

# **THE FITTON TRUST**

## **TRUSTEES REPORT AND FINANCIAL STATEMENTS FOR THE YEAR TO 5TH APRIL 2021**



**PENNINGTONS  
MANCHES  
COOPER**

Penningtons Manches Cooper LLP

31 Chertsey Street  
Guildford  
Surrey GU1 4HD

Tel: 01483 791800  
Fax: 01483 424177

Ref: APM/2001692

## THE FITTON TRUST

### ANNUAL REPORT FOR THE YEAR TO 5 APRIL 2021

The Trustees submit their annual report and the financial statements of The Fitton Trust (the charity) for the year ended 5 April 2021. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements of the charity's governing document and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 2<sup>nd</sup> Edition issued October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

#### **Reference and administrative information**

The charity trustees during the year were:

1. Dr Rodney Peter Aldridge Rivers
2. Rosemary Louise Shaw
3. Katherine Joanna Lumsden
4. Emma Mary Lumsden
5. Lincoln Peter Leet Rivers
6. Rosalind Gordon Cumming
7. Jeremy Charles Peter Brand

The charity's bankers are Cater Allen Private Bank of 9 Nelson Street, Bradford BD1 5AN.

Legal, statutory and compliance issues including preparation of annual accounts is dealt with by the trustees' solicitors, Penningtons Manches Cooper LLP of 31 Chertsey Street Guildford Surrey GU1 4HD which is also the trust's registered address.

The charity's investments are held in the nominee name of their investment advisors, Brown Shipley & Co Ltd of Founders Court, Lothbury, London EC2R 7HE who have been given discretionary investment management in accordance with the Charity Commissions Order dated 15 July 1994.

#### **Structure, governance and management**

The Fitton Trust is constituted by a Court Order dated 14 February 1964 made following an application under the Variation of Trusts Act 1958 by (amongst others) the trustees of the Will of Thomas Cliffe Fitton who died on 8 April 1928.

The trustees usually meet three times each year, often in April, August and December, when the distribution of available income by way of grants is agreed (see note 4 to the accounts).

All other secretarial and administration services are provided under contract by Mrs Karen Donovan Virtual Assistant Services. **All correspondence concerning grants and applications for grants to be addressed to: The Secretary, The Fitton Trust, PO Box, 289, Bramhall, Stockport, SK7 0DZ.**

Trustees are appointed by resolution of the trustees. By a Charity Commission Order dated 28 November 2003 the maximum number of permitted trustees was increased from four to eight.

#### **Risk management**

The Trust has no operational risks. Its risks are related to investment strategy and it guards against those risks by ensuring, with advice from its investment advisers, a reasonable diversification on investments.

#### **Objectives and activities**

The objects of the charity are to benefit by way of grants such legally charitable institutions as the trustees shall in their absolute discretion think fit. The trustees meet three times a year and consider all grant applications seeking to award grants to projects and/or causes they decide worthy of available charity revenue.

### **Regard for public benefit**

The Trustees have had due regard to the guidance published by the Charity Commission on public benefit and to that end have continued to make grants to charitable organisations within the charity's charitable objects.

### **Achievements and performance**

The Trustees are pleased to have made or agreed grants during the year totalling £55,450 (2020: £73,600) which were in accordance with the objects of the charity and have contributed to good and just causes in the UK and across the world. Funded donations have resulted in direct benefit to all 207 grantees (2020: 275).

### **Financial Review**

There was an increase of 16.77% (18.32% decrease in 2020) in the market value of the trust investments this year. The income yield of the trust decreased from 6.36% (2020) to 4.94% based on market value at 5 April 2021, the income yield based on projections for the coming year made by Brown Shipley and based on their valuation of 5 April 2021 predicts a yield of 3.49% (5.40% in 2020).

The trustees' overall investment strategy is for investment in medium risk securities with a view to reasonable capital growth and steadily increasing income. The trustees therefore consider the minimum reserve held at any one time need be no more than is sufficient to cover short-term anticipated expenditure, both on grants and administration, together with a contingency to ensure liquidity, eliminate bank charges and provide flexibility to respond to special or urgent funding applications. At 5 April 2021 reserves amounted to £48,084 (2020: £41,466).

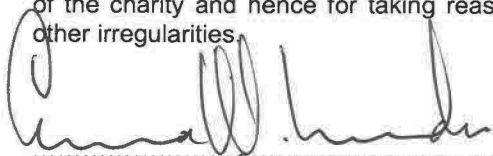
During the year to 5 April 2021 grants made or agreed totalled £55,450 (2020: £73,600). Gross revenue amounted to £76,704 (2020: £84,566).

### **Trustees' Responsibilities in relation to the Financial Statements**

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.



TRUSTEE



TRUSTEE

# THE FITTON TRUST

## Statement of Financial Activities (including income and expenditure account)

for the year ended 5 April 2021

	Note	Revenue Account £	Endowment Fund Capital Account £	2021 Total £	2020 Total £
<u>Incoming Resources</u>					
Incoming resources from generated funds:					
Investment Income	3	76,704	--	76,704	84,566
<u>Total Incoming Resources</u>		<u>76,704</u>	<u>--</u>	<u>76,704</u>	<u>84,566</u>
<u>Resources Expended</u>					
Charitable activities: Grants to Charities	4	55,450	--	55,450	73,600
Legal and administrative costs	5	14,636	10,292	24,928	28,709
<u>Total Resources Expended</u>		<u>70,086</u>	<u>10,292</u>	<u>80,378</u>	<u>102,309</u>
<u>Net expenditure for the year before other recognised gains and losses</u>		<u>6,618</u>	<u>(10,292)</u>	<u>(3,674)</u>	<u>(17,743)</u>
<u>Gains/(Losses) on Investment Assets</u>					
Realised during the year		--	(95,639)	(95,639)	51,740
Unrealised during the year		--	334,704	334,704	(353,973)
<u>Net Movement in Funds</u>		<u>6,618</u>	<u>228,773</u>	<u>235,391</u>	<u>(319,976)</u>
<u>Funds Brought Forward at 6th April 2020</u>		<u>41,466</u>	<u>1,329,970</u>	<u>1,371,436</u>	<u>1,691,412</u>
<u>Funds Carried Forward at 5th April 2021</u>		<u>48,084</u>	<u>1,558,743</u>	<u>1,606,827</u>	<u>1,371,436</u>

The notes on pages 5 to 8 form part of these accounts



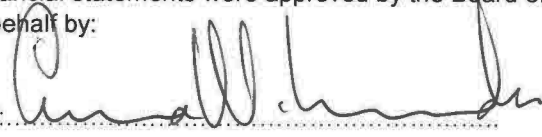
# THE FITTON TRUST

## Balance Sheet as at 5 April 2021

	Note	Revenue Account £	Endowment Fund Capital Account £	2021 Total £	2020 Total £
<u>Fixed Assets</u>					
Investments	6	--	1,552,406	1,552,406	1,329,425
<u>Current Assets</u>					
Debtors		2,329	--	2,329	--
Cash at bank and stockbrokers		65,911	6,337	72,248	55,482
		68,240	6,337	74,577	55,482
<u>Creditors</u>					
Amounts falling due within one year	7	(20,156)	--	(20,156)	(13,471)
<u>Net Current Assets</u>		48,084	6,337	54,421	42,011
<u>Total Net Assets</u>		48,084	1,558,743	1,606,827	1,371,436
<u>Funds</u>		48,084	1,558,743	1,606,827	1,371,436

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

The financial statements were approved by the Board of Trustees on 2nd Feb 2022 and were signed on its behalf by:

Signed: 

NAME: EMMA M. LUMSDEN TRUSTEE

Signed: 

NAME: KATHERINE J. LUMSDEN TRUSTEE

The notes on pages 5 to 8 form part of these accounts

## THE FITTON TRUST (Registered Charity Number 208758)

### Notes to the Financial Statements for the year to 5 April 2021

#### 1. Accounting Policies

(a) **Basis of preparation of financial statements**

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 2nd Edition issued October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 the Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 2nd Edition issued on October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

(b) **Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

(c) **Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation purposes.

Grants payable are recognised in the year when the offer is made, providing that any related conditions within the control of the Trustees have been fulfilled. Grants offered subject to conditions which remain within the control of the Trustees and have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Value Added Tax is not recoverable by the charity and, as such, is included in the relevant costs in the Statement of Financial Activities.

(d) **Cash flow**

The financial statements do not include a cash flow statement because the charity, as a small reporting entity within the provisions of FRS 102, is exempt from the requirement to prepare such a statement (effective 16 July 2014).

(e) **Investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals during the year.

(f) **Taxation**

The trust is a registered charity and, as such, is not subject to tax on its income and gains falling within Sections 518 to 537 of the Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from income and capital gains tax to the extent that they are applied to its charitable purposes.

## THE FITTON TRUST (Registered Charity Number 208758)

### Notes to the Financial Statements for the year to 5 April 2020 (continued)

#### (g) Fund accounting

The revenue account is an unrestricted fund which is available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

The endowment fund is a restricted fund comprising of the original gift of capital received by the trustees on 14 February 1964 and subsequent gains and losses on investments. The capital may not be expended.

#### 2. Restricted Fund

As there is no power to expend capital the whole of the Trust's capital represents a permanent endowment fund.

#### 3. Investment Income

	2021 £	2020 £
Fixed interest	34,799	36,674
Equity	41,905	47,892
	<u>76,704</u>	<u>84,566</u>

#### 4. Grants

During the year, grants were made to 207 charities (2020: 275). The majority of the grants were between £200 and £350. One charity received a grant of £1,000 or more (2020: two), as shown below.

	2021 £	2020 £
Friends of St. Mary's Hospital	1,000	2,050
Children of the Dump	--	1,000
	<u>1,000</u>	<u>3,050</u>

#### 5. Legal and Administrative Costs

	2021 £	2020 £
Secretarial costs and expenses	5,600	7,431
Trustees' expenses	--	84
Legal & compliance fees	7,380	8,280
Bank fees	--	(15)
Accountants' remuneration: Examiner's fee	1,656	1,608
	<u>14,636</u>	<u>17,388</u>
Stockbrokers' fees (capital)	10,214	11,249
LEI registration/renewal fee	78	72
	<u>24,928</u>	<u>28,709</u>

Of the total expenditure for 2021, unrestricted expenses totalled £14,636 (2020: £17,388) and restricted expenses totalled £10,292 (2020: £11,321).

# THE FITTON TRUST (Registered Charity Number 208758)

## Notes to the Financial Statements for the year to 5 April 2021 (continued)

### 6. Fixed Asset Investments

	2021 £	2020 £
Historical cost at 6th April 2020	1,611,583	1,555,719
Additions at cost	421,721	532,898
Disposals at cost	(533,443)	(477,034)
Historical cost at 5th April 2021	1,499,861	1,611,583
Cumulative unrealised gains/(losses) at 5th April 2021	52,546	(282,158)
<u>Market Value as per Balance Sheet</u>	<u>1,552,406</u>	<u>1,329,425</u>
<u>Structure of the portfolio by market value</u>		
Fixed Interest and preference stock	19.47%	18.83%
Equities	58.17%	55.49%
Alternatives	22.35%	25.67%
<u>Material Investments as % of portfolio value (of 5% or above)</u>		
Rathbones UTM Ethical Bond Instl Inc	7.74%	5.29%
Royal London Institutional Z GBP	7.37%	not over 5%
Artemis Income FD I	7.29%	not over 5%
Credit Suisse 7% Income Accrl 31/01/2020	not over 5%	5.39%
Schroder UT Income Maximiser Z Inc	not over 5%	8.32%

### 7. Creditors: amounts falling due within one year

	2021 £	2020 £
Trustees' expenses	--	13
Examiner and payroll fees	1,656	1,608
Unpresented cheques - Grants	18,500	11,850
	20,156	13,471
Stockbrokers' fees (capital)	--	--
	<u>20,156</u>	<u>13,471</u>

### 8. Related Party Transaction

During the year no trustees received reimbursement for expenses or was in receipt of any other trust monies.

**THE FITTON TRUST (Registered Charity Number 208758)**

**Notes to the Financial Statements for the year to 5 April 2021 (continued)**

**9. Balance Sheet as at 5 April 2020**

	Revenue Account £	Capital Account £	Total £
<u>Fixed Assets</u>			
Investments	--	1,329,425	1,329,425
<u>Current Assets</u>			
Debtors	--	--	--
Cash at bank and stockbrokers	54,937	545	55,482
	<u>54,937</u>	<u>545</u>	<u>55,482</u>
<u>Creditors</u>			
Amounts falling due within one year	(13,471)	--	(13,471)
<u>Net Current Assets</u>	<u>41,466</u>	<u>545</u>	<u>42,011</u>
<u>Total Net Assets</u>	<u>41,466</u>	<u>1,329,970</u>	<u>1,371,436</u>
<u>Funds</u>	<u>41,466</u>	<u>1,329,970</u>	<u>1,371,436</u>

## **Independent Examiner's Report to the Trustees of The Fitton Trust**

I report on the accounts of the charity for the year ended 5 April 2021 which are set out on pages three to eight.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

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

### **Basis of independent examiner's report**

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

### **Other matters**

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 in preference to the Accounting and Reporting Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that 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.

### **Independent examiner's statement**

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

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



M S Leigh BA FCA CF

Azets  
Chartered Accountants  
Ashcombe Court  
Woolsack Way  
Godalming, Surrey, GU7 1LQ

Date: 7 February 2022

Date: