



# THE FITTON TRUST

TRUSTEES REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR TO 5TH APRIL 2023



PENNINGTONS  
MANCHES  
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## **THE FITTON TRUST**

### **ANNUAL REPORT FOR THE YEAR TO 5 APRIL 2023**

The Trustees submit their annual report and the financial statements of The Fitton Trust (the charity) for the year ended 5 April 2023. The Trustees confirm that the financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **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. 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 February, June and November, 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.

## THE FITTON TRUST

### ANNUAL REPORT FOR THE YEAR TO 5 APRIL 2023

#### **Achievements and performance**

The Trustees are pleased to have made or agreed grants during the year totalling £67,050 (2022: £63,125) 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 234 grantees (2022: 219).

#### **Financial Review**

There was a decrease of 8.08% (1.63% increase in 2022) in the market value of the Endowment Fund trust investments this year. In the year to 5 April 2022, the trustees received a donation of £669,964 which was been recorded as the DVB Legacy Fund, which has been invested in a separate account with Brown Shipley. During the year, the market value of the investments in the DVB Legacy Fund decreased by 4.32%.

The income yield of the Endowment Fund investments increased from 4.48% (2022) to 4.97% based on market value at 5 April 2023, the income yield based on projections for the coming year made by Brown Shipley and based on their valuation of 5 April 2023 predicts a yield of 3.62% (3.19% in 2022). In respect of the yield on the DVB Legacy Fund, Brown Shipley's yield projection is 3.91% (3.31% in 2022).

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 2023 reserves amounted to £27,054 (2022: £39,365).

During the year to 5 April 2023 grants made or agreed totalled £67,050 (2022: £63,125). For the Revenue Account, generated from the Endowment Fund investments, gross revenue amounted to £70,909 (2022: £71,614). For the DVB Legacy Fund, gross revenue amounted to £28,577 (2022: £3,581).

#### **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.



Emma Mary Lumsden, Trustee



Rosemary Louise Shaw, Trustee

# THE FITTON TRUST

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

for the year ended 5 April 2023

	Note	Revenue Account £	Endowment Fund Capital Account £	DVB Legacy Fund £	2023 Total £	2022 Total £
<u>Incoming Resources</u>						
Incoming resources from generated funds:						
Legacy from estate of deceased person		--	--	--	--	669,964
Investment Income	3	70,909	2,384	28,577	101,870	75,195
<u>Total Incoming Resources</u>		<u>70,909</u>	<u>2,384</u>	<u>28,577</u>	<u>101,870</u>	<u>745,159</u>
<u>Resources Expended</u>						
Charitable activities:						
Grants to Charities	4	67,050	--	--	67,050	63,125
Legal and administrative costs	5	16,170	16,092	8,876	41,138	35,204
<u>Total Resources Expended</u>		<u>83,220</u>	<u>16,092</u>	<u>8,876</u>	<u>108,188</u>	<u>98,329</u>
<u>Net expenditure for the year before other recognised gains and losses</u>		<u>(12,311)</u>	<u>(13,708)</u>	<u>19,701</u>	<u>(6,318)</u>	<u>646,830</u>
<u>Gains/(Losses) on Investment Assets</u>						
Realised during the year		--	(9,978)	(9,940)	(19,918)	16,776
Unrealised during the year		--	(119,156)	(48,272)	(167,428)	30,763
<u>Net Movement in Funds</u>		<u>(12,311)</u>	<u>(142,842)</u>	<u>(38,511)</u>	<u>(193,664)</u>	<u>694,369</u>
<u>Funds Brought Forward at 6th April 2022</u>		<u>39,365</u>	<u>1,577,990</u>	<u>683,841</u>	<u>2,301,196</u>	<u>1,606,827</u>
<u>Funds Carried Forward at 5th April 2023</u>		<u>27,054</u>	<u>1,435,148</u>	<u>645,330</u>	<u>2,107,532</u>	<u>2,301,196</u>

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



# THE FITTON TRUST

## Balance Sheet as at 5 April 2023

	Note	Revenue Account £	Endowment Fund Capital Account £	DVB Legacy Fund £	2023 Total £	2022 Total £
<u>Fixed Assets</u>						
Investments	6	--	1,426,991	606,736	2,033,727	2,211,834
<u>Current Assets</u>						
Debtors		--	--	10	10	743
Cash at bank and stockbrokers		50,304	8,157	38,584	97,045	100,775
		50,304	8,157	38,594	97,055	2,313,352
<u>Creditors</u>						
Amounts falling due within one year	7	(23,250)	--	--	(23,250)	(12,156)
<u>Net Current Assets</u>		27,054	8,157	38,594	73,805	89,362
<u>Total Net Assets</u>		27,054	1,435,148	645,330	2,107,532	2,301,196
<u>Funds</u>		27,054	1,435,148	645,330	2,107,532	2,301,196

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

Signed: .....

Emma Mary Lumsden, Trustee

Signed: .....

Rosemary Louise Shaw, 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 2023

#### 1. Accounting Policies

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

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but 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 charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## THE FITTON TRUST (Registered Charity Number 208758)

### Notes to the Financial Statements for the year to 5 April 2023 (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.

The DVB Legacy Fund is an unrestricted fund comprising of a donation to the Fitton Trust received from the Executors of the estate of Duncan Brand with the direction to distribute all of the funds over time to worthy causes and institutions as the Trustees see fit.

#### 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

	2023 £	2022 £
<u>Revenue account:</u>		
Fixed interest	34,030	34,787
Equity	37,622	35,902
Adjustment - 2021-22 Dividend in specie	(743)	--
	<u>70,909</u>	<u>70,689</u>
<u>Endowment Fund:</u>		
Fixed interest	1,863	348
Equity	521	577
	<u>2,384</u>	<u>925</u>
<u>DVB Legacy Fund:</u>		
Bank interest	--	6
Fixed interest	13,965	1,506
Equity	14,612	2,069
	<u>28,577</u>	<u>3,581</u>

#### 4. Grants

During the year, grants were made to 234 charities (2022: 219). The majority of the grants were between £200 and £350. One charity received a grant of £1,000 or more (2022: two), as shown below.

	2023 £	2022 £
Friends of St. Mary's Hospital	1,600	1,000
St. Mary Abbot Church Kensington (Friends of)	500	1,000
	<u>2,100</u>	<u>2,000</u>

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

**Notes to the Financial Statements for the year to 5 April 2023 (continued)**

**5. Legal and Administrative Costs**

	2023 £	2022 £
<u>Revenue account:</u>		
Secretarial costs and expenses	5,970	6,287
Legal & compliance fees	8,460	8,340
Independent examiners' fee	1,740	1,656
	<u>16,170</u>	<u>16,283</u>
<u>Endowment Fund:</u>		
Investment manager's fees (capital)	16,014	16,222
LEI registration/renewal fee	78	--
	<u>16,092</u>	<u>16,222</u>
<u>DVB Legacy Fund:</u>		
Investment manager's fees	6,776	2,596
LEI registration/renewal fee	--	78
Legal & compliance fees	2,100	--
Bank fees	--	25
	<u>8,876</u>	<u>2,699</u>

**6. Fixed Asset Investments**

	2023 £	2022 £
<u>Endowment Fund:</u>		
Historical cost at 6th April 2022	1,506,732	1,499,861
Additions at cost	359,328	383,798
Disposals at cost	(390,891)	(376,927)
Historical cost at 5th April 2023	<u>1,475,169</u>	<u>1,506,732</u>
Cumulative unrealised gains/(losses) at 5th April 2023	(48,178)	70,979
<u>Market Value as per Balance Sheet</u>	<u>1,426,991</u>	<u>1,552,406</u>
<u>Structure of the portfolio by market value</u>		
Fixed Interest and preference stock	17.78%	21.46%
Equities	52.89%	54.19%
Alternatives	28.50%	23.93%
<u>DVB Legacy Fund:</u>		
Historical cost at 6th April 2022	621,794	--
Additions at cost	176,463	628,364
Disposals at cost	(155,580)	(6,570)
Historical cost at 5th April 2023	<u>642,677</u>	<u>621,794</u>
Cumulative unrealised gains/(losses) at 5th April 2023	(35,941)	12,330
<u>Market Value as per Balance Sheet</u>	<u>606,736</u>	<u>634,124</u>
<u>Structure of the portfolio by market value</u>		
Fixed Interest and preference stock	17.07%	18.38%
Equities	54.38%	63.53%
Alternatives	28.55%	18.10%

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

**Notes to the Financial Statements for the year to 5 April 2023 (continued)**

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

	2023 £	2022 £
Interfund debt	10	--
Examiner and payroll fees	1,740	1,656
Unpresented cheques - Grants	21,500	10,500
	<u>23,250</u>	<u>12,156</u>

**8. Related Party Transaction**

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

**9. Balance Sheet as at 5 April 2022**

	Revenue Account £	Capital Account £	DVB Legacy Fund £	Total £
<u>Fixed Assets</u>				
Investments	--	1,577,710	634,124	2,211,834
<u>Current Assets</u>				
Debtors	743	--	--	743
Cash at bank and stockbrokers	50,778	280	49,717	100,775
	<u>51,521</u>	<u>280</u>	<u>49,717</u>	<u>101,518</u>
<u>Creditors</u>				
Amounts falling due within one year	<u>(12,156)</u>	<u>--</u>	<u>--</u>	<u>(12,156)</u>
<u>Net Current Assets</u>	<u>39,365</u>	<u>280</u>	<u>49,717</u>	<u>89,362</u>
<u>Total Net Assets</u>	<u>39,365</u>	<u>1,577,990</u>	<u>683,841</u>	<u>2,301,196</u>
<u>Funds</u>	<u>39,365</u>	<u>1,577,990</u>	<u>683,841</u>	<u>2,301,196</u>

**The Fitton Trust  
Independent Examiner's Report  
For the Year Ended 5 April 2023**

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

I report to the charity trustees on my examination of the financial statement of The Fitton Trust (the charity) for the year ended 5 April 2023.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination

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



Debra Saunders FCA, BSc (Hons)  
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Dated: 24 January 2023