNTING

The Trust is authorised to adopt a "total return" basis for the investment of its permanent endowment. The Trust can invest its permanent endowment without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be retained for investment or transferred to unrestricted funds at the discretion of the Trustee (see note 2 below).

1.9 DEBTORS

Other debtors are recognised at the settlement amount.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand 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.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES (CONTINUED)**1.11 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 PENSIONS

During the year the charity made contributions to its employees personal defined contribution pension schemes and the pension charge represents the amounts payable by the charity to their personal pension funds in respect of the year. At the year end the charity had no employees and therefore had ceased making contributions to personal pension schemes.

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The most significant areas of adjustment and key assumptions that affect the items in the accounts are to do with estimating the liability from multi-year grant commitments. The trustees do not consider the impact of discounting to be material and therefore no adjustment is made. Further no adjustment is made for the potential clawback of grants that are unused. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. TOTAL RETURN INVESTMENT

The investment power of total return was granted by a Charity Commission Order on 22 March 2005. At the time the power was granted the trustees identified the value of the gifts of permanent endowment received up until 22 March 2005. The difference between the total of endowment funds as at 22 March 2005 and the value of the gift component represented the opening balance of unapplied total return.

The power of total return permits the Trustee to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to unrestricted funds, the unapplied total return remains invested as part of the permanent endowment.

The power allows the Trustee to decide in each year how much of the unapplied total return is transferred to unrestricted funds and so available for expenditure. The investment return to be transferred to unrestricted funds is calculated as up to 3.5 per cent. of the average of each of the preceding 5 years' year-end market valuations of the endowment.

	Endowment 2024 £000	Unapplied Total Return 2024 £000	Total 2024 £000	Total 2023 £000
At the beginning of the year:				
Gift component of the permanent endowment	15,322	-	15,322	15,322
Unapplied total return	-	25,713	25,713	27,359
	<u>15,322</u>	<u>25,713</u>	<u>41,035</u>	<u>42,681</u>
Movements in the year:				
Investment return: dividends and interest	-	1,245	1,245	1,339
Investment return: unrealised gains/(losses)	-	4,310	4,310	(1,266)
Less: investment management costs	-	(361)	(361)	(377)
Unapplied total return allocated to income	-	(1,627)	(1,627)	(1,342)
	<u>-</u>	<u>3,567</u>	<u>3,567</u>	<u>(1,646)</u>
At the end of the year	<u>15,322</u>	<u>29,280</u>	<u>44,602</u>	<u>41,035</u>
TOTAL 2023	<u>15,322</u>	<u>25,713</u>	<u>41,035</u>	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

3. INVESTMENT INCOME

	Endowment funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Dividends receivable	1,245	-	1,245	1,339
Bank interest receivable	-	1	1	-
	<u>1,245</u>	<u>1</u>	<u>1,246</u>	<u>1,339</u>
TOTAL 2023	<u>1,339</u>	<u>-</u>	<u>1,339</u>	

4. INVESTMENT MANAGEMENT COSTS

	Endowment funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Investment management fees	361	361	377
	<u>361</u>	<u>361</u>	<u>377</u>
TOTAL 2023	<u>377</u>	<u>377</u>	

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities 2024 £000	Support costs 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Grants payable	1,074	210	1,284	1,069
	<u>1,074</u>	<u>210</u>	<u>1,284</u>	<u>1,069</u>
TOTAL 2023	<u>897</u>	<u>172</u>	<u>1,069</u>	

Support costs are allocated to grants payable on the basis of the total number of grants awarded.

In 2023 and 2024 all expenditure on charitable activities was attributable to unrestricted funds.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Activities 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Management (see note 8)	121	121	78
Staff costs	25	25	35
Meetings	8	8	8
Publications and subscriptions	1	1	-
Miscellaneous	-	-	9
Bank charges	-	-	1
Accountancy	11	11	6
Audit	18	18	11
Insurance	1	1	2
Trustees' travel	5	5	2
Legal fees	11	11	20
Centenary fund costs	2	2	-
Helix project costs	7	7	-
	<u>210</u>	<u>210</u>	<u>172</u>
	<u>172</u>	<u>172</u>	
TOTAL 2023	<u>172</u>	<u>172</u>	

Included in support costs are governance costs totalling £34k (2023 - £33k), this relates to audit fees of £18k (2023 - £11k), trustees' travel expenses of £5k (2023 - £2k) and legal fees of £11k (2023 - £20k).

6. ANALYSIS OF GRANTS

	Grants to Institutions 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Grants awarded	1,074	1,074	897
	<u>897</u>	<u>897</u>	
TOTAL 2023	<u>897</u>	<u>897</u>	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

Grants of £10,000 and over:

	2024	2023
	£000	£000
University of Aberdeen	66	-
Zimbabwe Educational Trust	60	-
The Cambridge Friendship Trust	60	-
Spark Inside	60	-
CodeBrave Foundation	60	-
Healthbus Trust	60	-
Prison Phoenix Trust	60	-
Kings Global Health Partnerships	60	-
The Souster Youth Trust	58	-
Theos Think	56	-
WONDER Foundation	56	-
OneBodyOneFaith	50	-
University College London	45	-
Oxford Health Charity	40	-
Tekkatho Foundation	40	-
Groundwater Relief	32	-
Strength & Stem	32	-
Queen's University Belfast	30	-
Hospice UK	30	-
Migrants Organise	30	-
University of West London	30	-
Canterbury Christchurch University	25	-
University of Edinburgh	20	-
Centre For Cultural Witness	-	62
King's Global Health Partnerships	-	60
Somerset and Avon Rape and Sexual Abuse Support	-	60
Cranmer Hall, St John's College Durham University	-	60
City, University of London	-	60
Centre for Child and Family Justice Research, Lancaster University	-	60
CSW	-	59
University of East Anglia	-	58
Street Connect	-	57
Dundee Rep and Scottish Dance Theatre Ltd	-	57
Dentaid	-	49
Centre for Trust, Peace and Social Relations, Coventry University	-	44
Beauty for Ashes	-	41
Subtotal c/f	1,060	727

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

Grants of £10,000 and over (continued):

Subtotal b/f	1,060	727
International Centre for Eye Health, London School of Hygiene and Tropical Medicine	-	41
Trevi	-	40
The Dalai Lama Centre for Compassion	-	33
Kids Alive International	-	30
International Refugee	-	19
Grants under £10,000	53	27
Grants cancelled	(39)	(20)
	<u>1,074</u>	<u>897</u>

Grants reconciliation

	2024	2023
	£000	£000
Grants creditor brought forward	1,617	1,719
Grants awarded in the year	1,074	897
Grants paid in the year	(1,755)	(1,019)
Grants repaid in the year	43	20
Grants creditor carried forward	<u>979</u>	<u>1,617</u>

The value of grants to individuals was £nil (2023 - £nil).

There were no grants made with conditions not being met (2023 - none).

7. AUDITORS' REMUNERATION

	2024	2023
	£000	£000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	13	11
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	8	6
	<u>8</u>	<u>6</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2024	2023
	£000	£000
Wages and salaries	22	32
Social security costs	2	1
Other pension costs	-	2
	24	35

One member of staff was made redundant during the year, with redundancy payments of £6k being made.

The average number of persons employed by the charity during the year was as follows:

	2024	2023
	No.	No.
Administration	1	1

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Trust comprise the Directors of the Corporate Trustee, the Clerk and the Grants Assessor. No Trustees received any remuneration or benefits in kind from the charity (2023 - £nil). The total employee benefits of the key management personnel of the charity were £24k (2023 - £26k). Amounts paid to The Trust Partnership in the year were £121k (2023 - £78k).

During the year, 4 (2023 - 9) Directors of the Corporate Trustee received reimbursement of expenses for travel totalling to £3k (2023 - £2k).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. TANGIBLE FIXED ASSETS

	Computer equipment £000
COST OR VALUATION	
At 1 April 2023	4
At 31 March 2024	<u>4</u>
DEPRECIATION	
At 1 April 2023	3
Depreciation charge	1
At 31 March 2024	<u>4</u>
NET BOOK VALUE	
At 31 March 2024	<u>-</u>
At 31 March 2023	<u>1</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

10. FIXED ASSET INVESTMENTS

	Listed investments £000
COST OR VALUATION	
At 1 April 2023	41,699
Revaluations	3,844
	45,543
AT 31 MARCH 2024	45,543
 NET BOOK VALUE	
AT 31 MARCH 2024	45,543
AT 31 MARCH 2023	41,699

All listed investments are listed on recognised stock exchanges. Day-to-day management of the investments was delegated by the trustees during the year to CCLA.

INVESTMENT RISK MANAGEMENT

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are included at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. DEBTORS: AMOUNTS DUE WITHIN ONE YEAR

	2024	2023
	£000	£000
Prepayments and accrued income	5	-
	5	-
	5	-

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£000	£000
Trade creditors	14	-
Accruals and deferred income	9	11
Grants accrued - institutional (see note 5)	752	1,156
	775	1,167
	775	1,167

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£000	£000
Grants accrued - institutional (see note 5)	228	461
	228	461

There are no funding commitments at the year end (2023 - none).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2024 £000
UNRESTRICTED INCOME FUNDS						
DESIGNATED FUND						
The Centenary Fund	59	-	(2)	-	-	57
Moving Forward Group Fund	-	-	-	150	-	150
	<u>59</u>	<u>-</u>	<u>(2)</u>	<u>150</u>	<u>-</u>	<u>207</u>
GENERAL FUNDS						
General Funds	363	1	(1,282)	1,477	-	559
	<u>422</u>	<u>1</u>	<u>(1,284)</u>	<u>1,627</u>	<u>-</u>	<u>766</u>
ENDOWMENT FUNDS						
Permanent Endowment Fund	41,035	1,245	(361)	(1,627)	4,310	44,602
	<u>41,457</u>	<u>1,246</u>	<u>(1,645)</u>	<u>-</u>	<u>4,310</u>	<u>45,368</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2023 £000
UNRESTRICTED INCOME FUNDS						
DESIGNATED FUND						
The Centenary Fund	59	-	-	-	-	59
GENERAL FUNDS						
General Funds	90	-	(1,069)	1,342	-	363
TOTAL UNRESTRICTED FUNDS	149	-	(1,069)	1,342	-	422
ENDOWMENT FUNDS						
Permanent Endowment Fund	42,681	1,339	(377)	(1,342)	(1,266)	41,035
TOTAL OF FUNDS	42,830	1,339	(1,446)	-	(1,266)	41,457

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. STATEMENT OF FUNDS (CONTINUED)

The Centenary Fund has been established by the Trustee to mark the Trust's centenary in 2024. All remaining designated expenditure is expected to take place during 2024/25.

The Moving Forward Group Fund established in 2023/24 is to make grants at the initiative of the Board, rather than grant applicants, in support of one or more themes supporting innovative and pioneering Medical, Religious and Social projects in line with the Trusts' aim to enable human flourishing and to prevent suffering.

The transfer comprises the total return on endowment funds applied for the purposes of the charity (see note 2).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Endowment funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000
Fixed asset investments	45,543	-	45,543
Current assets	64	764	828
Creditors due within one year	(777)	2	(775)
Creditors due in more than one year	(228)	-	(228)
TOTAL	<u>44,602</u>	<u>766</u>	<u>45,368</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Endowment funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	1	1
Fixed asset investments	41,035	664	41,699
Current assets	-	1,385	1,385
Creditors due within one year	-	(1,167)	(1,167)
Creditors due in more than one year	-	(461)	(461)
TOTAL	<u>41,035</u>	<u>422</u>	<u>41,457</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£000	£000
Net income/expenditure for the period (as per Statement of Financial Activities)	3,911	(1,373)
ADJUSTMENTS FOR:		
Net (gains)/losses on investments	(3,874)	1,642
Dividends, interests and rents from investments	(1,352)	(1,339)
Increase in debtors	(5)	-
Decrease in creditors	(594)	(101)
NET CASH USED IN OPERATING ACTIVITIES	(1,914)	(1,171)

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024	2023
	£000	£000
Cash in hand	823	1,385
TOTAL CASH AND CASH EQUIVALENTS	823	1,385

18. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April	Cash flows	At 31 March
	2023	2024	2024
	£000	£000	£000
Cash at bank and in hand	1,385	(562)	823
	1,385	(562)	823

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. PENSION COMMITMENTS

During the year the charity made contributions to its employees personal defined contribution pension schemes. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £437 (2023 - £1,862). £Nil (2023 - £Nil) were payable to the fund at the balance sheet date and are included in creditors. At the year end the charity had no employees and therefore had ceased making contributions to personal pension schemes.

20. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than the reimbursement of trustee expenses, as disclosed in note 8. When a grant is given to an organisation where a Director of the Corporate Trustee has an interest in that entity (either through being a Trustee, Director, or Employee), they will make a declaration of interest and remove themselves from the decision-making process with regard to grant authorisation.

SIR HALLEY STEWART TRUST

England & Wales - Charity number 208491

Accounts

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

SIR HALLEY STEWART TRUST

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2 - 14
Independent auditors' report on the financial statements	15 - 18
Statement of financial activities	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22 - 39

SIR HALLEY STEWART TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	Sir Halley Stewart Trustee Limited (appointed 1 April 2023)
Charity registered number	208491
Principal office	BM Sir Halley Stewart Trust London WC1N 3XX
Management	Ms Elizabeth Fathi (Interim Director until 6 October 2022) Ms Kate Danielson (Clerk from 6 October 2022)
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	CAF Bank Limited 25 Kings Hill Avenue King Hill West Malling Kent ME19 4JQ
Investment Managers	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

As with many other organisations, this was the year in which it felt to The Sir Halley Stewart Trust (The Trust) that life was returning to normal after the pandemic. The Trust has been able to continue to provide much needed funding for research projects aimed at preventing human suffering – the majority of which seems more crucial now than ever - with our grant making of £897,000 awarded this year. The Chairs of each of the Medical, Religious and Social Sub-Committees provide further details in their reports and I continue to be impressed by the excellence of applications we fund. We remain heavily over-subscribed but my colleagues' assessments are robust and thorough.

Additionally, much work has been carried out behind the scenes with committees meeting to consider the Helix project (our longer-term grant outcomes evaluation project), Incorporation of the Trust, a review of our staffing arrangements, developing the agenda for our Strategy Away Day, as well as on-going planning for our Centenary. I am especially grateful for the exceptional generosity and commitment of trustees involved in these areas.

We had hoped to hold in-person Board meetings in June and October but were foiled due to the train strikes. While we have continued to hold our scheduled meetings remotely and in a 'hybrid' way, the value of meeting in person became very obvious when the full Board met in February. It was also particularly good to meet the six trustees who had joined us during the pandemic. As ever, I am grateful to my fellow trustees for their flexibility and commitment given the challenges we faced.

During the year we completed our most recent Five Year Review giving details of grants made, our support for dissemination events, grantee networks and funding partnerships as well as our Covid 19 Emergency Support (Sir-Halley-Stewart-A-Record-of-Grantmaking-2015-2020.pdf - sirhalleystewart.org.uk). We are privileged as Trustees to be able to carry on Sir Halley's legacy, and it is always highly valued when we receive messages of thanks from our Grantees and, on occasion, directly from the ultimate beneficiaries of the Trust's work.

The Trust's incorporation has progressed smoothly. In February we formally resolved to apply to the Charity Commission for the Scheme to enable incorporation, which was then approved in March and took effect on 1 April 2023. This was followed by the first meeting of the corporate Trustee, Sir Halley Stewart Trustee Limited. We are grateful for the legal advice provided by Russell-Cooke.

We were delighted to welcome Christine Morgan and Shermara Fletcher in June as Trustees sitting on the Religious Sub-Committee. However, we were sorry that Professor Phil Whitfield, Professor Gordon Wilcox and Professor Jane Gilliard announced that they would be retiring from the Board. Both Phil and Gordon acted as Chairs of the Medical Sub-Committee as well as Chairman of The Trust and Jane chaired the Social Sub-Committee. All three gave outstanding service and leadership to us and we will miss their collective wisdom.

We were sad to report the death of Bill Kirkman who was one of our longest-serving Trustees. He was appointed to the Board in 1969 and continued until 2009 when he became an Emeritus Trustee. During that time, he was Honorary Secretary for 6 years. His personal reflection of the Trust's ethos is shown on our website as part of 'Who we are'.

The Board was also saddened by the death of Her Majesty, Queen Elizabeth who was born two years after the Trust was formed. However, we were delighted and honoured that one of our trustees, Shermara Fletcher, read a lesson so beautifully at The Queen's funeral in Westminster Abbey.

We were sorry to receive the resignation of our Director, Vicky Chant, but would like to record our appreciation of the exceptional contribution she made to the Trust. Following her departure, The Trust Partnership (TTP) provided additional services to us including a new Clerk, Kate Danielson, and Lorraine Faires continuing in her role as Grants Manager.

SIR HALLEY STEWART TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

In light of the staffing restructure which took place earlier in the year, it was decided to reduce the number of grant rounds in the current year from three to two to ensure the new staffing structure, processes and software had time to settle in. As a result, the decision was taken to use the third Board meeting in February for our long-planned Strategy Away Day.

We were delighted to hold our first residential Away Day to reflect on our strategy and governance and decide on new priorities for the coming years. I am very grateful to my fellow Trustees for committing the time for really frank and stimulating conversations with a particular focus on the 'Big Picture' of what the Trust's niche is within the broader ecology of grant-making bodies in the UK, DEEI (Diversity, Equality, Equity and Inclusion), changing best practice in Governance and the Trust's Centenary celebrations in 2024. It has resulted in the formation of the 'Moving Forward Group' which will help lead the Trust's thinking and direction as we move beyond our Centenary.

Theresa Bartlett

**Theresa Bartlett
Chair of Trustees**

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

A BRIEF SUMMARY OF THE TRUST'S ETHOS

During the course of his life our founder, Sir Halley Stewart, was a Non-Conformist Christian Minister, a Member of Parliament, a pioneering industrialist and a philanthropist. In 1924, when he founded the Trust, he specified four objects; to advance religion and education, to relieve poverty and to promote other charitable purposes beneficial to the community. The mind of Christ is to be expressed in the prevention and removal of human misery and in the realisation of national and worldwide brotherhood. Sir Halley stated that he wished the Trustees to have the fullest discretion to apply the income of the Trust within its objects, though not for dogmatic theological purposes.

Until his death in 1937, Sir Halley continued to take a keen personal interest in the Trust and acted as Chairman of the Trustees from 1924-33. A tradition of supporting medical research was established during this period. In 1933 Sir Halley put on record guidance for administration of the Trust. "It is primarily for research to prevent human suffering; not for its relief, and not for granting help to charitable institutions." The Trust's aims are promoting and assisting pioneer research activities with a view to making such work self-supporting at the earliest possible moment.

The wide range of areas in which we are involved in grant-making necessitates a Board of Trustees which possesses a diversity of skills and experience. Trustees are appointed from within the Stewart family (with four Trustees in this category at present) and from those in sympathy with the broad aims of the Trust who can contribute from personal expertise to its management or areas of interest. The composition of the present Board includes members with special experience in the religious, social and medical fields, and members with financial experience appropriate to the administration of the capital endowment.

In line with the general principles set out in The Trust Deed and the subsequent guidance by the founder, and with regard to public benefit, grant-giving by the Trust falls into three main areas: Religious, Social, and Medical. Education is a theme that runs across all three grant-making areas. Three Sub-Committees recommend policies in each field and their reports that follow describe the wide range of applications supported during the financial year 2022/23.

The Trust continually monitors the effectiveness of previously made grants. All grants are given on the basis defined by our founder, that is, "to prevent human suffering". The deliberations that lead to the grant of awards for religious, social or medical purposes explicitly test applications in the context of this aim. In particular Trustees need to be convinced that the outcomes proposed by applicants will, if achieved, generate actual benefits to people in the short to medium term rather than providing theoretical insights that will take many years before they can be translated into such benefits. In all three areas of our grant giving, this guiding principle means that our activities are carried out "for the public benefit". The public in our context is sometimes the population of the United Kingdom but on other occasions populations and groups in other countries, particularly in Africa.

The Trust aims to maintain personal and informal contact with applicants as appropriate, to keep paperwork to the minimum consistent with efficient administration, and to make decisions on applications within four months if possible. As ways of keeping in personal touch and monitoring the outcomes of the Trust's grant giving, the Trustees and staff visit funded projects and attend grantee events where possible, and also from time to time meet with grant holders before Board meetings.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION

The Sir Halley Stewart Trust was established under a trust deed dated 15 December 1924 by the settlor, Sir Halley Stewart, and is a registered charity (number 208491). The original trust deed was amended by a deed of name change dated 21 October 1933, a deed of variation dated 21 October 1933, a Charity Commission scheme dated 11 October 1978, a Charity Commission scheme dated 21 July 1997, a Charity Commission order dated 22 March 2005 and a Charity Commission Scheme dated 24 March 2023 which appointed a corporate Trustee to be known as Sir Halley Stewart Trustee Limited.

As of 1 April 2023, the sole Trustee of the Trust is Sir Halley Stewart Trustee Limited, a company limited by guarantee (registration number 14486782), whose registered office is The Trust Partnership, 6 Trull Farm Buildings, Tetbury, Gloucestershire GL8 8SQ. It is a non-trading company. The Trustee is governed by its memorandum and articles of association. The Trustee's directors (known as Trustees) and the Company Secretary of the Trustee are listed in the Reference and Administrative Details section.

The objects of the Trust are, in general:

1. To advance Christian religion;
2. To advance education;
3. To relieve poverty; and
4. To promote other charitable purposes beneficial to the community.

The settlor gave guidance that he wished the Trust principally to provide grants for research into the prevention of human suffering, with the view to making such pioneering research work self-supporting at the earliest possible moment.

The Trust Deed gives three principles to which the Trustees should have regard in administering the Trust income:

1. To furthering for every individual such favourable opportunities of education, service and leisure as shall enable him or her most perfectly to develop the body, mind and spirit;
2. In all social life whether domestic, industrial or national, to securing a just environment; and
3. In international relationships to fostering good will between all races, tribes, peoples and nations as to secure the fulfilment of hope of 'Peace on Earth'.

There have been no changes in the objectives since the last annual report.

Method and Appointment of New Trustees

Prior to 1st April 2023, when a corporate trustee was appointed, new Trustees are selected when vacancies arise. Trustees are sought from Medical, Religious, Social and Financial fields where their expertise would be of most use to the Trust, and applications are received in response to public advertisements in appropriate resources and via relevant networks. The Chair and Trustees from relevant Sub-Committees review applications and shortlist suitable candidates, who are then invited to an interview with a small panel of Trustees. The panel makes recommendations to the full Board, which makes final decisions on whether to appoint the recommended candidate(s) as Trustees. The relevant governance paperwork is then completed, and successful candidates are formally appointed at the following Board meeting. Internal appointments to officer roles are made by asking for interested parties prior to a relevant Board meeting, and then conducting a nomination, seconding and voting process at that formal meeting. A similar process will apply to the appointment of new directors of the corporate trustee.

Pay Policy for Senior Staff

The Trust considers that its key management personnel comprise the Board of Trustees, the Director / Clerk and Grants Manager. Between them, they are in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Pay Policy for Senior Staff (Continued)

The pay of the Grants Manager is reviewed by the Trustees annually. The level of salary is periodically benchmarked to ensure that the remuneration set is fair and in line with that generally paid for similar roles.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee Meetings

The Trustees meet three times a year to approve grants, receive reports and conduct the business of the Trust.

Trustees

The present Trustees are set out on page 1. The Trustees who served during the year are:

Mrs Theresa Bartlett BSc (Hons), (Chair) (resigned 1 April 2023)
 Ms Celia Atherton BA (Hons), CQSW, OBE (resigned 1 April 2023)
 Dr James Bunn MBBS, MSc, DTM&H, MRCP, FRCPCH (resigned 1 April 2023)
 Mrs Louisa Elder MA Cantab, (Vice Chair) (resigned 1 April 2023)
 Ms Vivienne Evans OBE (resigned 1 April 2023)
 Ms Shemara Fletcher BA (Hons), MA (appointed 24 June 2022, resigned 1 April 2023)
 Ms Kate Garbers (resigned 1 April 2023)
 Prof Jane Gilliard BA, CQSW (resigned 24 February 2023)
 Mr Andrew Graystone BA, PGCE, MA (resigned 1 April 2023)
 Ms Christine Morgan MA Cantaur (appointed 24 June 2022, resigned 1 April 2023)
 Mrs Amy Holcroft BA (Hons), Dip.Law (CPE), Dip.Law (LPC), CIPP/E (resigned 1 April 2023)
 Dr Mzwandile A Mabhala MFPH, FRSPH, FRSM (resigned 1 April 2023)
 Mr Hugh Richardson (resigned 1 April 2023)
 Dr Duncan Stewart MB, BS, D.Obst, RCOG, (President) (resigned 1 April 2023)
 Mr Andrew Wauchope BA, FCISI, (Honorary Treasurer) (resigned 1 April 2023)
 Prof Philip Whitfield BA, MA, PhD (resigned 24 June 2022)
 Prof Gordon K Wilcock DM Oxon, FRCP (resigned 6 October 2022)
 Revd Prof David Wilkinson BSc, PhD, MA, PhD, FRAS (resigned 1 April 2023)
 Prof John Wyatt FRCP, FRCPCH (resigned 1 April 2023)

As detailed in Note 20, on 1 April 2023 the Trustees became members of a newly established Corporate Trustee. The directors of the Corporate Trustee at the date of approval of the financial statements were:

Mrs Theresa Bartlett BSc (Hons), (Chair)
 Ms Celia Atherton BA (Hons), CQSW, OBE
 Dr James Bunn MBBS, MSc, DTM&H, MRCP, FRCPCH
 Mrs Louisa Elder MA Cantab, (Vice Chair)
 Ms Vivienne Evans OBE
 Ms Shemara Fletcher BA (Hons), MA
 Ms Kate Garbers
 Mr Andrew Graystone BA, PGCE, MA
 Ms Christine Morgan MA Cantaur
 Mrs Amy Holcroft BA (Hons), Dip.Law (CPE), Dip.Law (LPC), CIPP/E
 Dr Mzwandile A Mabhala MFPH, FRSPH, FRSM
 Mr Hugh Richardson
 Dr Duncan Stewart MB, BS, D.Obst, RCOG, (President)
 Mr Andrew Wauchope BA, FCISI, (Honorary Treasurer)
 Revd Prof David Wilkinson BSc, PhD, MA, PhD, FRAS
 Prof John Wyatt FRCP, FRCPCH

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

ORGANISATIONAL STRUCTURE AND DECISION MAKING (CONTINUED)

Chair

The Chair is elected by the Trustees and sits as a member of all committees. Mrs Theresa Bartlett is the current serving Chair.

Trust Staff

The staffing structure changed during the year following the resignation of the Director in August 2022, during her maternity leave. The Trust Partnership (TTP) provided an Interim Director to cover the maternity leave and subsequently the role was changed to a Clerk role who is an Associate of TTP and not an employee of the Trust. The day to day grant making is conducted by the Grants Manager (a part-time employee), with infrastructure support provided by TTP.

Other Relevant Organisations

Details of the Trust's Auditors, Bankers and Investment Advisors are set out on page 1.

Treasurer

The Honorary Treasurer oversees the financial records of the Trust, presents financial reports for the Trustees' meetings together with the Annual Accounts, and Chairs the Finance Sub-Committee.

TRUSTEES' ANNUAL REPORT

The Trustees present their annual report together with the audited financial statements of the Sir Halley Stewart Trust (the Trust), for the year ended 31 March 2023. The Trustees confirm that the annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (second edition October 2019, effective 1 January 2019).

OBJECTIVES AND ACTIVITIES PUBLIC BENEFIT

The whole of the Trust's grant expenditure is for the public benefit. The Trustees have assessed the disclosures made in the Trustees' and Chair's report and consider these sufficient to detail the significant activities undertaken in order to carry out the charity's aims for the public benefit. When planning the charity's activities, the Trustees have regard to the Charity Commission's guidance on public benefit.

GRANT MAKING POLICIES

The Trust provides grants to support innovative and pioneering Medical, Religious and Social projects to enable human flourishing and to prevent suffering. The Trust funds a wide range of organisations to achieve this goal, with grants normally ranging from one to three years in duration and up to circa £60,000 per project (with a £30,000 limit per year), although in exceptional cases up to £80,000 may be considered. The Trust is underpinned by Christian values but welcomes applications from other faith and non-faith projects. Three Sub-Committees meet regularly to consider Medical, Religious and Social grant-making policies.

Grants are usually in the form of salary contributions and the Trustees prefer to support innovative and imaginative people — often promising young researchers — with whom they can develop a direct relationship. Sometimes a contribution towards the expenses of a project is given. In general, the Trustees do not favour grant-giving to enable the completion of a project initiated by other bodies.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

GRANT MAKING POLICIES (CONTINUED)

The Trust maintains a website (www.sirhalleystewart.org.uk) that sets out the principles on which it selects successful applicants; provides clear application criteria; and gives examples of the kinds of grants that have previously been given. Potential applicants are encouraged to contact the Trust's Grants Manager via our new Expression of Interest Form before making an application, so that unsuitable projects can be deflected without wasting the valuable time and resources of the applicants themselves and the Trust. The Trust's online application form, combined with these consultations, significantly reduces the number of ineligible applications in each grant round. However, the Trust is still very oversubscribed with applications and so the assessment and grant awards process remains extremely competitive.

The Trust has several assessment phases in each grant round. Unsuccessful applicants are sent a personalised decline notification, either explaining the reason for rejection or offering a feedback call. Projects judged as possibly suitable for a grant within the budgetary limit are considered by members of the Trust's Sub-Committees, using their specialised knowledge. At this stage queries and possible modifications of the application are dealt with by personal contact with the applicant. Final Main Grant decisions are made by all Trustees, after detailed and informed discussion, at their meetings held three times each year. Small Grant awards, maximum of £5,000, may be made throughout the year via Trustee consensus.

ACHIEVEMENTS AND PERFORMANCE REVIEW OF ACTIVITIES

During the year the Trustees set out to fund a range of innovative research and development projects that meet the Trust's Medical, Religious and Social criteria; to manage the existing grants portfolio effectively; and to continue and develop the ongoing operations of the Trust. The Trustees are pleased to have achieved all three of these objectives, which are detailed further in the Chair's Statement above and the following Sub-Committee Chair reports.

GRANTS

An analysis of the major grants committed by the Trust during the financial year is set out in note 6 of the Accounts.

The Chairs of the three grant subcommittees report:

Medical Grants – Professor John Wyatt

2022/23 has been both demanding and exciting within the field of medicine. A number of projects which had been delayed during the Covid-19 pandemic were able to begin, including many with international elements. We were pleased to provide over £228,000 of grant funding towards six projects within the Medical category. As ever, the sheer variety and high quality of project proposals we have received made our funding decisions very challenging.

We supported a number of projects focusing on disadvantaged groups. These ranged from creating new mobile dental projects to reach hard to reach groups and developing point of care Ultrasound techniques for low resource settings in Sierra Leone.

We continued to support projects at both ends of the age spectrum; these include developing HOPE boxes to minimise trauma when the state intervenes at birth due to Safeguarding and continuing to support work into those living with Aphasia following a stroke.

During the period two long standing Trustees retired from the Trust. The contributions of Prof Philip Whitfield BA, MA, PhD and Prof Gordon K Wilcock DM Oxon, FRCP, will be missed but the Trust remains ever grateful for their insight and management during their tenure.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

GRANTS (CONTINUED)

Our core Medical priorities remain focused on practical innovative projects that aim to prevent human suffering and are capable of clinical application within five to ten years. We are open to applications for pioneering work focused on improving the quality of life for older people suffering from physical or psychological disorders; the prevention of disease and disability in children, disadvantaged groups and those affected by tropical infectious and parasitic diseases; and innovations in any discipline that are likely to improve health care. We look forward to supporting many more such projects in the year ahead.

Religious Grants – Revd Professor David Wilkinson

During 2022/23 the Trust provided just under £225,000 of Religious grants to four organisations. The projects we supported continue to demonstrate the diverse nature of this funding category, and the valuable impact of faith-based work on a wide variety of topics. As examples, we funded a media training project to report accurately on freedom of religion or belief violations in Mexico and Nigeria, the establishing of a magazine website dedicated to changing the public narrative about Christian faith by offering an intelligent, accessible form of Christian faith in wider public discourse and building confidence in the theological and intellectual sturdiness of the faith among lay Christians. In addition to grants to academic institutions to look at multifaith engagement and worldview diversity in Higher Education Faith Colleges.

The Trust continues to consider projects where previous funding has led to positive impact and/or development in understanding. This year we supported the move from Pilot to Implementation of research into Church planting at the Centre for Church Planting Theology and Research.

The Religious Sub Committee were pleased to welcome two new members during the reporting period who have already brought a wealth of experience to the Trust. We are delighted to have Sharmara Fletcher and Christine Morgan on board.

Core funding priorities remain the advancement of Christian religion, through innovative and practical ecumenical projects. We fund ground-breaking inspirational projects, which include wide dissemination to share learning with others working in similar fields. In particular, we prioritise projects that break down religious and secular divides, involve the vocational development of key people, and initiatives that are untested and have the potential to be game-changers. We currently have five specific priority areas for awarding Religious grants:

- To encourage Christian people to uphold, engage and communicate their faith in the public domain.
- To encourage dialogue between Christian faith and contemporary issues in a secular society.
- To encourage closer working relationships between Christian denominations; and / or to improve inter-faith relationships by facilitating a better understanding between faiths. A particular area of interest is improving dialogue and mutual understanding between Christian and Muslim faiths.
- To support and encourage the innovative education and communication of Christianity within the UK and also internationally.
- To encourage specific groups of people to explore their experience of spirituality and their spiritual needs and strengths, and to help others to understand these.

We continue to explore new ways to bring our Grantees together to share their valuable learning and explore potential collaborations.

Social Grants – Ms Celia Atherton

In this year, eight grants totalling £341,653 were made under the Social theme, plus one additional grant in partnership with the Wates Foundation. The other eight grants included one small grant of £5,000, with the others covering a spread from £30,000 to £60,000 for projects running across one to three years.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

GRANTS (CONTINUED)

Our grants focussed on practical on-the-ground projects and research projects that concern themselves with direct impact for disadvantaged people. We are interested in new ways of tackling problems where the results will be disseminated widely, and the learning used positively by others. We look for projects that involve beneficiaries as both creators and recipients of the services or research. While the majority of our grants are for work in the UK, one is international.

Our continued concern for migrants is, this year, represented in a grant for support to children of asylum-seeking women fleeing domestic abuse. That concern for survivors of abuse led to another grant to support those who had experienced sexual abuse as children from a sibling to have a voice, get direct help and connect with others with similar experiences. Our small grant supported a study to understand the prevalence of family violence in family breakdown. Another grant, for work to enable children to create performance work directly with their fathers in prison demonstrates our strong belief in the power of the arts to help vulnerable people.

Addiction, to drugs and/or alcohol, is most commonly the result of trauma and is consequently hard to stop. Our grant to a churches' partnership will support rollout across the UK of their success in Scotland in churches reaching out to and providing positive help and long-term companionship on the path to recovery.

We have a long-standing commitment to improving the life chances of children in public care and so were pleased to make a grant to evaluate the contribution that digital life-story work can make to positive mental health. Our knowledge that the pandemic left many young children without the social skills needed to make a good start in school led to another grant that supports the development of pro-social skills in 5-7 year-olds. And our one international grant this year focuses on pre-school children in Zambia being able to access more active and playful learning opportunities.

We continue to be impressed and humbled by the imagination, determination and professionalism of both the applications and the work delivered by the organisations we are able to assist. We receive far more excellent applications than we can fund and that continues to be a source of concern to us – the application rate to the Social theme is far greater than to the medical or religious themes and this reduces significantly the applicants' chances of success. We continue to work on how we can make this more equitable across our funding priorities and will introduce some additional criteria and greater clarity in our advice for the October 2023 round onwards.

The partnership with the Wates Foundation, another family trust, is our second joint grant with them. This takes a pro-active rather than reactive approach and we advertised for applications that would help prevent homelessness for young women, under the age of 25, who had experienced directly or indirectly abuse. Our 50% contribution to the total grant of £80,000 will not only deliver solid services but also, we hope, result in a blueprint for services elsewhere.

Finally, Professor Jane Gilliard, who became a trustee in 2012, has retired this year. We are so grateful for all she has done for the trust, and grantees, and we feel greatly the loss of her knowledge, wisdom and steady strategic eye. Jane chaired the Social Sub-Committee for six years and demonstrated how good leadership can bring out the talents of all and encourage more courageous and thoughtful funding.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

RESERVES POLICY

The Board of Trustees aims to maintain readily available free reserves in unrestricted funds at a level equivalent to six months of the higher of projected gross income or gross expenditure for the next financial year. The Trustees consider that this level would provide flexibility should unforeseen circumstances arise to give an urgent need for additional grants or other expenditure in delivering the Trust's objectives regardless of short-term fluctuations of income and expenditure or unforeseen financial burdens. The free reserves requirement will be calculated and monitored on a quarterly basis. Excess reserves (i.e. above the upper level of the target range) may be used to fund increases in expenditure in order to achieve the Trust's objectives subject to agreement by the Board of Trustees.

The target amounted to £600,000 as at 31 March 2023, and the Trust's unrestricted general funds of £422,000 were below this figure. It is hoped to establish the targeted reserve over a number of years.

INVESTMENT HISTORY POLICY AND PERFORMANCE

The Trust's work is entirely reliant on income and investment returns from its endowments, which are invested on a total return basis. The Charity received a capital sum in 1924 from the settlor, Sir Halley Stewart, to be kept in perpetuity. In 1997 the Trustees were required by the Charity Commission to split the Endowment Fund to distinguish between unspent income and capital. The accumulated unspent income at that stage was labelled the Unrestricted Fund, although this term is no longer used in the Accounts, which now refer to Unapplied Total Return. A further donation was received in 1999 by way of a legacy from the Estate of Mrs. E.E.N. Pearce. The combined Funds generate regular annual returns, which are used to finance grants in furtherance of the Charity's objectives.

On the total return basis of investing, it is the Trustees' policy to extract as income up to 3.5 per cent of the value of the relevant investments. However, to smooth and moderate the amounts withdrawn, this is calculated on the average of the year-end values in each of the preceding five years. £1,342,000, being the equivalent of such 3.5 per cent of the value of the investments, was taken as income in the year. The Trustees keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the Trust's activities. The Spending rule is regularly reviewed.

From 1 April 2008 the investment management has been carried out on a discretionary basis. The Trust's investment portfolio is currently invested with fund manager CCLA, in its COIF Charities Investment Fund, which is an actively managed long-term multi-asset fund designed to help meet the growth and income requirements of a wide range of charities, through a highly diversified and well-balanced spread of investments, whilst keeping risk levels sensibly under control. The Fund invests largely in real assets equities, both in the UK and overseas, and property as well as infrastructure, private equity, bonds and other assets, offering diversified sources of income which should rise over time. The equities comprise well managed global companies with sound finances and resilient businesses.

The Fund is managed on a total return basis. The objective is to maintain the capital value of the portfolio in real terms and to generate a sustainable level of distributable cash to support current charitable activities. CCLA currently assesses the desirable average long-term total return at 7% per annum.

The Fund adopts a 'responsible investment' approach, to protect the financial interests and reputation of unitholders. The Fund's policy is to exclude investment in:

Companies that have any involvement in the production of indiscriminate weaponry (landmines or cluster) Bombs (including critical parts); Companies with 'significant involvement' (i.e., more than 10% of turnover) in the production of pornography Or online gambling; and Tobacco producers.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

INVESTMENT HISTORY POLICY AND PERFORMANCE (CONTINUED)

The Fund also benefits from CCLA's active stewardship programme: CCLA votes at all investee companies' AGMs and engages on a range of topical issues including climate change, modern slavery, mental health, corporate governance (including executive remuneration), nutrition, alcohol marketing and the use of plastics.

The Trust's Finance Sub-Committee meets quarterly with representatives of CCLA to receive investment updates and to review performance. The Trust's investment objective is to manage its investments so as to be fair to present and future beneficiaries, and the Finance Sub-Committee believes that investment in the COIF Charities Investment Fund is an appropriate way to achieve this.

The Trustees have considered their approach to investment risk. They accept that risk cannot be completely eliminated at an acceptable cost and that risk levels can alter, especially over any short-term period. They recognise that volatility of stock markets and unpredictability of earnings expectations will require them to exercise judgement in order to give appropriate weight to future and current needs, and that in some circumstances it will not be possible to demonstrate compliance with both. In making these judgements, the Trustees will be informed through the approved monitoring process and specialist advice when appropriate.

The "risk profile" recommended by the Finance Sub-Committee is "Moderate". This means that the Trustees are comfortable with investments that lead to some fluctuations in the value of the portfolio in exchange for the opportunity to achieve above average increases in value in the medium to long run. CCLA aims to achieve consistent and competitive returns over multiple time periods.

Performance of the COIF Charities Investment Fund over the financial year was reasonable until the third quarter of 2022, when the value of the portfolio was affected by both a weak bond and equity market. These events were caused by significant and persistent increases in US interest rates which were then followed by many of the leading central banks across the world. These falls in two asset classes, where we have a significant exposure, had a significant impact on our portfolio. However, although the portfolio made up ground in the lead up to the year end and, at the end of March 2023, it meant the value of the Trust's holdings had fallen slightly to £42,189,690 compared to a value of £43,405,160 in March 2022.

The fund returned -0.9% over the year compared to a -4.1% return in the ARC Steady Growth Charity Index, which collects together performance data from peer group charities. It was just behind the market comparator (a weighted "basket" of 45% non-UK equities, 30% UK equities, 15% UK government bonds, 5% UK commercial property and 5% cash) which returned -3.7%. This return was behind the target benchmark of CPI plus 5% which was 15.5%.

Asset Allocation in the Fund at the end of the financial year was:

UK Equities 7.77%
Overseas Equities 62.68%
Infrastructure and Operating Assets 8.52%
Property 3.07%
Contractual and Other Income 1.83%
Private Equity and Other 2.63%
Derivatives 0.02%
Fixed Interest 7.68%
Cash and near cash 5.80%

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

RESPONSIBLE INVESTMENT

The Sir Halley Stewart Trust is a responsible investor. We do not manage our investments in-house but aim to select investment managers who reflect our values and are committed to integrating environmental, social and governance considerations into their investment processes. We pay particular attention to our investment manager's approach to investing in line with our charitable aims.

We also seek to be an active owner of the companies held within our portfolio as we believe that this can deliver demonstrable, positive changes in corporate behaviour. For this reason, we encourage our investment managers to vote and engage with the companies in our portfolio on their behalf. For example, we currently support CCLA's engagement programme that encourages companies to develop policies and processes for improving employee wellbeing and mental health.

As part of our commitment to responsible investment, we expect our managers to be a signatory to the United Nations backed Principles of Responsible Investment and to demonstrate best practice by achieving above average ratings for 'Responsible Investment Strategy and Governance', 'Listed Equity Incorporation' and 'Listed Equity Active Ownership' in the annual PRI Assessment Process.

The Trust's Finance Sub-Committee monitors and evaluates our investment managers' approach to responsible investment and receives a full report on all activity at least once per year.

PLANS FOR FUTURE PERIODS

The Sir Halley Stewart Trust is a lasting testimony to the generosity and charitable concerns of the donors, Sir Halley Stewart and Mrs Pearce. The Trustees' approach will remain in accordance with the wishes of Sir Halley Stewart and we will continue to work with potential and existing grantees to pursue these core purposes. To this end, the Trusts policies and practices are reviewed regularly. In 2024, the Trust will be marking the centenary of its foundation and plans for this are now being made.

FUTURE GRANTS

For budgeting purposes, the Trustees are permitted to draw down an appropriate amount from Unapplied Total Return, if the distributed income from the two funds referred to above is inadequate to achieve the objects of the charity. They understand the need to take careful account of any capital gains or losses.

For the year to 31 March 2024, the Trustees have set a budget based substantially upon expected investment return from the funds.

The Trustees will keep their budget under review throughout the year.

The Trust recognises its grant giving is dependent on the total return it receives from its investments and regular meetings with investment advisers mean that the Trustees can adjust their grant budget accordingly. The Trust's cash reserve is sufficient to cover six months' grants.

RISK MANAGEMENT

The Trustees carry out regular assessments of the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate their exposure to the major risks. The Risk Register and Scheme of Delegation are reviewed annually by the Finance Sub-Committee, which makes any necessary changes and reports to the Trustees as appropriate. The Trustees consider that the major risks to which the charity is exposed relate to governance and management, operations, finances, external factors and compliance. The Trust's Risk Register outlines key risks within each of these areas and how the Trust acts to mitigate those risks, including assessing the likelihood of occurrence and severity of impact, control procedures, and the monitoring process for each identified risk and mitigation action.

SIR HALLEY STEWART TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

RISK MANAGEMENT (CONTINUED)

The top five risks identified by the Trustees are:

1. Spending capacity of endowment is not maintained
2. Ineffective management of the investment portfolio; endowment portfolio underperforms
3. Loss of key personnel
4. Negative / Inappropriate action of trustees or grantees
5. Data protection becomes weak and GDPR compliance becomes poor

Comprehensive controls are in place to enable the Trust to respond to, and as far as possible mitigate, these risks. These include: regularly updating and adhering to policies such as Antibribery, Scheme of Delegation, Safeguarding, Data Protection, Privacy Notice, Confidential Information, and Trustee Code of Conduct; detailed succession planning; following Charity Commission guidance on recruiting and good governance for Trustee and Staff appointments; scrutinising the management of Trust investments; appointing suitable investment managers, finance and accountancy providers and other advisors as required; requiring declarations of any possible conflicts of interest at Board meetings and acting accordingly to avoid such conflicts; obtaining appropriate insurance cover; maintaining appropriate electronic and hard copy record storage; providing clear communication, rigorous review and oversight processes for all Trust activities; and holding regular strategic reviews.

TRUSTEES' RESPONSIBILITIES STATEMENT

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:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and accounting estimates that are reasonable and prudent;
4. 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 proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr Andrew Wauchope
Honorary Treasurer

Date: 21 August 2023

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST

OPINION

We have audited the financial statements of Sir Halley Stewart Trust (the 'charity') for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, and those with an indirect effect;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence available; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST
(CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED...)

In response to the risk of irregularities, including fraud and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence made available to us such as that correspondence with HMRC, relevant regulators and the charity's legal advisors (where applicable).

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

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

Peters Elworthy & Moore

Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 21 August 2023

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SIR HALLEY STEWART TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Endowment funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
INCOME AND ENDOWMENTS FROM:					
Investments	3	1,339	-	1,339	1,297
TOTAL INCOME AND ENDOWMENTS		1,339	-	1,339	1,297
EXPENDITURE ON:					
Cost of raising funds					
Investment management costs	4	377	-	377	517
Charitable activities		-	1,069	1,069	1,142
TOTAL EXPENDITURE		377	1,069	1,446	1,659
NET INCOME/(EXPENDITURE) BEFORE NET (LOSSES)/GAINS ON INVESTMENTS					
		962	(1,069)	(107)	(362)
Net (losses)/gains on investments		(1,266)	-	(1,266)	3,974
NET (EXPENDITURE)/INCOME		(304)	(1,069)	(1,373)	3,612
Endowment return transferred	13	(1,342)	1,342	-	-
NET MOVEMENT IN FUNDS		(1,646)	273	(1,373)	3,612
RECONCILIATION OF FUNDS:					
Total funds brought forward		42,681	149	42,830	39,218
Net movement in funds		(1,646)	273	(1,373)	3,612
TOTAL FUNDS CARRIED FORWARD		41,035	422	41,457	42,830

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 39 form part of these financial statements.

SIR HALLEY STEWART TRUST

**BALANCE SHEET
AS AT 31 MARCH 2023**

	Note	2023 £000	2022 £000
FIXED ASSETS			
Tangible assets	9	1	1
Investments	10	41,699	43,340
		41,700	43,341
CURRENT ASSETS			
Cash at bank and in hand		1,385	1,217
		1,385	1,217
Creditors: amounts falling due within one year	11	(1,167)	(1,059)
		218	158
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		41,918	43,499
Creditors: amounts falling due after more than one year	12	(461)	(669)
		41,457	42,830
NET ASSETS		41,457	42,830
CHARITY FUNDS			
Endowment funds	13	41,035	42,681
Unrestricted funds	13	422	149
		41,457	42,830
TOTAL FUNDS		41,457	42,830

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



Mr Andrew Wauchope
Honorary Treasurer

Date: 21 August 2023

The notes on pages 22 to 39 form part of these financial statements.

SIR HALLEY STEWART TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £000	2022 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	15	(1,171)	(992)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		1,339	1,297
Purchase of tangible fixed assets		-	(1)
NET CASH PROVIDED BY INVESTING ACTIVITIES		1,339	1,296
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR			
Cash and cash equivalents at the beginning of the year		1,217	913
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	16	1,385	1,217

The notes on pages 22 to 39 form part of these financial statements

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (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 Republic of Ireland (FRS 102) (second edition October 2019) effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. Sir Halley Stewart Trust meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

The Trustees have prepared forecasts to March 2024 and considered the period beyond this to at least 12 months from the date of approval of these financial statements.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.3 FUND ACCOUNTING

Unrestricted income funds are funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

Permanent endowment funds comprise those funds the capital of which must be invested in perpetuity and is managed on a total return basis. Investment income and any increase or decrease in the value of investments and the net income is credited or debited to the endowment fund, being included in the unapplied total return. The Trustees at their discretion, may allocate any part of the unapplied total return to the general purposes of the Trust. The Unapplied Total Return is subject to a transfer to permanent endowment in respect of a sum authorised by the Board of Trustees. The transfer is designed to maintain the real value of the Trust's endowment. A further transfer is made to general reserves in respect of the 'spending rule' in accordance with the Charity Commission Total Return Order.

Investment income, costs and gains and losses are allocated to the endowment fund.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES (CONTINUED)**1.4 INCOME**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Interest on funds held on deposit is included when receivable and the income can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. All expenditure is accounted for on an accruals basis.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds comprise costs directly attributable to activities for raising funds such as investment managers fees.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES (CONTINUED)**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £500 are capitalised and valued at historical cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment - straight line over 3 years

1.7 FIXED ASSET INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.8 TOTAL RETURN INVESTMENT ACCOUNTING

The Trust is authorised to adopt a "total return" basis for the investment of its permanent endowment. The Trust can invest its permanent endowment without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be retained for investment or transferred to unrestricted funds at the discretion of the Trustees (see note 2 below).

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand 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.

1.10 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES (CONTINUED)**1.11 FINANCIAL INSTRUMENTS**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 PENSIONS

The charity contributes towards a pension plan for its employees and the pension charge represents the amounts payable by the charity to the fund.

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The most significant areas of adjustment and key assumptions that affect the items in the accounts are to do with estimating the liability from multi-year grant commitments. The trustees do not consider the impact of discounting to be material and therefore no adjustment is made. Further no adjustment is made for the potential clawback of grants that are unused. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. TOTAL RETURN INVESTMENT

The investment power of total return was granted by a Charity Commission Order on 22 March 2005. At the time the power was granted the trustees identified the value of the gifts of permanent endowment received up until 22 March 2005. The difference between the total of endowment funds as at 22 March 2005 and the value of the gift component represented the opening balance of unapplied total return.

The power of total return permits the trustees to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to unrestricted funds, the unapplied total return remains invested as part of the permanent endowment.

The power allows the trustees to decide in each year how much of the unapplied total return is transferred to unrestricted funds and so available for expenditure. The investment return to be transferred to unrestricted funds is calculated as up to 3.5 per cent. of the average of each of the preceding 5 years' year-end market valuations of the endowment.

	Endowment 2023 £000	Unapplied Total Return 2023 £000	Total 2023 £000	Total 2022 £000
At the beginning of the year:				
Gift component of the permanent endowment	15,322	-	15,322	15,322
Unapplied total return	-	27,359	27,359	23,876
	<u>15,322</u>	<u>27,359</u>	<u>42,681</u>	<u>39,198</u>
Movements in the year:				
Investment return: dividends and interest	-	1,339	1,339	1,297
Investment return: unrealised gains/(losses)	-	(1,266)	(1,266)	3,974
Less: investment management costs	-	(377)	(377)	(517)
Unapplied total return allocated to income	-	(1,342)	(1,342)	(1,271)
	<u>-</u>	<u>(1,646)</u>	<u>(1,646)</u>	<u>3,483</u>
At the end of the year	<u>15,322</u>	<u>25,713</u>	<u>41,035</u>	<u>42,681</u>
TOTAL 2022	<u><u>15,322</u></u>	<u><u>27,359</u></u>	<u><u>42,681</u></u>	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. INVESTMENT INCOME

	Endowment funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Dividends receivable	1,339	1,339	1,297
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
TOTAL 2022	1,297	1,297	
	<hr/> <hr/>	<hr/> <hr/>	

4. INVESTMENT MANAGEMENT COSTS

	Endowment funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Investment management fees	377	377	517
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
TOTAL 2022	517	517	
	<hr/> <hr/>	<hr/> <hr/>	

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Grants payable	897	172	1,069	1,142
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
TOTAL 2022	1,054	88	1,142	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

Support costs are allocated to grants payable on the basis of the total number of grants awarded.

In 2022 and 2023 all expenditure on charitable activities was attributable to unrestricted funds.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Activities 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Management (see note 8)	78	78	12
Staff costs	35	35	49
Meetings	8	8	1
Telephone	-	-	1
Computer	-	-	7
Publications	-	-	2
Miscellaneous	9	9	-
Bank charges	1	1	-
Accountancy	6	6	5
Audit	11	11	9
Insurance	2	2	2
Trustees' travel	2	2	-
Legal fees for incorporation project	20	20	-
	<u>172</u>	<u>172</u>	<u>88</u>
TOTAL 2022	<u>88</u>	<u>88</u>	

Included in support costs are governance costs totalling £33k (2022 - £10k), this relates to audit fees of £11k (2022 - £9k), trustees' travel expenses of £2k (2022 - £1k) and legal fees for the incorporation project of £20k (2022 - £nil).

6. ANALYSIS OF GRANTS

	Grants to Institutions 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Grants awarded	897	897	1,054
TOTAL 2022	<u>1,054</u>	<u>1,054</u>	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Grants of £10,000 and over:

	2023	2022
	£000	£000
Centre For Cultural Witness	62	-
King's Global Health Partnerships	60	-
Somerset and Avon Rape and Sexual Abuse Support	60	-
Cranmer Hall, St John's College Durham University	60	-
City, University of London	60	-
Centre for Child and Family Justice Research, Lancaster University	60	-
CSW	59	-
University of East Anglia	58	-
Street Connect	57	-
Dundee Rep and Scottish Dance Theatre Ltd	57	-
Dentaid	49	-
Centre for Trust, Peace and Social Relations, Coventry University	44	-
Beauty for Ashes	41	-
International Centre for Eye Health, London School of Hygiene and Tropical Medicine	41	-
Trevi	40	-
The Dalai Lama Centre for Compassion	33	-
Kids Alive International	30	-
International Refugee	19	-
University of Bath	-	60
Prison Advice and Care Trust	-	60
Respond	-	60
Church Urban Fund	-	60
Swansea University	-	60
University of Surrey	-	60
The Centre for Theology and Community	-	59
Why me? Transforming Lives through Restorative	-	59
Goldsmiths University	-	58
Ambassadors Football UK	-	58
EGA Institute For Women's Health, University College London	-	56
York St John University	-	50
Third Generation Project / University of St Andrews	-	46
Manchester Metropolitan University	-	45
Strength & Stem	-	44
Acet UK	-	41
Llamau	-	34
Subtotal c/f	890	910

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Grants of £10,000 and over (continued):

Subtotal b/f	890	910
Theos Think Tank	-	30
University of Salford	-	30
Gather	-	29
Lincoln University	-	27
Religion Media Centre	-	21
Bethnal Green Mission Church	-	12
Grants under £10,000	27	26
Grants returned	(20)	(31)
	<u>897</u>	<u>1,054</u>

Grants reconciliation

	2023	2022
	£000	£000
Grants creditor brought forward	1,719	1,585
Grants awarded in the year	897	1,054
Grants paid in the year	(1,019)	(937)
Grants repaid in the year	20	17
Grants creditor carried forward	<u>1,617</u>	<u>1,719</u>

The value of grants to individuals was £nil (2022 - £nil).

There were no grants made with conditions not being met (2022 - none).

7. AUDITORS' REMUNERATION

	2023	2022
	£000	£000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	11	9
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	6	6
	<u>6</u>	<u>6</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2023	2022
	£000	£000
Wages and salaries	32	35
Social security costs	1	9
Other pension costs	2	5
	<u>35</u>	<u>49</u>

The average number of persons employed by the charity during the year was as follows:

	2023	2022
	No.	No.
Administration	1	2

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Trust comprise the Trustees and the Trust Director. No trustees received any remuneration or benefits in kind from the charity (2022 - £nil). The total employee benefits of the key management personnel of the charity were £26,000 (2022 - £26,000). Maternity cover has been provided by a seconded interim director from The Trust Partnership. Amounts paid to The Trust Partnership in the year were £78,000 (2022 - £12,000).

During the year, 9 (2022 - 2) Trustees received reimbursement of expenses for travel totalling to £2,000 (2022 - £1,000).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. TANGIBLE FIXED ASSETS

	Computer equipment £000
COST OR VALUATION	
At 1 April 2022	4
At 31 March 2023	<u>4</u>
DEPRECIATION	
At 1 April 2022	3
At 31 March 2023	<u>3</u>
NET BOOK VALUE	
At 31 March 2023	<u>1</u>
At 31 March 2022	<u>1</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. FIXED ASSET INVESTMENTS

	Listed investments £000
COST OR VALUATION	
At 1 April 2022	43,340
Revaluations	(1,642)
AT 31 MARCH 2023	41,699
NET BOOK VALUE	
AT 31 MARCH 2023	41,699
AT 31 MARCH 2022	43,340

All listed investments are listed on recognised stock exchanges. Day-to-day management of the investments was delegated by the trustees during the year to CCLA.

INVESTMENT RISK MANAGEMENT

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are included at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£000	£000
Accruals and deferred income	11	9
Grants accrued - institutional (see note 5)	1,156	1,050
	1,167	1,059
	1,167	1,059

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£000	£000
Grants accrued - institutional (see note 5)	461	669
	461	669

There are no funding commitments at the year end (2022 - none).

SIR HALLEY STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2023 £000
UNRESTRICTED INCOME FUNDS						
DESIGNATED FUND						
The Centenary Fund	59	-	-	-	-	59
GENERAL FUNDS						
General Funds	90	-	(1,069)	1,342	-	363
TOTAL UNRESTRICTED FUNDS	149	-	(1,069)	1,342	-	422
ENDOWMENT FUNDS						
Permanent Endowment Fund	42,681	1,339	(377)	(1,342)	(1,266)	41,035
TOTAL OF FUNDS	42,830	1,339	(1,446)	-	(1,266)	41,457

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 March 2022 £000
UNRESTRICTED INCOME FUNDS					
DESIGNATED FUND					
The Centenary Fund	59	-	-	-	59
GENERAL FUNDS					
General Funds	(39)	1,271	(1,142)	-	90
TOTAL UNRESTRICTED FUNDS	20	1,271	(1,142)	-	149
ENDOWMENT FUNDS					
Permanent Endowment Fund	39,198	26	(517)	3,974	42,681
TOTAL OF FUNDS	39,218	1,297	(1,659)	3,974	42,830

The Centenary Fund has been established by the Trustees to mark the Trust's centenary in 2024.

The transfer comprises the total return on endowment funds applied for the purposes of the charity (see note 2).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Endowment funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	1	1
Fixed asset investments	41,035	664	41,699
Current assets	-	1,385	1,385
Creditors due within one year	-	(1,167)	(1,167)
Creditors due in more than one year	-	(461)	(461)
TOTAL	<u>41,035</u>	<u>422</u>	<u>41,457</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Endowment funds 2022 £000	Unrestricted funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	1	1
Fixed asset investments	42,681	659	43,340
Current assets	-	1,217	1,217
Creditors due within one year	-	(1,059)	(1,059)
Creditors due in more than one year	-	(669)	(669)
TOTAL	<u>42,681</u>	<u>149</u>	<u>42,830</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£000	£000
Net income/expenditure for the year (as per Statement of Financial Activities)	(1,373)	3,612
ADJUSTMENTS FOR:		
Net gains on investments	1,642	(3,457)
Dividends, interests and rents from investments	(1,339)	(1,297)
Decrease/(increase) in debtors	-	20
Increase/(decrease) in creditors	(101)	130
NET CASH USED IN OPERATING ACTIVITIES	(1,171)	(992)

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£000	£000
Cash in hand	1,385	1,217
TOTAL CASH AND CASH EQUIVALENTS	1,385	1,217

17. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April	Cash flows	At 31 March
	2022	£000	2023
	£000		£000
Cash at bank and in hand	1,217	168	1,385
	1,217	168	1,385

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. PENSION COMMITMENTS

The charity contributes towards a pension plan for its employees and the pension charge represents the amounts payable by the charity to the fund amounted to £4,577 (2022 - £5,000). There was £nil outstanding at the balance sheet date (2022 - £nil).

19. RELATED PARTY TRANSACTIONS

During the year a grant of £1,000 was made directly by a trustee to the charity concerned and the trustee subsequently reimbursed. This grant was approved by the trustees.

20. POST BALANCE SHEET EVENTS

On 1 April 2023, Sir Halley Stewart Trustee Limited became the corporate trustee of the charity. The directors of the corporate trustee are the Trustees of the Trust as shown in the details set out on page 6.

SIR HALLEY STEWART TRUST

England & Wales - Charity number 208491

Accounts

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

SIR HALLEY STEWART TRUST

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 14
Independent auditors' report on the financial statements	15 - 18
Statement of financial activities	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22 - 40

SIR HALLEY STEWART TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	Mrs Theresa Bartlett BSc (Hons), (Chair) Ms Celia Atherton BA (Hons), CQSW, OBE Dr James Bunn MBBS, MSc, DTM&H, MRCP, FRCPCH Mrs Louisa Elder MA Cantab, (Vice Chair) Ms Vivienne Evans OBE Ms Shemara Fletcher BA (Hons), MA (appointed 24 June 2022) Ms Kate Garbers Prof Jane Gilliard BA, CQSW Mr Andrew Graystone BA, PGCE, MA Ms Christine Morgan MA Cantaur (appointed 24 June 2022) Mrs Amy Holcroft BA (Hons), Dip.Law (CPE), Dip.Law (LPC), CIPP/E Dr Mzwandile A Mabhala MFPH, FRSPH, FRSM Mr Hugh Richardson Dr Duncan Stewart MB, BS, D.Obst, RCOG, (President) Mr Andrew Wauchope BA, FCISI, (Honorary Treasurer) Prof Philip Whitfield BA, MA, PhD (resigned 24 June 2022) Prof Gordon K Wilcock DM Oxon, FRCP Revd Prof David Wilkinson BSc, PhD, MA, PhD, FRAS Prof John Wyatt FRCP, FRCPCH
Charity registered number	208491
Principal office	BM Sir Halley Stewart Trust London WC1N 3XX
Management	Ms Vicky Chant BA (Hons) (Director) (maternity leave from 24 February 2022) Ms Elizabeth Fathi (Interim Director from 24 February 2022)
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA

SIR HALLEY STEWART TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Bankers

Barclays Bank
1 Church Street
Peterborough
PE1 1XE

CAF Bank Limited
25 Kings Hill Avenue
King Hill
West Malling
Kent
ME19 4JQ

Investment Managers

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

Once again my Chair's Statement reflects on a year affected by the pandemic. I am, as always, sincerely grateful to the Board of Trustees and staff who have risen to the challenge and ensured that our grant-giving has continued to be strong and sure-footed. We remain responsive to new requests and necessary changes to existing grantees who face uncertain times and high demand for their services. Throughout the year we have continued to hold our scheduled meetings, albeit online, but the agenda remains full and the decision-making robust. We are hopeful that the summer of 2022 will see a return to in-person meetings.

During the 2021/22 year, the Sir Halley Stewart Trust (the Trust) awarded over £1million of grants to a variety of research and development projects within medical, religious and social categories. Further details are provided later by the Chairs of each sub-committee and I remain grateful to them and all my fellow Trustees for their tireless care and attention to ensure that the Trust's funds are awarded to those who best meet our charitable objects. With the end of the financial year came the closure of our Covid 19 Emergency Support Grants programme which had offered additional funds, where necessary, for existing grantees and new awards to those charities in need on the frontline. We remain impressed by the wonderful work carried out by so many charities at home and abroad, and we look forward to providing continued support as we enter the new post-pandemic world.

Just after the financial year end, we were delighted to welcome two new trustees Shermara Fletcher and Christine Morgan who bring specialist experience to their role as Religious Sub-Committee members. Family member, Henry Stewart has joined the Finance Sub-Committee as an advisor and we are grateful to him for his time and skills. Lydia Pretzlik and Nick Wright, former finance advisors, retired during the year and I would like to record our thanks to both of them for their wise counsel. Sadly, in June 2022, just following the year end, Phil Whitfield, retired, having been a Trustee for over twenty years providing considerable expertise, wisdom and experience to the Medical Sub-Committee and during his time as Chair. Our Director, Vicky Chant, started her maternity leave in February 2022 and an Interim Director was appointed through The Trust Partnership, with whom Trustees have a long-standing working relationship. We were delighted to welcome Lorraine Faires, our Grants Manager, who joined the Trust in May 2021 and has already used her experience and expertise to benefit the work of the Trust.

We are very sad to report the death, in September 2021, of Professor Phyllida Parsloe who served as a Trustee between 1982 and 2015 and had an enormous impact on the Trust's work including Chairing of the Social Sub-Committee for many years. Phyllida was the inaugural Professor of Social Work at the University of Bristol and was a member of the Trust's Emeriti until her passing

In addition to making grants, Trustees have continued to work on various projects to strengthen and celebrate the work of the charity. In particular, developing a special interest funding round with another family trust, the Wates Foundation, (with whom we have previously worked successfully) to jointly fund research and development into breaking the cycle of homelessness amongst young women and girls who have suffered, or witnessed, abuse. The funding, of £80,000, is to be awarded over a two-year period and illustrates the aim of Trustees to continue the core objective of the charity by looking at alternative ways of delivery.

We have also been delighted to see considerable progress in our commissioning of Helix Research & Evaluation to undertake a study of the impact of 100 years of grant making by the Trust. The aim is to present the findings at the Trust's centenary celebrations in 2024 along with further conclusions from Helix about how future funding can be evaluated and monitored to maximise a long-lasting legacy.

During the year, it was agreed that the Trust should pursue becoming an incorporated organisation. Legal advice will be sought as to the most appropriate incorporation structure for the Trust as well as costings and timings.

SIR HALLEY STEWART TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Despite the conditions we have all endured over the past year, I am pleased report that the Trust continues to fulfil its objectives and ends the year in a strong financial position.

Theresa Bartlett

**Theresa Bartlett
Chair of Trustees**

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

A BRIEF SUMMARY OF THE TRUST'S ETHOS

During the course of his life our founder, Sir Halley Stewart, was a Non-Conformist Christian Minister, a Member of Parliament, a pioneering industrialist and a philanthropist. In 1924, when he founded the Trust, he specified four objects; to advance religion and education, to relieve poverty and to promote other charitable purposes beneficial to the community. The mind of Christ is to be expressed in the prevention and removal of human misery and in the realisation of national and worldwide brotherhood. Sir Halley stated that he wished the Trustees to have the fullest discretion to apply the income of the Trust within its objects, though not for dogmatic theological purposes.

Until his death in 1937, Sir Halley continued to take a keen personal interest in the Trust and acted as Chairman of the Trustees from 1924-33. A tradition of supporting medical research was established during this period. In 1933 Sir Halley put on record guidance for administration of the Trust. "It is primarily for research to prevent human suffering; not for its relief, and not for granting help to charitable institutions. The Trust aims at promoting and assisting pioneer research activities with a view to making such work self-supporting at the earliest possible moment.

The wide range of areas in which we are involved in grant-making necessitates a Board of Trustees which possesses a diversity of skills and experience. Trustees are appointed from within the Stewart family (with four Trustees in this category at present) and from those in sympathy with the broad aim of the Trust who can contribute from personal expertise to its management or areas of interest. The composition of the present Board includes members with special experience in the religious, social and medical fields, and members with financial experience appropriate to the administration of the capital endowment.

In line with the general principles set out in The Trust Deed and the subsequent guidance by the founder, and with regard to public benefit, grant-giving by the Trust falls into three main areas: Religious, Social, and Medical. Education is a theme that runs across all three grant-making areas. Three Sub-Committees recommend policies in each field and their reports that follow describe the wide range of applications supported during the financial year 2021/22.

The Trust continually monitors the effectiveness of previously made grants. All grants are given on the basis defined by our founder, that is, "to prevent human suffering". The deliberations that lead to the grant of awards for religious, social or medical purposes explicitly test applications in the context of this aim. In particular Trustees need to be convinced that the outcomes proposed by applicants will, if achieved, generate actual benefits to people in the short to medium term rather than providing theoretical insights that will take many years before they can be translated into such benefits. In all three areas of our grantgiving, this guiding principle means that our activities are carried out "for the public benefit". The public in our context is sometimes the population of the United Kingdom but on other occasions populations and groups in other countries, particularly in Africa.

The Trust aims to maintain personal and informal contact with applicants as appropriate, to keep paperwork to the minimum consistent with efficient administration, and to make decisions on applications within four months if possible. As ways of keeping in personal touch and monitoring the outcomes of the Trust's grant giving, the Trustees and our Director visit funded projects and attend grantee events where possible, and also from time to time meet with grant holders before Board meetings.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION

The Sir Halley Stewart Trust was established under a trust deed dated 15 December 1924 by the settlor, Sir Halley Stewart and is a registered charity No. 208491. The original trust deed was varied by three further deeds in 1933, in 1960 and in 1997.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The objects of the Trust are, in general:

1. To advance Christian religion;
2. To advance education;
3. To relieve poverty; and
4. To promote other charitable purposes beneficial to the community.

The settlor gave guidance that he wished the Trust principally to provide grants for research into the prevention of human suffering, with the view to making such pioneering research work self-supporting at the earliest possible moment.

The Trust Deed gives three principles to which the Trustees should have regard in administering the Trust income:

1. To furthering for every individual such favourable opportunities of education, service and leisure as shall enable him or her most perfectly to develop the body, mind and spirit;
2. In all social life whether domestic, industrial or national, to securing a just environment; and
3. In international relationships to fostering good will between all races, tribes, peoples and nations as to secure the fulfilment of hope of 'Peace on Earth'.

There have been no changes in the objectives since the last annual report.

Method and Appointment of New Trustees

New Trustees are selected when vacancies arise. Trustees are sought from Medical, Religious, Social and Financial fields where their expertise would be of most use to the Trust, and applications are received in response to public advertisements in appropriate resources and via relevant networks. The Chair and Trustees from relevant Sub-Committees review applications and shortlist suitable candidates, who are then invited to an interview with a small panel of Trustees. The panel makes recommendations to the full Board, which makes final decisions on whether to appoint the recommended candidate(s) as Trustees. The relevant governance paperwork is then completed and successful candidates are formally appointed at the following Board meeting. Internal appointments to officer roles are made by asking for interested parties prior to a relevant Board meeting, and then conducting a nomination, seconding and voting process at that formal meeting.

Pay Policy For Senior Staff

The Trust considers that its key management personnel comprise the Board of Trustees, the Director and Grants Manager. Between them, they are in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

The pay of the Trust Director and Grants Manager are reviewed by the Trustees annually. The level of salary is periodically benchmarked to ensure that the remuneration set is fair and in line with that generally paid for similar roles.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee Meetings

The Trustees meet three times each year to approve grants, receive reports and conduct the business of the Trust.

Trustees

The present Trustees are set out on page 1.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Chair

The Chair is elected by the Trustees and sits as a member of all committees. Mrs Theresa Bartlett is the current serving Chair.

Trust Staff

The day to day running of the Trust business is conducted by the Director (a part-time employee) and a Grants Manager (a part-time employee), with infrastructure support provided by The Trust Partnership.

Other Relevant Organisations

Details of the Trust's Auditors, Bankers and Investment Advisors are set out on page 1. The account with Barclays Bank was closed during the year.

Treasurer

The Honorary Treasurer oversees the financial records of the Trust, presents financial reports for the Trustees' meetings together with the Annual Accounts, and Chairs the Finance Sub-Committee.

TRUSTEES' ANNUAL REPORT

The Trustees present their annual report together with the audited financial statements of the Sir Halley Stewart Trust (the Trust), for the year ended 31 March 2022. The Trustees confirm that the annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (second edition October 2019, effective 1 January 2019).

OBJECTIVES AND ACTIVITIES PUBLIC BENEFIT

The whole of the Trust's grant expenditure is for the public benefit. The Trustees have assessed the disclosures made in the Trustees' and Chair's report and consider these sufficient to detail the significant activities undertaken in order to carry out the charity's aims for the public benefit. When planning the charity's activities, the Trustees have regard to the Charity Commission's guidance on public benefit.

GRANT MAKING POLICIES

The Trust provides grants to support innovative and pioneering Medical, Religious and Social projects to enable human flourishing and to prevent suffering. The Trust funds a wide range of organisations to achieve this goal, with grants normally ranging from one to three years in duration and up to circa £60,000 per project (with a £30,000 limit per year), although in exceptional cases up to £80,000 may be considered. The Trust is underpinned by Christian values, but welcomes applications from other faith and non-faith projects. Three Sub-Committees meet regularly to consider Medical, Religious and Social grant-making policies.

Grants are usually in the form of salary contributions and the Trustees prefer to support innovative and imaginative people — often promising young researchers — with whom they can develop a direct relationship. Sometimes a contribution towards the expenses of a project is given. In general, the Trustees do not favour grant-giving to enable the completion of a project initiated by other bodies.

The Trust maintains a website (www.sirhalleystewart.org.uk) that sets out the principles on which it selects successful applicants; provides clear application criteria; and gives examples of the kinds of grants that have previously been given. Potential applicants are encouraged to make an initial informal approach to the Trust's Grants Manager to discuss their projects before commencing an application, so that unsuitable projects can be deflected without wasting the valuable time and resources of the applicants themselves and the Trust. The Trust's online application form, combined with these consultations, significantly reduces the number of ineligible

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

applications in each grant round. However, the Trust is still very oversubscribed with applications and so the assessment and grant awards process remains extremely competitive.

The Trust has several assessment phases in each grant round. Unsuccessful applicants are sent a personalised decline notification, either explaining the reason for rejection or offering a personalised feedback call. Projects judged as possibly suitable for a grant within the budgetary limit are considered by members of the Trust's Sub-Committees, using their specialised knowledge. At this stage queries and possible modifications of the application are dealt with by personal contact with the applicant. Final Main Grant decisions are made by all Trustees, after detailed and informed discussion, at their meetings held three times each year. Small Grant awards, maximum of £5,000, may be made throughout the year via Trustee consensus.

ACHIEVEMENTS AND PERFORMANCE REVIEW OF ACTIVITIES

During the year the Trustees set out to fund a range of innovative research and development projects that meet the Trust's Medical, Religious and Social criteria; to manage the existing grants portfolio effectively; and to continue and develop the ongoing operations of the Trust. The Trustees are pleased to have achieved all three of these objectives, which are detailed further in the Chair's Statement above and the following Sub-Committee Chair reports.

GRANTS

An analysis of the major grants committed by the Trust during the financial year is set out in note 6 of the Accounts.

The Chairs of the three grant subcommittees report:

Medical Grants – Professor John Wyatt

2021/22 has been both demanding and exciting within the field of medicine. We were pleased to provide over £330,000 of grant funding towards projects within the Medical category. As ever, the sheer variety and high quality of project proposals we have received made our funding decisions very challenging.

We supported a number of projects focussing on infants and children. These ranged from research into new treatments for premature babies undergoing intensive care, to preventing home accidents in young children and supporting valuable research into the psychological development of adolescents living with chronic pain. We also funded research into the real-world problems encountered by young stroke survivors.

At the other end of the age-range we funded research into the use of virtual reality to promote the physical and mental health of older adults within care environments. We are aware of the increasing importance of digital technologies and informatics in healthcare, and we funded an innovative project investigating the use of 'big data' to assess the care being provided for depression disorders in rural settings, and to find ways of communicating this in an accessible format for the general public.

Tropical diseases also continue to be one of our priority areas, and we were pleased to award a research grant into developing novel rapid diagnostics for neglected parasitic diseases.

Our core Medical priorities remain focussed on practical innovative projects that aim to prevent human suffering and are capable of clinical application within five to ten years. We are open to applications for pioneering work focussed on improving the quality of life for older people suffering from physical or psychological disorders; the prevention of disease and disability in children, disadvantaged groups and those affected by tropical infectious and parasitic diseases; and innovations in any discipline that are likely to improve health care. We look forward to supporting many more such projects in the year ahead.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Religious Grants – Revd Professor David Wilkinson

During 2021/22 the Trust provided just under £308,000 of Religious grants. The projects we supported continue to demonstrate the diverse nature of this funding category, and the valuable impact of faith-based work on a wide variety of topics. As examples, we funded a leadership development project for Christian leaders in areas of socio-economic deprivation in Northern Ireland, a women's wellbeing and leadership programme, provided grants to academic institutions to look at challenging the narrative of religious decline and contributed to a project harnessing the potential of community within Black Christian and Pentecostal spaces.

The Trust continues to consider projects where previous funding has led to positive impact and/or development in understanding. This year we funded the Church Urban Fund for the second time, having also provided a grant in 2017 to commission an investigation to understand, measure, analyse and respond to the relationship between social action, church growth and discipleship in the Church of England today. From that work a set of themes emerged amongst churches that were growing numerically. Namely: hospitality, generosity, adaptability, participation and an active presence within the community. The 2022 grant was awarded to build upon these findings and to help churches and leaders integrate mission into that development focusing on, amongst other things, social action, personal identity and ministerial work in a post-Covid world and leadership modules for ordained and lay church leaders. Trustees look forward to monitoring the work of this Growing Good Project.

Core funding priorities remain the advancement of Christian religion, through innovative and practical ecumenical projects. We fund ground-breaking inspirational projects, which include wide dissemination to share learning with others working in similar fields. In particular, we prioritise projects that break down religious and secular divides, involve the vocational development of key people, and initiatives that are untested and have the potential to be game-changers. We currently have five specific priority areas for awarding Religious grants:

- To encourage Christian people to uphold, engage and communicate their faith in the public domain.
- To encourage dialogue between Christian faith and contemporary issues in a secular society.
- To encourage closer working relationships between Christian denominations; and / or to improve inter-faith relationships by facilitating a better understanding between faiths. A particular area of interest is improving dialogue and mutual understanding between Christian and Muslim faiths.
- To support and encourage the innovative education and communication of Christianity within the UK and also internationally.
- To encourage specific groups of people to explore their experience of spirituality and their spiritual needs and strengths, and to help others to understand these.

We continue to explore new ways to bring our Grantees together to share their valuable learning and explore potential collaborations.

Social Grants – Ms Celia Atherton

This year the Trust awarded nine grants in our Main Grant scheme, worth £423,000 in total (ranging from £28,000 - £60,000 across one to three years). Our grants focussed on practical on-the-ground projects and research projects that concern themselves with direct impact for disadvantaged people. We are interested in new ways of tackling problems where the results will be disseminated widely, and the learning used positively by others. We look for projects that involve beneficiaries as both creators and recipients of the services or research. While the majority of our grants are for work in the UK one is international.

While all our grants are focussed on tackling disadvantage two of them had a specific focus on addressing the trauma that so often results. One enables whole families where a child has autism to recover from trauma together and find ways to resolve conflicts with the agencies upon whom they depend. The other seeks to make trauma-informed support for young men in custody a primary way of helping them move on to a settled life, free of crime.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

That project is one of many in the criminal justice system that we have funded over the years. This year we also provided a grant to develop an economic evaluation model for Restorative Justice conferencing in England and Wales. It is notoriously hard to work out what the financial benefit of a particular social intervention is and we hope that this model will also prove to have useful insights for other interventions.

Education is another enduring theme of interest to us, and we are pleased that three of our grants this year have concerned the education arena for children and young people. One is to a partnership between a university and a city council, working together to identify how better to support children with Special Educational Needs move from primary to secondary education. This can be a fraught time for any child and will have even more potential perils for a student with special needs. This grant exemplifies the direction of our grants – partnerships with practice organisations, where the results can be seen to make a difference to beneficiaries within two years.

Our other two grants this year within the children and young people's education world respond to issues which have, rightly, gained more national and global prominence recently. One concerns a culture-change approach to helping young people recognise, challenge and, ultimately, eradicate racism. This is a long-term endeavour and we are delighted to support grounded efforts to make progress for the benefit of us all. The others tackle a similarly huge and sometimes daunting issue – that of climate change. Our grant will enable educators to move out of the classroom with the aim of reaching more young people on this topic, especially youngsters who are disaffected but, ironically, more affected by the dangers of climate change than many others.

We are committed to ensuring that more of our grants support the direct involvement of beneficiaries in deciding the approach to the work and to take part in the development and dissemination overall. Our international grant sees this play out in Madagascar where it will enable local ownership of development data to improve sanitation for vulnerable urban communities. In the UK we take decent toilet facilities and access to clean water for granted. Yet they are in seriously short supply in many parts of the world. This project will enable local workers to identify and find the local data they need in order to support the most effective localised improvements.

Our interest in migration, slavery and trafficking continues with problems for people as prevalent as ever. This year we made a grant to support female survivors of human trafficking, not by direct therapy but, rather, by using floristry as a means of helping the women address their emotional isolation and their economic needs. Building the capacity for independence seems to us to be crucial to becoming healthily settled in a new country.

And we gave one grant to a Welsh charity doing important work to prevent youth homelessness. This is an upstream project, trying to prevent young people becoming or staying homeless at the very beginning of their adult lives. This theme is so important to us that we, in a partnership with the Wates Foundation, will be funding more work around a specific group of young people facing homelessness.

Over this year we have been so impressed by the commitment, imagination and passion of those who have applied to us for grants. The determination of all these people and organisation, and their willingness to be rigorous in setting outcome targets and rolling out diverse dissemination helps ensure that many people, in many places, can benefit from their results and experiences.

FINANCIAL REVIEW

RESERVES POLICY

The Board of Trustees aims to maintain readily available free reserves in unrestricted funds at a level equivalent to six months of the higher of projected gross income or gross expenditure for the next financial year. The Trustees consider that this level would provide flexibility should unforeseen circumstances arise to give an urgent need for additional grants or other expenditure in delivering the Trust's objectives regardless of short-term fluctuations of income and expenditure or unforeseen financial burdens. The free reserves requirement will be calculated and monitored on a quarterly basis. Excess reserves (i.e. above the upper level of the target range) may be used to fund increases in expenditure in order to achieve the Trust's objectives subject to agreement by the Board of Trustees.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The target amounted to £600,000 as at 31st March, 2022 and the Trust's unrestricted general funds of £149,000 were below this figure. It is hoped to establish the targeted reserve over a number of years.

INVESTMENT HISTORY POLICY AND PERFORMANCE

The Trust's work is entirely reliant on income and investment returns from its endowments, which are invested on a total return basis. The Charity received a capital sum in 1924 from the settlor, Sir Halley Stewart, to be kept in perpetuity. In 1997 the Trustees were required by the Charity Commission to split the Endowment Fund to distinguish between unspent income and capital. The accumulated unspent income at that stage was labelled the Unrestricted Fund, although this term is no longer used in the Accounts, which now refer to Unapplied Total Return. A further donation was received in 1999 by way of a legacy from the Estate of Mrs. E.E.N. Pearce. The combined Funds generate regular annual returns, which are used to finance grants in furtherance of the Charity's objectives.

On the total return basis of investing, it is the Trustees' policy to extract as income up to 3.5 per cent. of the value of the relevant investments. However, to smooth and moderate the amounts withdrawn, this is calculated on the average of the year-end values in each of the preceding five years. £1,271,000, being the equivalent of such 3.5 per cent. of the value of the investments, was taken as income in the year. The Trustees keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the Trust's activities.

From 1 April 2008 the investment management has been carried out on a discretionary basis. The Trust's investment portfolio is currently invested with fund manager CCLA, in its COIF Charities Investment Fund, which is an actively managed long-term multi-asset fund designed to help meet the growth and income requirements of a wide range of charities, through a highly diversified and well-balanced spread of investments, whilst keeping risk levels sensibly under control. The Fund invests largely in real assets equities, both in the UK and overseas, and property as well as infrastructure, private equity, bonds and other assets, offering diversified sources of income which should rise over time. The equities comprise well managed global companies with sound finances and resilient businesses.

The Fund is managed on a total return basis. The objective is to maintain the capital value of the portfolio in real terms and to generate a sustainable level of distributable cash to support current charitable activities. CCLA currently assesses the desirable average long-term total return at 7% per annum.

The Fund adopts a 'responsible investment' approach, to protect the financial interests and reputation of unitholders. The Fund's policy is to exclude investment in:

- Companies that have any involvement in the production of indiscriminate weaponry (landmines or cluster)
- Bombs (including critical parts);
- Companies with 'significant involvement' (i.e., more than 10% of turnover) in the production of pornography
- Or online gambling; and
- Tobacco producers.

The Fund also benefits from CCLA's active stewardship programme: CCLA votes at all investee companies' AGMs and engages on a range of topical issues including climate change, modern slavery, mental health, corporate governance (including executive remuneration), nutrition, alcohol marketing and the use of plastics.

The Trust's Finance Sub-Committee meets quarterly with representatives of CCLA to receive investment updates and to review performance. The Trust's investment objective is to manage its investments so as to be fair to present and future beneficiaries, and the Finance Sub-Committee believes that investment in the COIF Charities Investment Fund is an appropriate way to achieve this.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The Trustees have considered their approach to investment risk. They accept that risk cannot be completely eliminated at an acceptable cost and that risk levels can alter, especially over any short-term period. They recognise that volatility of stock markets and unpredictability of earnings expectations will require them to exercise judgement in order to give appropriate weight to future and current needs, and that in some circumstances it will not be possible to demonstrate compliance with both. In making these judgements, the Trustees will be informed through the approved monitoring process and specialist advice when appropriate.

The "risk profile" recommended by the Finance Sub-Committee is "Moderate". This means that the Trustees are comfortable with investments that lead to some fluctuations in the value of the portfolio in exchange for the opportunity to achieve above average increases in value in the medium to long run. CCLA aims to achieve consistent and competitive returns over multiple time periods with volatility within the risk budget of 75% of UK equity market risk.

Performance of the COIF Charities Investment Fund over the financial year was reasonable until the turn of the year when the first quarter of 2022 was impacted by a number of factors including, on 24th February 2022, Russia's invasion Ukraine. These had a significant impact on our portfolio. However, the portfolio made up ground in the lead up to the year end and at the end of March 2022, the value of the Trust's holding was £43,405,160 compared to a value of £39,383,159 in March 2021.

The fund returned 11.61% over the year compared to a 7.12% return in the ARC Steady Growth Charity Index, which collects together performance data from peer group charities. It was just behind the market comparator (a weighted "basket" of 45% non-UK equities, 30% UK equities, 15% UK government bonds, 5% UK commercial property and 5% cash) which returned 11.72%. However, it was ahead of the target benchmark of CPI plus 5% which was 11.14%.

Asset Allocation in the Fund at the end of the financial year was:

UK Equities 9.24%
Overseas Equities 63.40%
Infrastructure and Operating Assets 9.06%
Property 4.58%
Contractual and Other Income 2.76%
Private Equity and Other 2.44%
Fixed Interest 0.00%
Cash and near cash 8.52%

RESPONSIBLE INVESTMENT

The Sir Halley Stewart Trust is a responsible investor. We do not manage our investments in-house but aim to select investment managers who reflect our values and are committed to integrating environmental, social and governance considerations into their investment processes. We pay particular attention to our investment manager's approach to investing in line with our charitable aims.

We also seek to be an active owner of the companies held within our portfolio as we believe that this can deliver demonstrable, positive changes in corporate behaviour. For this reason, we encourage our investment managers to vote and engage with the companies in our portfolio on their behalf. For example, we currently support CCLA's engagement programme that encourages companies to develop policies and processes for improving employee wellbeing and mental health.

As part of our commitment to responsible investment, we expect our managers to be a signatory to the United Nations backed Principles of Responsible Investment and to demonstrate best practice by achieving above average ratings for 'Responsible Investment Strategy and Governance', 'Listed Equity Incorporation' and 'Listed Equity Active Ownership' in the annual PRI Assessment Process.

The Trust's Finance Sub-Committee monitors and evaluates our investment managers' approach to responsible investment and receives a full report on all activity at least once per year.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

PLANS FOR FUTURE PERIODS

The Sir Halley Stewart Trust is a lasting testimony to the generosity and charitable concerns of the donors, Sir Halley Stewart and Mrs Pearce. The Trustees' approach will remain in accordance with the wishes of Sir Halley Stewart and we will continue to work with potential and existing grantees to pursue these core purposes. To this end, the Trusts policies and practices are reviewed regularly. In 2024, the Trust will be marking the centenary of its foundation and plans for this are now being made.

FUTURE GRANTS

For budgeting purposes, the Trustees are permitted to draw down an appropriate amount from Unapplied Total Return, if the distributed income from the two funds referred to above is inadequate to achieve the objects of the charity. They understand the need to take careful account of any capital gains or losses. For the year to 31 March 2023, the Trustees have set a budget based substantially upon anticipated investment income from the funds.

The Trustees will keep their budget under review throughout the year.

The Trust recognises its grant giving is dependent on the total return it receives from its investments and regular meetings with investment advisers mean that the Trustees are able to adjust their grant budget accordingly. The Trustees cash reserve is sufficient to cover six months' grants.

RISK MANAGEMENT

The Trustees carry out regular assessments of the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate their exposure to the major risks. The Risk Register and Scheme of Delegation are reviewed annually by the Finance Sub-Committee, which makes any necessary changes and reports to the Trustees as appropriate. The Trustees consider that the major risks to which the charity is exposed relate to governance and management, operations, finances, external factors and compliance. The Trust's Risk Register outlines key risks within each of these areas and how the Trust acts to mitigate those risks, including assessing the likelihood of occurrence and severity of impact, control procedures, and the monitoring process for each identified risk and mitigation action. The top five risks identified by the Trustees are:

- Spending capacity of endowment is not maintained
- Ineffective management of the investment portfolio; endowment portfolio underperforms
- Loss of key personnel
- Negative / Inappropriate action of trustees or grantees
- Data protection becomes weak and GDPR compliance becomes poor

SIR HALLEY STEWART TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Comprehensive controls are in place to enable the Trust to respond to, and as far as possible mitigate, these risks. These include: regularly updating and adhering to policies such as Antibribery, Scheme of Delegation, Safeguarding, Data Protection, Privacy Notice, Confidential Information, and Trustee Code of Conduct; detailed succession planning; following Charity Commission guidance on recruiting and good governance for Trustee and Staff appointments; scrutinising the management of Trust investments; appointing suitable investment managers, finance and accountancy providers and other advisors as required; requiring declarations of any possible conflicts of interest at Board meetings and acting accordingly to avoid such conflicts; obtaining appropriate insurance cover; maintaining appropriate electronic and hard copy record storage; providing clear communication, rigorous review and oversight processes for all Trust activities; and holding regular strategic reviews.

TRUSTEES' RESPONSIBILITIES STATEMENT

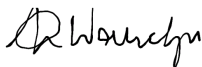
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr Andrew Wauchope
Honorary Treasurer

Date: 26 October 2022

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST

OPINION

We have audited the financial statements of Sir Halley Stewart Trust (the 'charity') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified which laws and regulations were significant in the context of the entity.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested a sample of journal entries to identify unusual transactions; and
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- reading the minutes of meetings of those charged with governance.

SIR HALLEY STEWART TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST
(CONTINUED)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

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

Peters Elworthy & Moore

Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 26 October 2022

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SIR HALLEY STEWART TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Endowment funds 2022 £000	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 restated * £000
INCOME AND ENDOWMENTS:					
Endowment return transferred		(1,271)	1,271	-	-
Investments	3	1,297	-	1,297	1,315
TOTAL INCOME AND ENDOWMENTS		26	1,271	1,297	1,315
EXPENDITURE:					
Cost of raising funds					
Investment management costs	4	517	-	517	424
Charitable activities		-	1,142	1,142	1,247
TOTAL EXPENDITURE		517	1,142	1,659	1,671
NET (EXPENDITURE)/INCOME BEFORE NET GAINS ON INVESTMENTS					
		(491)	129	(362)	(356)
Net gains on investments		3,974	-	3,974	7,190
NET MOVEMENT IN FUNDS		3,483	129	3,612	6,834
RECONCILIATION OF FUNDS:					
Total funds brought forward		39,198	20	39,218	32,384
Net movement in funds		3,483	129	3,612	6,834
TOTAL FUNDS CARRIED FORWARD		42,681	149	42,830	39,218

The notes on pages 22 to 40 form part of these financial statements.


* See notes 1.1 and 4 for prior year restatement.

SIR HALLEY STEWART TRUST

**BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £000		2021 £000
FIXED ASSETS				
Tangible assets	9	1		-
Investments	10	43,340		39,883
		43,341		39,883
CURRENT ASSETS				
Debtors	11	-	20	
Cash at bank and in hand		1,217	913	
		1,217	933	
Creditors: amounts falling due within one year	12	(1,059)	(858)	
		158	75	
NET CURRENT ASSETS		158		75
TOTAL ASSETS LESS CURRENT LIABILITIES		43,499		39,958
Creditors: amounts falling due after more than one year	13	(669)		(740)
NET ASSETS		42,830		39,218
CHARITY FUNDS				
Endowment funds	14	42,681		39,198
Unrestricted funds	14	149		20
TOTAL FUNDS		42,830		39,218

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



Mr Andrew Wauchope
Honorary Treasurer

Date: 26 October 2022

The notes on pages 22 to 40 form part of these financial statements.

SIR HALLEY STEWART TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £000	2021 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	16	(992)	(1,237)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		1,297	1,315
Purchase of tangible fixed assets		(1)	-
NET CASH PROVIDED BY INVESTING ACTIVITIES		1,296	1,315
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR			
Cash and cash equivalents at the beginning of the year		913	835
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	17	1,217	913

The notes on pages 22 to 40 form part of these financial statements

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (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 Republic of Ireland (FRS 102) (second edition October 2019) effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. Sir Halley Stewart Trust meets the definition of a public benefit entity under FRS 102.

Prior year restatement

In 2020-21 there was an error in the amount of £73,000 shown within Raising funds for investment management costs, which has now been corrected to £424,000. This was caused by £351,000 of investment management costs being deducted from revaluation gains. Revaluation gains for 2020-21 have now been restated as £7,190,000 (£6,839,000 before restatement).

1.2 GOING CONCERN

The Trustees have prepared forecasts to March 2023 and considered the period beyond this.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.3 FUND ACCOUNTING

Unrestricted income funds are funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

Permanent endowment funds comprise those funds the capital of which must be invested in perpetuity and is managed on a total return basis. Investment income and any increase or decrease in the value of investments and the net income is credited or debited to the endowment fund, being included in the unapplied total return. The Trustees at their discretion, may allocate any part of the unapplied total return to the general purposes of the Trust.

Investment income, costs and gains and losses are allocated to the endowment fund. An appropriate portion of the unapplied total return is applied to the unrestricted income fund each year and so is available for expenditure.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES (CONTINUED)**1.4 INCOME**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Interest on funds held on deposit is included when receivable and the income can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. All expenditure is accounted for on an accruals basis.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds comprise costs directly attributable to activities for raising funds such as investment managers fees.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised and valued at historical cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	- straight line over 3 years
--------------------	------------------------------

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES (CONTINUED)**1.7 FIXED ASSET INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.8 TOTAL RETURN INVESTMENT ACCOUNTING

The Trust is authorised to adopt a "total return" basis for the investment of its permanent endowment. The Trust can invest its permanent endowment without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be retained for investment or released to income at the discretion of the Trustees (see note 2 below).

1.9 DEBTORS

Other debtors are recognised at the settlement amount.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand 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.

1.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 PENSIONS

The charity contributes towards a pension plan for its employees and the pension charge represents the amounts payable by the charity to the fund.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES (CONTINUED)

1.14 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The most significant areas of adjustment and key assumptions that affect the items in the accounts are to do with estimating the liability from multi-year grant commitments. The trustees do not consider the impact of discounting to be material and therefore no adjustment is made. Further no adjustment is made for the potential clawback of grants that are unused. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. TOTAL RETURN INVESTMENT

The investment power of total return was granted by a Charity Commission Order on 22 March 2005. At the time the power was granted the trustees identified the value of the gifts of permanent endowment received up until 22 March 2005. The difference between the total of endowment funds as at 22 March 2005 and the value of the gift component represented the opening balance of unapplied total return.

The power of total return permits the trustees to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income, the unapplied total return remains invested as part of the permanent endowment.

The power allows the trustees to decide in each year how much of the unapplied total return is transferred to income funds and so available for expenditure. The investment return to be applied as income is calculated as up to 3.5 per cent. of the average of each of the preceding 5 years' year-end market valuations of the endowment.

	Endow- ment 2022 £000	Unapplied Total Return 2022 £000	Total 2022 £000	Total Endowment 2021 restated * £000
At the beginning of the year:				
Gift component of the permanent endowment	15,322	-	15,322	15,322
Unapplied total return	<u>-</u>	<u>23,876</u>	<u>23,876</u>	<u>16,962</u>
	15,322	23,876	39,198	32,284
Movements in the year:				
Investment return: dividends and interest	-	1,297	1,297	1,315
Investment return: unrealised gains/(losses)	-	3,974	3,974	7,190
Less: Investment management costs	-	(517)	(517)	(424)
Unapplied total return allocated to income	<u>-</u>	<u>(1,271)</u>	<u>(1,271)</u>	<u>(1,167)</u>
Net movements in the reporting period	-	3,483	3,483	6,914
At the end of the year:				
Gift component of the permanent endowment	15,322	-	15,322	15,322
Unapplied total return	<u>-</u>	<u>27,359</u>	<u>27,359</u>	<u>23,876</u>
Total	<u>15,322</u>	<u>27,359</u>	<u>42,681</u>	<u>39,198</u>

* See notes 1.1 and 4 for details of this restatement.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. INVESTMENT INCOME

	Endowment funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Dividends receivable	1,297	1,297	1,315
TOTAL 2021	1,315	1,315	

4. INVESTMENT MANAGEMENT COSTS

	Endowment funds 2022 £000	Total funds 2022 £000	Total funds 2021 restated £000
Investment management fees	517	517	424
TOTAL 2021	424	424	

In 2020-21 there was an error in the amount of £73,000 shown for investment management costs, which has now been corrected to £424,000. This was caused by £351,000 of investment management costs being deducted from revaluation gains.

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £000	Grant funding of activities 2022 £000	Support costs 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Grants payable	-	1,054	88	1,142	1,248
TOTAL 2021	83	1,092	73	1,248	

Support costs are allocated to grants payable on the basis of the total number of grants awarded.

In 2021 and 2022 all expenditure on charitable activities was attributable to unrestricted funds.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Activities 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Commissioned research into longer-term outcomes and impact	-	-	83
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2021	<u> </u> 83	<u> </u> 83	

ANALYSIS OF SUPPORT COSTS

	Activities 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Staff costs	49	49	25
Telephone	1	1	-
Computer	7	7	-
Publications	2	2	2
Miscellaneous	-	-	1
Meetings	1	1	-
Accountancy	5	5	9
Audit	9	9	8
Insurance	2	2	2
Secretarial	12	12	26
	<u> </u>	<u> </u>	<u> </u>
	<u> </u> 88	<u> </u> 88	<u> </u> 73
TOTAL 2021	<u> </u> 73	<u> </u> 73	

Included in support costs are governance costs totalling £10k (2021 - £8k), this relates to audit fees of £9k (2021 - £8k) and trustees' travel expenses of £1k (2021 - £nil).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. ANALYSIS OF GRANTS

	Grants to Institutions 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Grants awarded	1,054	1,054	1,092
TOTAL 2021	1,092	1,092	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

The charity has made the following material grants to institutions during the year:

	2022	2021
	£000	£000
Grants of £10,000 and over:		
University of Bath	60	-
Prison Advice and Care Trust	60	-
Respond	60	-
Church Urban Fund	60	-
Swansea University	60	-
University of Surrey	60	-
The Centre for Theology and Community	59	-
Why me? Transforming Lives through Restorative	59	-
Goldsmiths University	58	-
Ambassadors Football UK	58	-
EGA Institute For Women's Health, University College London	56	-
York St John University	50	-
Third Generation Project / University of St Andrews	46	-
Manchester Metropolitan University	45	-
Strength & Stem	44	-
Acet UK	41	-
Llamau	34	-
Theos Think Tank	30	-
University of Salford	30	-
Gather	29	-
Lincoln University	27	-
Religion Media Centre	21	-
Bethnal Green Mission Church	12	-
University of Keele	-	60
London's Air Ambulance Charity	-	60
LandWorks	-	60
University of Plymouth	-	60
University of Leeds	-	60
Teach2Teach International	-	59
Subtotal c/f	1,059	359

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

Grants of £10,000 and over (continued):

	2022	2021
	£000	£000
Subtotal b/f	1,059	359
Cicely Saunders International	-	57
University of York	-	57
Islington Mind	-	52
University of Strathclyde	-	49
Mosac	-	49
Canterbury Christ Church University	-	48
Standing Voice	-	45
Migrants Organise	-	44
Northern Baptist College	-	40
Play Action International	-	35
Northumbria University	-	32
National Literacy Trust	-	28
CSW	-	28
God and the Big Bang	-	28
Anna Freud National Centre for Children and Families	-	27
Discovering Prayer	-	16
Commonwealth Pharmacist Association (CPA)	-	10
The Trussell Trust	-	10
Standing Voice (Covid-19 Charity Support Grant)	-	10
Grants under £10,000	26	93
Grants returned	(31)	(25)
	1,054	1,092
	1,054	1,092

The value of grants to individuals was £nil (2021 - £nil).

There were no grants made with conditions not being met (2021 - none).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. AUDITORS' REMUNERATION

	2022 £000	2021 £000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	9	8
Fees payable to the charity's auditor in respect of: All non-audit services not included above	6	9
	<u><u> </u></u>	<u><u> </u></u>

8. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2022 £000	2021 £000
Wages and salaries	35	21
Social security costs	9	2
Other pension costs	5	1
	<u><u> </u></u>	<u><u> </u></u>
	49	24

The average number of persons employed by the charity during the year was as follows:

	2022 No.	2021 No.
Administration	2	1
	<u><u> </u></u>	<u><u> </u></u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Trust comprise the Trustees and the Trust Director. No trustees received any remuneration or benefits in kind from the charity (2021 - £nil). The total employee benefits of the key management personnel of the charity were £26,000 (2021 - £24,000). Maternity cover has been provided by a seconded interim director from The Trust Partnership.

During the year, 2 (2021 - 0) Trustees received reimbursement of expenses for travel totalling to £1,000 (2021 - £nil).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. TANGIBLE FIXED ASSETS

	Computer equipment £000
COST OR VALUATION	
At 1 April 2021	3
Additions	1
	<hr/>
At 31 March 2022	4
	<hr/>
DEPRECIATION	
At 1 April 2021	3
	<hr/>
At 31 March 2022	3
	<hr/>
NET BOOK VALUE	
	<hr/>
At 31 March 2022	1
	<hr/> <hr/>
At 31 March 2021	-
	<hr/> <hr/>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. FIXED ASSET INVESTMENTS

	Listed investments £000
COST OR VALUATION	
At 1 April 2021	39,883
Revaluations	3,457
	43,340
AT 31 MARCH 2022	43,340
 NET BOOK VALUE	
AT 31 MARCH 2022	43,340
AT 31 MARCH 2021	39,883

All listed investments are listed on recognised stock exchanges. Day-to-day management of the investments was delegated by the trustees during the year to CCLA.

INVESTMENT RISK MANAGEMENT

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are included at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. DEBTORS

	2022	2021
	£000	£000
DUE WITHIN ONE YEAR		
Tax repayable on investment income	-	20
	-	20
	-	20

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£000	£000
Accruals and deferred income	9	12
Grants accrued - institutional (see note 6)	1,050	846
	1,059	858
	1,059	858

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£000	£000
Grants accrued - institutional (see note 6)	669	740
	669	740

There are no funding commitments at the year end (2021 - none).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 March 2022 £000
UNRESTRICTED INCOME FUNDS					
DESIGNATED FUND					
The Centenary Fund	59	-	-	-	59
GENERAL FUNDS					
General Funds	(39)	1,271	(1,142)	-	90
TOTAL UNRESTRICTED FUNDS	20	1,271	(1,142)	-	149
ENDOWMENT FUNDS					
Permanent Endowment Fund	39,198	26	(517)	3,974	42,681
TOTAL OF FUNDS	39,218	1,297	(1,659)	3,974	42,830

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £000	Income £000	As restated Expenditure £000	Transfers in/out £000	As restated Gains/ (Losses) £000	Balance at 31 March 2021 £000
UNRESTRICTED INCOME FUNDS						
DESIGNATED FUND						
The Centenary Fund	100	-	-	(41)	-	59
GENERAL FUNDS						
General Funds	-	1,167	(1,247)	41	-	(39)
TOTAL UNRESTRICTED FUNDS	100	1,167	(1,247)	-	-	20
ENDOWMENT FUNDS						
Permanent Endowment Fund	32,284	148	(424)	-	7,190	39,198
TOTAL OF FUNDS	32,384	1,315	(1,671)	-	7,190	39,218

The Centenary Fund has been established by the Trustees to mark the Trust's centenary in 2024.

The transfer comprises the total return on endowment funds applied for the purposes of the charity (see note 2).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Endowment funds 2022 £000	Unrestricted funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	1	1
Fixed asset investments	43,240	100	43,340
Current assets	1,161	56	1,217
Creditors due within one year	(1,323)	264	(1,059)
Creditors due in more than one year	(397)	(272)	(669)
TOTAL	<u>42,681</u>	<u>149</u>	<u>42,830</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Endowment funds 2021 £000	Unrestricted funds 2021 £000	Total funds 2021 £000
Fixed asset investments	39,783	100	39,883
Current assets	788	145	933
Creditors due within one year	(650)	(208)	(858)
Creditors due in more than one year	(723)	(17)	(740)
TOTAL	<u>39,198</u>	<u>20</u>	<u>39,218</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£000	£000
Net income for the year (as per Statement of Financial Activities)	3,612	6,834
ADJUSTMENTS FOR:		
Net gains on investments	(3,457)	(6,839)
Dividends, interests and rents from investments	(1,297)	(1,315)
Decrease/(increase) in debtors	20	2
Increase/(decrease) in creditors	130	81
NET CASH USED IN OPERATING ACTIVITIES	(992)	(1,237)

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022	2021
	£000	£000
Cash in hand	1,217	913
TOTAL CASH AND CASH EQUIVALENTS	1,217	913

18. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £000	Cash flows £000	At 31 March 2022 £000
Cash at bank and in hand	913	304	1,217
	913	304	1,217

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. PENSION COMMITMENTS

The charity contributes towards a pension plan for its employees and the pension charge represents the amounts payable by the charity to the fund amounted to £5,000 (2021 - £2,000). There was £nil outstanding at the balance sheet date (2021 - £nil).

20. RELATED PARTY TRANSACTIONS

A £1,000 small grant was awarded to a charity which shares a trustee with the Trust. The trustee was not involved in the decision to award the grant.

SIR HALLEY STEWART TRUST

England & Wales - Charity number 208491

Accounts

Charity number: 208491

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

SIR HALLEY STEWART TRUST

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 14
Independent auditors' report on the financial statements	15 - 18
Statement of financial activities	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22 - 40

SIR HALLEY STEWART TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	Mrs Theresa Bartlett BSc (Hons), (Chair) Ms Celia Atherton BA (Hons), CQSW, OBE Dr James Bunn MBBS, MSc, DTM&H, MRCP, FRCPC Mrs Louisa Elder MA Cantab, (Vice Chair) Ms Vivienne Evans OBE (appointed 25 February 2021) Ms Kate Garbers (appointed 25 February 2021) Prof Jane Gilliard BA, CQSW Mr Andrew Graystone BA, PGCE, MA Mr Paul Harrod MA Oxon (resigned 25 June 2020) Mrs Amy Holcroft BA (Hons), Dip.Law (CPE), Dip.Law (LPC), CIPP/E Dr Mzwandile A Mabhala MFPH, FRSPH, FRSM (appointed 25 February 2021) Mr Hugh Richardson (appointed 8 October 2020) Dr Duncan Stewart MB, BS, D.Obst, RCOG, (President) Mr Andrew Wauchope BA, FCISI, (Honorary Treasurer from 25 June 2020) Prof Philip Whitfield BA, MA, PhD Prof Gordon K Wilcock DM Oxon, FRCP Revd Prof David Wilkinson BSc, PhD, MA, PhD, FRAS Mrs Joanna M. Womack MA, (Honorary Treasurer and Trustee) (resigned 25 June 2020) Prof John Wyatt FRCP, FRCPC
Charity registered number	208491
Principal office	BM Sir Halley Stewart Trust London WC1N 3XX
Management	Ms Vicky Chant BA (Hons) (Director)
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA

SIR HALLEY STEWART TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Bankers

Barclays Bank
1 Church Street
Peterborough
PE1 1XE

CAF Bank Limited
25 Kings Hill Avenue
King Hill
West Malling
Kent
ME19 4JQ

Investment Managers

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

The impact of the Covid-19 pandemic has been felt all over the world, and the Sir Halley Stewart Trust (the Trust) is no exception. I want to begin this year's report by commending our Grantees for their work during this challenging time. The commitment, creativity and resilience they have shown has been nothing short of extraordinary. We continue to be humbled and full of admiration for their excellent work in the face of extremely difficult circumstances, including many of our Medical Grantees who have deferred their projects to help with frontline medical support during the pandemic.

We were pleased to be able to provide additional support during the year for our Grantees where necessary, due to the impact of Covid-19 on their projects. We did so in a number of ways, from establishing a specific Covid-19 Emergency Support Grants programme, to approving no-cost extensions and awarding ad hoc extra funds if appropriate. We have also funded projects that were developed in direct response to the pandemic, which are detailed in my colleagues' reports overleaf.

The Trust's operations have continued throughout the year, with our Board and Sub-Committees meeting remotely to conduct their valuable work for the Trust. As with all organisations during the various lockdowns, this has presented challenges to the way that we normally do things, but it has also presented some positive opportunities. For example, our Board members are quite spread out across the UK and one of our Medical Trustees is currently based in Sierra Leone, so working together via videoconference has actually been somewhat easier than scheduling our usual face-to-face meetings.

We are fortunate that the Trust was able to continue our grant-making at the usual level during 2020/21, with over £1million awarded in total during the year. This is in no small part thanks to the dedication and expertise of our Finance Sub-Committee and investment managers CCLA. We are very grateful for their wise counsel, particularly during these difficult times. Whilst we were assessing the potential impact of the pandemic on the Trust's finances and operations, we delayed our usual June grant award cycle and instead held a double funding round in October, as well as our usual grant round in February. My colleagues from the Medical, Religious and Social Sub-Committees report overleaf on the funding provided to projects in their specific grant categories over the course of the year.

Whilst operating remotely, the Trust also embarked on a period of Trustee recruitment following the retirement of our former Hon. Treasurer and one of our Social Trustees. Following an open recruitment process, we were very pleased to appoint four new Trustees to our Board during the year - Viv Evans, Kate Garbers and Andi Mabhala to our Social Sub-Committee and Hugh Richardson to our Finance Sub-Committee. Three of our new appointees already know the Trust well as they are former Grantees themselves. We were also delighted to appoint one of our existing Trustees, Andrew Wauchope, as our new Hon. Treasurer. All of our new appointees bring a wealth of experience and expertise that will help us to further the Trust's mission and we are delighted to have them on board.

During the year we also appointed a second member of staff to join our Director, Vicky Chant, in running the Trust's operations. Lorraine Faires joined the Trust as our new Grants Manager shortly after the end of the financial year, and we all very much look forward to working with her. The Trust Partnership will continue to work with us to provide infrastructure support.

SIR HALLEY STEWART TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

I would like to conclude by conveying my sincere thanks to the Trust's Board members, staff and consultants for everything they have done for the Trust over the course of this extraordinary year. Everyone has gone the extra mile for the Trust, and in particular demonstrated great flexibility and patience as we adapted to new technologies and ways of working. It is through everyone's collective hard work that the Trust has been able to continue providing much needed funding to projects aimed at the prevention of human suffering – many of which are more crucial now than ever. We look forward to supporting them together with new innovations over the coming year, and very much hope for conditions to have improved worldwide by the time we produce next year's report.

Theresa Bartlett

Mrs Theresa Bartlett

Chair

Date:

10th November 2021.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

A BRIEF SUMMARY OF THE TRUST'S ETHOS

During the course of his life our founder, Sir Halley Stewart, was a Non-Conformist Christian Minister, a Member of Parliament, a pioneering industrialist and a philanthropist. In 1924, when he founded the Trust, he specified four objects; to advance religion and education, to relieve poverty and to promote other charitable purposes beneficial to the community. The mind of Christ is to be expressed in the prevention and removal of human misery and in the realisation of national and worldwide brotherhood. Sir Halley stated that he wished the Trustees to have the fullest discretion to apply the income of the Trust within its objects, though not for dogmatic theological purposes.

Until his death in 1937, Sir Halley continued to take a keen personal interest in the Trust and acted as Chairman of the Trustees from 1924 to 1933. A tradition of supporting medical research was established during this period. In 1933 Sir Halley put on record guidance for administration of the Trust. "It is primarily for research to prevent human suffering; not for its relief, and not for granting help to charitable institutions. The Trust aims at promoting and assisting pioneer research activities with a view to making such work self-supporting at the earliest possible moment."

The wide range of areas in which we are involved in grant-making necessitates a Board of Trustees which possesses a diversity of skills and experience. Trustees are appointed from within the Stewart family (with four Trustees in this category at present) and from persons in sympathy with the broad aim of the Trust who can contribute from personal expertise to its management or areas of interest. The composition of the present Board includes members with special experience in the religious, social and medical fields, and members with financial experience appropriate to the administration of the capital endowment.

In line with the general principles set out in The Trust Deed and the subsequent guidance by the founder, and with regard to public benefit, grant-giving by the Trust falls into three main areas: Religious, Social, and Medical. Education is a theme that runs across all three grant-making areas. Three Sub-Committees recommend policies in each field and their reports that follow describe the wide range of applications supported during the financial year 2020/21.

The Trust continually monitors the effectiveness of previously made grants. All grants are given on the basis defined by our founder, that is, "to prevent human suffering". The deliberations that lead to the grant of awards for religious, social or medical purposes explicitly test applications in the context of this aim. In particular Trustees need to be convinced that the outcomes proposed by applicants will, if achieved, generate actual benefits to people in the short to medium term rather than providing theoretical insights that will take many years before they can be translated into such benefits. In all three areas of our grant-giving, this guiding principle means that our activities are carried out "for the public benefit". The public in our context is sometimes the population of the United Kingdom but on other occasions populations and groups in other countries, particularly in Africa.

The Trust aims to maintain personal and informal contact with applicants as appropriate, to keep paperwork to the minimum consistent with efficient administration, and to make decisions on applications within four months if possible. As ways of keeping in personal touch and monitoring the outcomes of the Trust's grant-giving, the Trustees and our Director visit funded projects and attend grantee events where possible, and also from time to time meet with grant holders before Board meetings.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION

The Sir Halley Stewart Trust was established under a trust deed dated 15 December 1924 by the settlor, Sir Halley Stewart, and is a registered charity No. 208491. The original trust deed was varied by three further deeds in 1933, in 1960 and in 1997.

The objects of the Trust are, in general:

- To advance Christian religion;
- To advance education;
- To relieve poverty; and

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

To promote other charitable purposes beneficial to the community.

The Trust Deed gives three principles to which the Trustees should have regard in administering the Trust income:

To furthering for every individual such favourable opportunities of education, service and leisure as shall enable him or her most perfectly to develop the body, mind and spirit;

In all social life whether domestic, industrial or national, to securing a just environment; and

In international relationships to fostering good will between all races, tribes, peoples and nations as to secure the fulfilment of hope of 'Peace on Earth'.

There have been no changes in the objectives since the last annual report.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

New Trustees are selected when vacancies arise. Trustees are sought from Medical, Religious, Social and Financial fields where their expertise would be of most use to the Trust, and applications are received in response to public advertisements in appropriate resources and via relevant networks. The Chair and Trustees from relevant Sub-Committees review applications and shortlist suitable candidates, who are then invited to an interview with a small panel of Trustees. The panel makes recommendations to the full Board, which makes final decisions on whether to appoint the recommended candidate(s) as Trustees. The relevant governance paperwork is then completed and successful candidates are formally appointed at the following Board meeting. Internal appointments to officer roles are made by asking for interested parties prior to a relevant Board meeting, and then conducting a nomination, seconding and voting process at that formal meeting.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee Meetings

The Trustees meet three times each year to approve grants, receive reports and conduct the business of the Trust.

Trustees

The present Trustees are set out on page 1.

Chair

The Chair is elected by the Trustees and sits as a member of all committees. Mrs Theresa Bartlett is the current serving Chair.

Trust Staff

The day to day running of the Trust business is conducted by the Trust Director (a part-time employee) and a Grants Manager (a part-time employee), with infrastructure support provided by The Trust Partnership.

Pay policy for senior staff

The Trust considers that its key management personnel comprise the Board of Trustees, the Trust Director and Grants Manager. Between them, they are in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

The pay of the Trust Director and Grants Manager are reviewed by the Trustees annually. The level of salary is periodically benchmarked to ensure that the remuneration set is fair and in line with that generally paid for similar roles.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Treasurer

The Honorary Treasurer oversees the financial records of the Trust, presents financial reports for the Trustees' meetings together with the Annual Accounts, and Chairs the Finance Sub-Committee.

TRUSTEES' ANNUAL REPORT

The Trustees present their annual report together with the audited financial statements of the Sir Halley Stewart Trust (the Trust), for the year ended 31 March 2021. The Trustees confirm that the annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (second edition October 2019, effective 1 January 2019).

OBJECTIVES AND ACTIVITIES PUBLIC BENEFIT

The whole of the Trust's grant expenditure is for the public benefit. The Trustees have assessed the disclosures made in the Trustees' and Chair's report and consider these sufficient to detail the significant activities undertaken in order to carry out the Charity's aims for the public benefit. When planning the Charity's activities, the Trustees have regard to the Charity Commission's guidance on public benefit.

GRANT MAKING POLICIES

The Trust provides grants to support innovative and pioneering Medical, Religious and Social projects to enable human flourishing and to prevent suffering. The Trust funds a wide range of organisations to achieve this goal, with grants normally ranging from one to three years in duration and up to circa £60,000 per project (with a £30,000 limit per year), although in exceptional cases up to £80,000 may be considered. The Trust is underpinned by Christian values, but welcomes applications from other faith and non-faith projects. Three Sub-Committees meet regularly to consider Medical, Religious and Social grant-making policies.

Grants are usually in the form of salary contributions and the Trustees prefer to support innovative and imaginative people — often promising young researchers — with whom they can develop a direct relationship. Sometimes a contribution towards the expenses of a project is given. In general, the Trustees do not favour grant-giving to enable the completion of a project initiated by other bodies.

The Trust maintains a website (www.sirhalleystewart.org.uk) that sets out the principles on which it selects successful applicants; provides clear application criteria; and gives examples of the kinds of grants that have previously been given. Potential applicants are encouraged to make an initial informal approach to the Trust's Grants Manager to discuss their projects before commencing an application, so that unsuitable projects can be deflected without wasting the valuable time and resources of the applicants themselves and the Trust. The Trust's online application form, combined with these consultations, significantly reduces the number of ineligible applications in each grant round. However, the Trust is still very over-subscribed with applications and so the assessment and grant awards process remains extremely competitive.

The Trust has several assessment phases in each grant round. Unsuccessful applicants are sent a personalised "decline" notification, either explaining the reason for rejection or offering a personalised feedback call. Projects judged as possibly suitable for a grant within the budgetary limit are considered by members of the Trust's Sub-Committees, using their specialised knowledge. At this stage queries and possible modifications of the application are dealt with by personal contact with the applicant. Final Main Grant decisions are made by all Trustees, after detailed and informed discussion, at their meetings held three times each year. Small Grant awards, maximum of £5,000, may be made throughout the year via Trustee consensus.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENTS AND PERFORMANCE REVIEW OF ACTIVITIES

During the year the Trustees set out to fund a range of innovative research and development projects that meet the Trust's Medical, Religious and Social criteria; to manage the existing grants portfolio effectively; and to continue and develop the ongoing operations of the Trust. The Trustees are pleased to have achieved all three of these objectives, which are detailed further in the Chair's Statement above and the following Sub-Committee Chair reports.

GRANTS

An analysis of the major grants committed by the Trust during the financial year is set out in note 7 of the Accounts.

The Chairs of the three grant subcommittees report:

Medical Grants – Chair: Professor John Wyatt

2020/21 has been an extraordinary time in the medical world. The rapid development of new vaccines, treatments and delivery programmes during the pandemic has highlighted the remarkable vision, hard work and innovative approaches of those working in the healthcare sectors.

Here at the Trust we were pleased to provide over £420,000 (2020 - over £285,000) of grant funding towards projects under the Medical category. As ever, the sheer variety of high quality of project proposals we were received made our funding decisions very challenging.

We supported a number of projects in the pregnancy, neonatal and childhood health fields. These ranged from a nutritional survey on pregnancy induced sickness and hyperemesis, to a project on how coaching might improve the communication of unexpected news in obstetric ultrasound. We also funded a project focussed on movement behaviours in early childhood in Malawi, and work in the UK on genetic and environmental influences on mental illness in young people with developmental language disorder.

One of our largest grants was a pioneering emergency preservation and resuscitation innovation project that has the potential to significantly improve outcomes for seriously injured patients and the world of pre-hospital care. We also awarded Small Grant funding to several diverse projects, including in vitro screening of novel hydrogen sulphide therapeutics for Parkinson's disease, and exploring patient and carer perceptions of aids for improving medication compliance.

Palliative care continues to be a key interest for the Trust. We were delighted to award a Main Grant towards the development and evaluation of a novel initiative to provide access to high quality educational materials for global leaders in palliative care. This builds on the vision of Dame Cicely Saunders, the founder of the hospice movement, whom the Sir Halley Stewart Trust is proud to have funded at the start of her pioneering career. We also awarded two Small Grants towards a palliative care training and implementation programme in Sierra Leone and a palliative care toolkit video series here in the UK.

Tropical diseases also continue to be one of our priority areas, and we were pleased to award a Main Grant towards a project focussed on the use of Azolla (an aquatic plant) in managing mosquito populations, as well as a Small Grant towards the validation of galactokinase as drug target against Leishmaniasis.

Our core Medical priorities remain focussed on practical innovative projects that aim to prevent human suffering and are capable of clinical application within five to ten years. We are open to applications for pioneering work focussed on improving the quality of life for older people suffering from physical or psychological disorders; the prevention of disease and disability in children, disadvantaged groups and those affected by tropical infectious and parasitic diseases; and innovations in any discipline that are likely to improve health care. We look forward to supporting many more such projects in the year ahead.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Religious Grants – Chair: Revd Professor David Wilkinson

During 2020/21 the Trust provided just under £175,000 (2020 - over £360,000) of Religious grants. The projects we supported demonstrate the diverse nature of this funding category, and the valuable impact of faith-based work on a wide variety of topics. For example, we funded a tool to support the integration and inclusion of the LGBTQ+ community in faith-sector organisations, in order to reduce the rate of LGBTQ+ suicide in churches, and supported a project regarding the experiences of freedom of religion or belief violations for women in Mexico.

Education and disseminating learning have always been priorities for the Trust, and this year we funded a project to share the wisdom of monastic communities and practice – to help a contemporary audience engage in a rhythm of prayer that leads to flourishing. We also supported online science faith CPD training for Church of England primary school teachers nationally, and a project to create and disseminate a new resource about Muslim life for use by church congregations and Christian groups, in order to counteract misleading sources of information, increase understanding and improve relationships within local communities.

This ability to fund such diversity is a key strength of the Trust, as is our flexibility to respond to new crises as they emerge. One of our largest grants was towards a project to bring Chaplains together to cultivate human flourishing and spiritual resilience in response to Covid-related losses for year 7 pupils. The impact of the pandemic will continue to be felt for many years, and we are pleased to be playing a part in aiming to mitigate the impact on young people at such a critical juncture of their development. We also funded a project to chart the changing relationships between local authorities and faith groups in responding to the impacts of Coronavirus.

As well as supporting work arising from the pandemic as appropriate, our core funding priorities remain the advancement of Christian religion, through innovative and practical ecumenical projects. We fund ground-breaking inspirational projects, which include wide dissemination to share learning with others working in similar fields. In particular, we prioritise projects that break down religious and secular divides, involve the vocational development of key people, and initiatives that are untested and have the potential to be game-changers. We currently have five specific priority areas for awarding Religious grants:

- To encourage Christian people to uphold, engage and communicate their faith in the public domain.
- To encourage dialogue between Christian faith and contemporary issues in a secular society.
- To encourage closer working relationships between Christian denominations; and / or to improve inter-faith relationships by facilitating a better understanding between faiths. A particular area of interest is improving dialogue and mutual understanding between Christian and Muslim faiths.
- To support and encourage the innovative education and communication of Christianity within the UK and also internationally.
- To encourage specific groups of people to explore their experience of spirituality and their spiritual needs and strengths, and to help others to understand these.

We had planned to hold a roundtable event during 2020 focussed on the broad areas of faith, gender, sexuality and sexual exploitation, but had to postpone this due to the impact of the pandemic. We were pleased to rearrange this as a virtual event for 2021, and we continue to explore new ways to bring our Grantees together to share their valuable learning and explore potential collaborations.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Social Grants – Chair: Ms Celia Atherton

This year the Trust awarded 14 grants worth £449,000 (2020 - over £350,000) in total. Our grants focussed on practical on-the-ground projects and research projects that concern themselves with direct impact for disadvantaged people. We are interested in new ways of tackling problems where the results will be disseminated widely and the learning used positively by others. We look for projects that involve beneficiaries as both creators and recipients of the services or research. While the majority of our grants are for work in the UK, a few are international.

Three of our grants were in the Small Grants group of £5,000 or less. We are delighted and impressed to see how much can be achieved with such a relatively small injection of funds. The other eleven grants were within our Main Grant programme ranging from £27,000 to £60,000 and lasting from one to three years.

Two of our grants demonstrate our concern for those who try to find shelter in the UK: one to support LGBTQ+ refugees as they settle into new lives here; and the other to provide support and assistance to vulnerable migrants who lack mental capacity to engage with the immigration system.

Two grants focus on support for people who have been sexually exploited: a peer-support forum for women who are survivors of commercial sexual exploitation; and the development of an online arm to existing in-person support for parents caring for a child who has been sexually abused. Another online-focussed grant enables evaluation of the impact of online support to people internationally with a Dual Diagnosis (those with severe mental and addictive disorder) – this developed because of Covid-19 restrictions but perhaps opens up new ways of reaching and supporting particularly vulnerable people.

Two of our grants focus on adoption: one, jointly with the Medical Sub-Committee, provides for the analysis and dissemination of the part of a longitudinal study examining how early and late adopted children fare in adolescence, from their and their adopters' perspectives; the second supported the development of a preparation pack for related carers overseas who were to have Looked After Children from the UK placed with them.

While two of the above grants related to people living beyond the UK we also funded three projects focussed entirely on work in Africa. One, in Ghana, supports young unemployed people to become primary school teachers in a very poorly-resourced area and to focus principally on inclusion, especially of girls and those with disabilities; another, in Tanzania, seeks to improve the health and wellbeing of mothers and babies affected by albinism; and the third, based on work in Uganda, will use an online platform to equip educators and caregivers across the developing world to utilise play-based methods to help children learn effectively through play.

Over the year we have seen how digital platforms are able to offer more and more. We want to encourage positive use of the digital world, especially social media, for young people and so provided a grant to promote young people's critical digital literacy.

One of our grants will enable the development of longer-term support for ex-offenders who have graduated from a targeted resettlement programme. Another grant will study the impact of hoarding behaviour on the attitudes of vulnerable people to moving into supported accommodation. And we gave one grant to a scheme to encourage primary school children to use compassion as a way to deal with conflict and become kinder citizens.

Throughout this year we have seen our grantees struggle and adapt to their Covid-19 environment and have been impressed with their commitment to continue working hard for their beneficiaries. While much of the impact of Covid-19 is terrible, we are also seeing some valuable new developments in service provision which we think could increase access and inclusion for many.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

INVESTMENT HISTORY POLICY AND PERFORMANCE

The Trust's work is entirely reliant on income and investment returns from its endowments, which are invested on a total return basis. The Charity received a capital sum in 1924 from the settlor, Sir Halley Stewart, to be kept in perpetuity. In 1997 the Trustees were required by the Charity Commission to split the Endowment Fund to distinguish between unspent income and capital. The accumulated unspent income at that stage was labelled the Unrestricted Fund, although this term is no longer used in the Accounts, which now refer to Unapplied Total Return. A further donation was received in 1999 by way of a legacy from the Estate of Mrs. E.E.N. Pearce. The combined Funds generate regular annual returns, which are used to finance grants in furtherance of the Charity's objectives.

On the total return basis of investing, it is the Trustees' policy to extract as income up to 3.5 per cent. of the value of the relevant investments. However, to smooth and moderate the amounts withdrawn, this is calculated on the average of the year-end values in each of the preceding five years. £1,092,000, being the equivalent of such 3.5 per cent. of the value of the investments, was taken as income in the year. The Trustees keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the Trust's activities.

From 1 April 2008 the investment management has been carried out on a discretionary basis. The Trust's investment portfolio is currently invested with fund manager CCLA, in its COIF Charities Investment Fund, which is an actively managed long-term multi-asset fund designed to help meet the growth and income requirements of a wide range of charities, through a highly diversified and well-balanced spread of investments, whilst keeping risk levels sensibly under control. The Fund invests largely in real assets equities, both in the UK and overseas, and property as well as infrastructure, private equity, bonds and other assets, offering diversified sources of income which should rise over time. The equities comprise well managed global companies with sound finances and resilient businesses.

The Fund is managed on a total return basis. The objective is to maintain the capital value of the portfolio in real terms and to generate a sustainable level of distributable cash to support current charitable activities. CCLA currently assesses the desirable average long-term total return at 7% per annum.

The Fund adopts a 'responsible investment' approach, to protect the financial interests and reputation of unitholders. The Fund's policy is to exclude investment in:

- Companies that have any involvement in the production of indiscriminate weaponry (landmines or cluster bombs, including critical parts);
- Companies with 'significant involvement' (i.e., more than 10% of turnover) in the production of pornography or online gambling; and
- Tobacco producers.

The Fund also benefits from CCLA's active stewardship programme: CCLA votes at all investee companies' AGMs and engages on a range of topical issues including climate change, modern slavery, mental health, corporate governance (including executive remuneration), nutrition, alcohol marketing and the use of plastics.

The Trust's Finance Sub-Committee meets quarterly with representatives of CCLA to receive investment updates and to review performance. The Trust's investment objective is to manage its investments so as to be fair to present and future beneficiaries, and the Finance Sub-Committee believes that investment in the COIF Charities Investment Fund is an appropriate way to achieve this.

The Trustees have considered their approach to investment risk. They accept that risk cannot be completely eliminated at an acceptable cost and that risk levels can alter, especially over any short-term period. They recognise that volatility of Stock Markets and unpredictability of earnings expectations will require them to exercise judgement in order to give appropriate weight to future and current needs, and that in some

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

circumstances it will not be possible to demonstrate compliance with both. In making these judgements, the Trustees will be informed through the approved monitoring process and specialist advice when appropriate.

The "risk profile" recommended by the Finance Sub-Committee is "Moderate". This means that the Trustees are comfortable with investments that lead to some fluctuations in the value of the portfolio in exchange for the opportunity to achieve above average increases in value in the medium to long run. CCLA aims to achieve consistent and competitive returns over multiple time periods with volatility within the risk budget of 75% of UK equity market risk.

Performance of the COIF Charities Investment Fund over the financial year was reasonably good. At the end of March 2021, the value of the Trust's holding was £39,883,159, compared to a value of £33,043,069 in March 2020. The fund returned 24.31% over the year compared to a 24.01% return in the ARC Steady Growth Charity Index, which collects together performance data from peer group charities. It was ahead of the market comparator (a weighted "basket" of 45% non-UK equities, 30% UK equities, 15% UK government bonds, 5% UK commercial property and 5% cash) which returned 22.96% and therefore well ahead of the target benchmark of CPI plus 5%.

Asset Allocation in the Fund at the end of the financial year was as below:

UK Equities	9.89%
Overseas Equities	67.23%
Infrastructure and Operating Assets	9.12%
Property	3.90%
Contractual and Other Income	2.68%
Private Equity and Other	2.01%
Fixed Interest	0.34%
Cash and near cash	4.83%

Responsible Investment

The Sir Halley Stewart Trust is a responsible investor. We do not manage our investments in-house but aim to select investment managers who reflect our values and are committed to integrating environmental, social and governance considerations into their investment processes. We pay particular attention to our investment manager's approach to investing in line with our charitable aims.

We also seek to be an active owner of the companies held within our portfolio as we believe that this can deliver demonstrable, positive changes in corporate behaviour. For this reason, we encourage our investment managers to vote and engage with the companies in our portfolio on their behalf. For example, we currently support CCLA's engagement programme that encourages companies to develop policies and processes for improving employee wellbeing and mental health.

As part of our commitment to responsible investment, we expect our managers to be a signatory to the United Nations backed Principles of Responsible Investment and to demonstrate best practice by achieving above average ratings for 'Responsible Investment Strategy and Governance', 'Listed Equity Incorporation' and 'Listed Equity Active Ownership' in the annual PRI Assessment Process.

The Trust's Finance Sub-Committee monitors and evaluates our investment managers' approach to responsible investment and receives a full report on all activity at least once per year.

SIR HALLEY STEWART TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

RESERVES POLICY

The Board of Trustees aims to maintain readily available free reserves in unrestricted funds at a level equivalent to six months of the higher of projected gross income or gross expenditure for the next financial year. The Trustees consider that this level would provide flexibility should unforeseen circumstances arise to give an urgent need for additional grants or other expenditure in delivering the Trust's objectives regardless of short-term fluctuations of income and expenditure or unforeseen financial burdens. The free reserves requirement will be calculated and monitored on a quarterly basis. Excess reserves (i.e. above the upper level of the target range) may be used to fund increases in expenditure in order to achieve the Trust's objectives subject to agreement by the Board of Trustees.

The target amounted to £600,000 as at 31st March, 2021 and the Trust's unrestricted general funds of £(39,000) were below this figure. It is hoped to establish the targeted reserve over a number of years.

PLANS FOR THE FUTURE

The Sir Halley Stewart Trust is a lasting testimony to the generosity and charitable concerns of the donors, Sir Halley Stewart and Mrs Pearce. The Trustees' approach will remain in accordance with the wishes of Sir Halley Stewart and we will continue to work with potential and existing grantees to pursue these core purposes. To this end, the Trust's policies and practices are reviewed regularly. In 2024 the Trust will be marking the centenary of its foundation and plans for this are now being made.

RISK MANAGEMENT

The Trustees carry out regular assessments of the major risks to which the charity is exposed. In particular, those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate their exposure to the major risks. The Risk Register and Scheme of Delegation are reviewed annually by the Finance Sub-Committee, which makes any necessary changes and reports to the Trustees as appropriate. The Trustees consider that the major risks to which the charity is exposed relate to governance and management, operations, finances, external factors and compliance. The Trust's Risk Register outlines key risks within each of these areas and how the Trust acts to mitigate those risks, including assessing the likelihood of occurrence and severity of impact, control procedures, and the monitoring process for each identified risk and mitigation action. The top five risks identified by the Trustees are:

- Loss of key personnel
- Failure to manage the Trust's investments effectively
- Failure to meet sector standards and obligations
- Failure to identify or to protect the Trust against cyber crime
- Changes in the regulatory framework which adversely affect the Trust or its grantees.

Comprehensive controls are in place to enable the Trust to respond to, and as far as possible mitigate, these risks. These include: regularly updating and adhering to policies such as Antibribery, Scheme of Delegation, Safeguarding, Data Protection, Privacy Notice, Confidential Information, and Trustee Code of Conduct; detailed succession planning; following Charity Commission guidance on recruiting and good governance for Trustee and Staff appointments; scrutinising the management of Trust investments; appointing suitable investment managers, finance and accountancy providers and other advisors as required; requiring declarations of any possible conflicts of interest at Board meetings and acting accordingly to avoid such conflicts; obtaining appropriate insurance cover; maintaining appropriate electronic and hard copy record storage; providing clear communication, rigorous review and oversight processes for all Trust activities; and holding regular strategic reviews.

SIR HALLEY STEWART TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

TRUSTEES' RESPONSIBILITIES STATEMENT

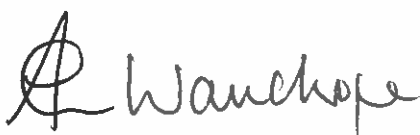
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by.



Mr Andrew Wauchope
Honorary Treasurer

Date: 14/10/2021

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST

OPINION

We have audited the financial statements of Sir Halley Stewart Trust (the 'charity') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST (CONTINUED)

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified which laws and regulations were significant in the context of the entity; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions; and
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- reading the minutes of meetings of those charged with governance.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

SIR HALLEY STEWART TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIR HALLEY STEWART TRUST
(CONTINUED)

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

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

Peters Elworthy & Moore

Peters Elworthy & Moore
Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 19 November 2021

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SIR HALLEY STEWART TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Endowment funds 2021 £000	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
INCOME AND ENDOWMENTS FROM:					
Charitable activities	3	-	-	-	1
Endowment return transferred	17	(1,167)	1,167	-	-
Investments	2	1,315	-	1,315	1,291
Other income	4	-	-	-	3
TOTAL INCOME AND ENDOWMENTS		148	1,167	1,315	1,295
EXPENDITURE ON:					
Raising funds	5	73	-	73	73
Charitable activities	6	-	1,247	1,247	1,129
TOTAL EXPENDITURE		73	1,247	1,320	1,202
NET INCOME/(EXPENDITURE) BEFORE NET GAINS/(LOSSES) ON INVESTMENTS					
		75	(80)	(5)	93
Net gains/(losses) on investments		6,839	-	6,839	(1,157)
NET MOVEMENT IN FUNDS		6,914	(80)	6,834	(1,064)
RECONCILIATION OF FUNDS:					
Total funds brought forward		32,284	100	32,384	33,448
Net movement in funds		6,914	(80)	6,834	(1,064)
TOTAL FUNDS CARRIED FORWARD		39,198	20	39,218	32,384

The notes on pages 22 to 40 form part of these financial statements.

SIR HALLEY STEWART TRUST

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £000	2020 £000
FIXED ASSETS			
Investments	11	39,883	33,044
		<u>39,883</u>	<u>33,044</u>
CURRENT ASSETS			
Debtors	12	20	22
Cash at bank and in hand		913	835
		<u>933</u>	<u>857</u>
Creditors: amounts falling due within one year	13	(858)	(942)
		<u>75</u>	<u>(85)</u>
NET CURRENT ASSETS / LIABILITES			(85)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>39,958</u>	<u>32,959</u>
Creditors: amounts falling due after more than one year	14	(740)	(575)
TOTAL NET ASSETS		<u><u>39,218</u></u>	<u><u>32,384</u></u>
CHARITY FUNDS			
Endowment funds	15	39,198	32,284
Unrestricted funds	15	20	100
TOTAL FUNDS		<u><u>39,218</u></u>	<u><u>32,384</u></u>

The financial statements were approved and authorised for issue by the Trustees on 14 October 2021 and signed on their behalf by:



Mrs Theresa Bartlett
Chair


Mr Andrew Wauchope
Honorary Treasurer

The notes on pages 22 to 40 form part of these financial statements.

SIR HALLEY STEWART TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £000	2020 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	18	(1,237)	(1,305)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		1,315	1,291
NET CASH PROVIDED BY INVESTING ACTIVITIES		1,315	1,291
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		78	(14)
Cash and cash equivalents at the beginning of the year		835	849
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	19	913	835

The notes on pages 22 to 40 form part of these financial statements

SIR HALLEY STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (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 Republic of Ireland (FRS 102) (second edition October 2019) effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Sir Halley Stewart Trust meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

The Trustees have prepared forecasts to December 2022 and considered the trading period beyond this.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Endowment funds comprise those funds the capital of which must be invested to generate income for the charity. The Trustees at their discretion, may allocate any part of the unapplied total return to the general purposes of the Trust.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 INCOME

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Interest on funds held on deposit is included when receivable and the income can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

SIR HALLEY STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. All expenditure is accounted for on an accruals basis.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds comprise costs directly attributable to activities for raising funds such as investment managers fees.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	- straight line over 3 years
--------------------	------------------------------

1.7 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

SIR HALLEY STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.8 TOTAL RETURN INVESTMENT ACCOUNTING

The Trust is authorised to adopt a "total return" basis for the investment of its permanent endowment. The Trust can invest its permanent endowment without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be retained for investment or released to income at the discretion of the Trustees (see note 17 below).

1.9 DEBTORS

Other debtors are recognised at the settlement amount.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand 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.

1.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 PENSIONS

The charity contributes towards a pension plan for its sole employee and the pension charge represents the amounts payable by the charity to the fund.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES (CONTINUED)

1.14 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The most significant areas of adjustment and key assumptions that affect the items in the accounts are to do with estimating the liability from multi-year grant commitments. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets.

2. INVESTMENT INCOME

	Endowment funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Dividends receivable	1,315	1,315	1,291
TOTAL 2020	1,291	1,291	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Royalties Income	-	-	1
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2020	<u> 1</u>	<u> 1</u>	

4. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Statutory maternity pay recoverable	-	-	3
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2020	<u> 3</u>	<u> 3</u>	

5. INVESTMENT MANAGEMENT COSTS

	Endowment funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Investment management fees	73	73	73
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2020	<u> 73</u>	<u> 73</u>	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £000	Grant funding of activities 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Grants payable	83	1,092	72	1,247	1,129
TOTAL 2020	-	995	134	1,129	

Support costs are allocated to grants payable on the basis of the total number of grants awarded.

In 2020 all expenditure on charitable activities was attributable to unrestricted funds.

Analysis of direct costs

	Activities 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Commissioned research into longer-term outcomes and impact	83	83	-

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Activities 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Staff costs	25	25	16
Meetings	-	-	5
Telephone	-	-	2
Computer	-	-	4
Publications	2	2	2
Miscellaneous	1	1	7
Accountancy	9	9	7
Audit	8	8	7
Insurance	2	2	1
Secretarial	25	25	78
Trustees' travel	-	-	5
	<u>72</u>	<u>72</u>	<u>134</u>
TOTAL 2020	<u>134</u>	<u>134</u>	

Included in support costs are governance costs totalling £8k (2020 - £12k), this relates to audit fees of £8k (2020 - £7k) and trustees' travel expenses of £nil (2020 - £5k).

7. ANALYSIS OF GRANTS

	Grants to Institutions 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Grants awarded	<u>1,092</u>	<u>1,092</u>	<u>995</u>
TOTAL 2020	<u>995</u>	<u>995</u>	

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

The charity has made the following material grants to institutions during the year:

	2021 £000	2020 £000
Grants of £10,000 and over:		
University of Keele	60	-
London's Air Ambulance Charity	60	-
LandWorks	60	-
University of Plymouth	60	-
University of Leeds	60	-
Teach2Teach International	59	-
Cicely Saunders International	57	-
University of York	57	-
Islington Mind	52	-
University of Strathclyde	49	-
Mosac	49	-
Canterbury Christ Church University	48	-
Standing Voice	45	-
Migrants Organise	44	-
Northern Baptist College	40	-
Play Action International	35	-
Northumbria University	32	-
National Literacy Trust	28	-
CSW	28	-
God and the Big Bang	28	-
Anna Freud National Centre for Children and Families	27	-
Discovering Prayer	16	-
Commonwealth Pharmacist Association (CPA)	10	60
The Trussell Trust	10	-
Standing Voice (Covid-19 Charity Support Grant)	10	-
University of Stirling	-	119
University of Bath	-	67
Church Action on Poverty	-	63
Adfam	-	60
Subtotal c/f	1,024	369

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Grants of £10,000 and over (continued):

	2021	2020
	£000	£000
Subtotal b/f	1,024	369
The Good Faith Partnership LLP	-	60
Visible Ministries	-	60
NATRE	-	60
Gather	-	60
Imperial College of London	-	60
Youthscape	-	56
Horse and Bamboo Theatre	-	51
Brighton & Sussex University Hospitals	-	45
University of Aberdeen	-	40
The Surgical Foundation	-	39
Vision Care for Homeless People	-	20
The Corrymeela Community	-	19
School-Home Support	-	17
Herriot-Watt University	-	14
King's College London	-	10
University of Chester	-	10
Grants under £10,000 (incl. grants to individuals)	93	46
Grants returned	(25)	(41)
	<u>1,092</u>	<u>995</u>

8. AUDITORS' REMUNERATION

	2021	2020
	£000	£000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	8	7
Fees payable to the charity's auditor in respect of: All non-audit services not included above	9	7
	<u>9</u>	<u>7</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

**9. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY
MANAGEMENT PERSONNEL**

	2021	2020
	£000	£000
Wages and salaries	21	13
Social security costs	2	1
Other pension costs	1	3
	<u>24</u>	<u>17</u>

The average number of persons employed by the charity during the year was as follows:

	2021	2020
	No.	No.
Administration	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Trust comprise the Trustees and the Trust Director. No trustees received any remuneration or benefits in kind from the charity (2020 - £nil). The total employee benefits of the key management personnel of the charity were £24,000 (2020 - £17,000).

During the year, 0 (2020 - 15) Trustees received reimbursement of expenses for travel totalling to £nil (2020 - £5,000).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. TANGIBLE FIXED ASSETS

	Computer equipment £000
COST OR VALUATION	
At 1 April 2020	3
At 31 March 2021	<u>3</u>
DEPRECIATION	
At 1 April 2020	3
At 31 March 2021	<u>3</u>
NET BOOK VALUE	
At 31 March 2021	<u><u>-</u></u>
At 31 March 2020	<u><u>-</u></u>

SIR HALLEY STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. FIXED ASSET INVESTMENTS

	Listed investments £000
COST OR VALUATION	
At 1 April 2020	33,044
Revaluations	6,839
AT 31 MARCH 2021	<u><u>39,883</u></u>
NET BOOK VALUE	
AT 31 MARCH 2021	<u><u>39,883</u></u>
AT 31 MARCH 2020	<u><u>33,044</u></u>

All listed investments are listed on recognised stock exchanges. Day-to-day management of the investments was delegated by the trustees during the year to CCLA.

INVESTMENT RISK MANAGEMENT

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are included at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. DEBTORS

	2021	2020
	£000	£000
DUE WITHIN ONE YEAR		
Tax repayable on investment income	20	22
	<u>20</u>	<u>22</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£000	£000
Accruals and deferred income	12	8
Grants accrued - institutional (see note 7)	846	934
	<u>858</u>	<u>942</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£000	£000
Grants accrued - institutional (see note 7)	740	575

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2021 £000
UNRESTRICTED INCOME FUNDS						
DESIGNATED FUND						
The Centenary Fund	100	-	-	(41)	-	59
GENERAL FUNDS						
General Funds	-	1,167	(1,247)	41	-	(39)
TOTAL UNRESTRICTED FUNDS	100	1,167	(1,247)	-	-	20
ENDOWMENT FUNDS						
Permanent Endowment Fund	32,284	148	(73)	-	6,839	39,198
TOTAL OF FUNDS	32,384	1,315	(1,320)	-	6,839	39,218

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2020 £000
UNRESTRICTED INCOME FUNDS						
DESIGNATED FUND						
The Centenary Fund	100	-	-	-	-	100
GENERAL FUNDS						
General Funds	-	4	(1,129)	1,125	-	-
TOTAL UNRESTRICTED FUNDS	<u>100</u>	<u>4</u>	<u>(1,129)</u>	<u>1,125</u>	<u>-</u>	<u>100</u>
ENDOWMENT FUNDS						
Permanent Endowment Fund	33,348	1,291	(73)	(1,125)	(1,157)	32,284
TOTAL OF FUNDS	<u><u>33,448</u></u>	<u><u>1,295</u></u>	<u><u>(1,202)</u></u>	<u><u>-</u></u>	<u><u>(1,157)</u></u>	<u><u>32,384</u></u>

The Centenary Fund has been established by the Trustees to mark the Trust's centenary in 2024.

The transfer comprises the total return on endowment funds applied for the purposes of the charity (see note 17).

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Endowment funds 2021 £000	Unrestricted funds 2021 £000	Total funds 2021 £000
Fixed asset investments	39,783	100	39,883
Current assets	788	145	933
Creditors due within one year	(650)	(208)	(858)
Creditors due in more than one year	(723)	(17)	(740)
TOTAL	<u>39,198</u>	<u>20</u>	<u>39,218</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Endowment funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000
Fixed asset investments	32,944	100	33,044
Current assets	857	-	857
Creditors due within one year	(942)	-	(942)
Creditors due in more than one year	(575)	-	(575)
TOTAL	<u>32,284</u>	<u>100</u>	<u>32,384</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. TOTAL RETURN INVESTMENT

The investment power of total return was granted by a Charity Commission Order on 22 March 2005. At the time the power was granted the trustees identified the value of the gifts of permanent endowment received up until 22 March 2005. The difference between the total of endowment funds as at 22 March 2005 and the value of the gift component represented the opening balance of unapplied total return.

The power of total return permits the trustees to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income, the unapplied total return remains invested as part of the permanent endowment.

The power allows the trustees to decide in each year how much of the unapplied total return is transferred to income funds and so available for expenditure. The investment return to be applied as income is calculated as up to 3.5 per cent. of the average of each of the preceding 5 years' year-end market valuations of the endowment.

	Trust for Investment 2021 £000	Unapplied Total Return 2020 £000	Total Endow- ment 2021 £000	Total Endowment 2020 £000
At the beginning of the year:				
Gift component of the permanent endowment	15,322	-	15,322	15,322
Unapplied total return	<u>-</u>	<u>16,962</u>	<u>16,962</u>	<u>18,026</u>
	15,322	16,962	32,284	33,348
Movements in the year:				
Investment return: dividends and interest	-	1,315	1,315	1,291
Investment return: unrealised gains/(losses)	-	6,839	6,839	(1,157)
Less: Investment management costs	-	(73)	(73)	(73)
Allocated to the Trust for application for the purposes of the charity	<u>-</u>	<u>(1,167)</u>	<u>(1,167)</u>	<u>(1,125)</u>
Net movements in the reporting period	-	6,914	6,914	(1,064)
At the end of the year:				
Gift component of the permanent endowment	15,322	-	15,322	15,322
Unapplied total return	<u>-</u>	<u>23,876</u>	<u>23,876</u>	<u>16,962</u>
Total endowment	<u>15,322</u>	<u>23,876</u>	<u>39,198</u>	<u>32,284</u>

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£000	£000
Net income/expenditure for the year (as per Statement of Financial Activities)	6,834	(1,064)
ADJUSTMENTS FOR:		
(Gains)/losses on investments	(6,839)	1,157
Dividends, interests and rents from investments	(1,315)	(1,291)
Decrease/(increase) in debtors	2	(2)
Increase/(decrease) in creditors	81	(105)
NET CASH USED IN OPERATING ACTIVITIES	(1,237)	(1,305)

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£000	£000
Cash in hand	913	835
TOTAL CASH AND CASH EQUIVALENTS	913	835

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2020	Cash flows	At 31 March 2021
	£000	£000	£000
Cash at bank and in hand	835	78	913
	835	78	913

21. PENSION COMMITMENTS

The charity contributes towards a pension plan for its sole employee and the pension charge represents the amounts payable by the charity to the fund amounted to £2,000 (2020 - £3,000)

SIR HALLEY STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

22. RELATED PARTY TRANSACTIONS

The Trustees have not identified any transactions with related parties.