

THE CHARTERHOUSE CHARITABLE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Registered Charity Number 210894

THE CHARTERHOUSE CHARITABLE TRUST

REGISTERED ADDRESS

Belgrave House
76 Buckingham Palace Road
London
SW1W 9TQ

TRUSTEES

T S Patrick
W A du Toit
M K Weidner (appointed 28 August 2020)
L Vadlamani (appointed 4 March 2022)
S Pattni (resigned 28 August 2020)
W F Trevelyan Thomas (resigned 4 March 2022)

SECRETARY

Ms I M Watson

BANKERS

The Royal Bank of Scotland plc
Corporate Banking Office
5-10 Great Tower Street
London
EC3P 3HX

AUDITOR

Deloitte LLP, Statutory Auditor
Hill House, 1 Little New Street
London
EC4A 3TR
United Kingdom

INVESTMENT MANAGER

BNY Mellon Fund Managers Limited
160 Queen Victoria Street
London
EC4V 4LA

INVESTMENT CUSTODIAN

Bank of New York Mellon
One Canada Square
London
E14 5AL

**PORTFOLIO MANAGEMENT
AND RELATED SERVICES**

Newton Investment Management Limited
150 Queen Victoria Street
London
EC4V 4LA

THE CHARTERHOUSE CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charterhouse Charitable Trust (the "Trust"), registered charity number 210894, was established on 5 February 1954 and is governed by a trust deed executed on that date by A Keyser & Co, Limited for the purpose of benefiting charities (the "Trust Deed"). The Trust was registered on 1 October 1962, in accordance with The Charities Act 1960, and is recognised by HM Revenue & Customs as having charitable status. The Trust, an unincorporated body, is governed by the Charities Act 2011.

Trustees

The names of the Trustees who served during the year and up to the date of approval of these Financial Statements are set out on page 1.

Recruitment and appointment of Trustees

The appointment of Trustees is governed by the Trust Deed dated 5 February 1954. The power to appoint Trustees has been vested in Charterhouse Development Capital Limited ("Charterhouse"), which only nominates as Trustees persons whom it deems suitable and qualified properly to perform the duties of a Trustee. There must be a minimum of two Trustees and no more than four Trustees, a condition which was satisfied during the year under review.

Post-year end, on 4 March 2022, Mr W F Trevelyan Thomas resigned as a Trustee and on the same day Ms L Vadlamani was appointed.

Induction and training

The Trust recognises that new and current trustees should be aware of the Trust's charitable purposes, mode of operation, plans, policies and costs. All Trustees are provided with a copy of the Trust Deed, a copy of relevant policies and the minutes of all Trustees' meetings. There is no formal Trustee training policy, but all Trustees are professionally qualified individuals who participate in continuing professional development in the course of their professional duties.

Organisation

The Trust's investment portfolio has consisted solely of units in the Newton Growth and Income Fund for Charities ("Fund") which are held in the name of the Trust. The Trust is indirectly invested in a variety of different securities by virtue of its interest in the Fund. The Fund is managed by BNY Mellon Fund Managers Limited ("BNYM") which is authorised and regulated by the Financial Conduct Authority ("FCA"). BNYM has appointed Newton (also FCA authorised and regulated) to provide non-exclusive portfolio management and related advisory services to BNYM.

The Administrator of the Newton Growth and Income Fund for Charities is The Bank of New York Mellon.

The Trustees are ultimately responsible for the policies, activities and assets of the Trust. They meet formally at least once a year and on an ad-hoc basis as required to discuss and approve grants. The Trustees also receive periodically a presentation on the performance of the Fund by BNYM.

The Trustees hold the Trust Fund and its income upon trust to apply the same for the benefit of any organisation that has been granted charitable status by the Charity Commission. Grants made by the Trust must be approved by the Trustees before such grants are made. Decisions to make grants are based on whether the request has satisfied the guidelines agreed by the Trustees for supporting charitable organisations and are taken by a majority of the Trustees following a detailed review of the proposals.

The investment objective of the Trust is in line with that of the Newton Growth and Income Fund for Charities which is to achieve long-term growth of the Trust's assets in real terms, together with maximising returns through income. The Trustees are comfortable that the investment restrictions applicable to the Newton Growth and Income Fund for Charities are broadly in line with those adopted by the Trust.

Risk assessment

The Trustees regularly consider the risks to which the Trust is exposed and currently regard such risks as being restricted to the safeguarding of the Trust's assets and the effective use of donations made.

THE CHARTERHOUSE CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2021

Risk assessment (continued...)

Safeguarding the Trust's assets

Insofar as investments are concerned, the Trust's assets are held in safe custody by The Bank of New York Mellon and managed by BNYM. The Trustees receive regular assurances from BNYM that it complies with the rules of the FCA, as well as quarterly valuations of the Trust's investment portfolio. Investments are held in a specialised charitable investment vehicle which is required to abide by all relevant restrictions. The Trustees are comfortable that the investment restrictions applicable to the Newton Growth and Income Fund for Charities are broadly in line with those adopted by the Trust.

The cash resources of the Trust are held by an authorised bank, The Royal Bank of Scotland plc. All cheques drawn on that account need to be signed by any two Trustees in accordance with the bank mandate. Donations are made only to other registered charities, the conduct of which is governed by charity law and whose accounts are duly audited or subject to independent examination as appropriate.

Effective Use of Donations

Prior to approving a donation, a thorough due diligence process is carried out by the Secretary of the Trust, as well as the Trustees themselves. This includes a background check with the Charity Commission, analysis of the most recent financial statements and an anti-money laundering screening of the organisation, its trustees/management and affiliated entities.

The due diligence results are carefully considered by the Trustees at the formal meeting. Most donations are made on the condition of a progress report to be submitted to the Trustees in due course to allow monitoring of donations.

Related parties

Charterhouse is the administrator of the Trust. Mr T S Patrick was a director of Charterhouse Development Capital Limited during the year under review. Mr T S Patrick and Mr W F Trevelyan Thomas were partners of Charterhouse Capital Partners LLP, an associate company of Charterhouse. None of the Trustees benefit financially from the activities of Charterhouse or from the Trust itself.

Post-year end, on 1 April 2022, Mr W A du Toit and Ms M K Weidner became partners of Charterhouse Capital Partners.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Charitable objectives

The Trust was set up to make grants and donations for general charitable purposes and makes grants only to other charitable organisations. Its charitable objectives are to give support to a specific charity where the donation could make a difference. There is a greater focus to support charities serving the London boroughs on the City of London perimeter, with particular focus on providing opportunities for those from a deprived or disadvantaged background.

Public benefit

The Trustees confirm that they referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and setting its grant-making policy. The Trust's aims and objectives fall within the various descriptions of charitable purposes in the Charities Act 2011. Grant applications for charitable purposes are considered by the Trustees who make commitments to support a number of charities each year. During the year, grants have been awarded to the registered charities as per note 4 of the accounts and the beneficiaries are those of the recipient charities.

Grant making policy

The Trustees meet to review the Trust's grant making policy annually and to discuss the Trust's strategy. Grants are awarded only to registered charities. Support is given for a specific project or charity where it is thought that the donation would make a difference. The Trustees also consider grants to charities in which Charterhouse staff or their immediate families have a direct involvement.

THE CHARTERHOUSE CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2021

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees were satisfied that the charitable objectives (as noted under "Charitable objectives", above) and the investment objectives (as noted under "Organisation", above) were met during the year.

The Trustees evaluate all applications received and, following satisfactory due diligence, made 1 grant (2020: 8) totalling £5,107 (2020: £55,922) during the year. These were viewed to be in line with the Trust's general charitable aims and objectives - namely, making donations to specific charities where the Trustees feel the donation could make a difference.

The Trustees satisfied themselves that investment objectives set were being met by continuing to hold the Trust's assets in the Newton Growth and Income Fund for Charities. This is a fund designed specifically for smaller charities, which makes and holds investments broadly in line with the aims and restrictions adopted by the Trust.

FINANCIAL REVIEW

Results for the year

The Trust's income from investments for the year ended 30 June 2021 amounted to £37,609 (2020: £52,525). Donations totalling £3,500 (2020: £3,500) were received in the year. During the year under review, the Trust made donations totalling £5,107 (2020: £55,922). The breakdown of these donations can be seen in note 4.

Investment assets are revalued to their open market value at the end of the financial year. The investment portfolio had, at 30 June 2021, a market value of £2,091,897 (2020: £1,816,278).

Reserves Policy

The Trustees are entitled, at their discretion, to distribute the income received on the Trust's Endowment Fund and any other income to such charities as they see fit. They are prohibited by the Trust Deed from making any distributions out of the Endowment Fund, being a permanent fund. As at 30 June 2021, the Trust's funds consisted of £2,091,897 in the Endowment Fund (2020: £1,816,278) and £98,627 in the unrestricted funds (2020: £66,125).

The Trustees review reserves as part of each Trustee meeting and compare these with the Trust's estimated and committed future expenditure. The Trustees consider current reserves more than adequate to cover the Trust's minimal administrative expenses for the foreseeable future.

COVID-19

Throughout the year, and following the balance sheet date, the COVID-19 pandemic has caused extensive economic disruption. The uncertainties over the emergence and spread of COVID-19 have caused market volatility on a global scale. The Trustees have assessed that the Trust has sufficient financial resources and is well-placed to manage the associated risks of the COVID-19 outbreak to the Trust and its charitable objectives. The Trustees will continue to monitor the situation closely, so as to ascertain any potential impact on the Trust.

FUTURE PLANS

The Trust aims to continue without significant change. The Trust aims to carry on the activities mentioned in future years and for a minimum of twelve months from the signing of the of the financial statements, subject to satisfactory funding arrangements.

AUDITOR AND ACCOUNTS

Auditor

Deloitte LLP will continue to act as the Trust's auditor.

THE CHARTERHOUSE CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2021

AUDITOR AND ACCOUNTS (continued...)

Going concern

The Trust's business activities, together with the factors likely to affect its future development, performance and position are set out above. The Trust has positive net assets of £2,190,524 (2020: £1,882,403) as at 30 June 2021 which includes cash at bank and cash for investments of £98,627 (2020: £66,125). The market value of investments held by the Trust at year end is greater than historic cost. Donations made by the Trust are funded by investment income and donations received. Investment income received totalled £37,609 (2020: £52,525) whilst grants of £5,107 (2020: £55,922) were made. The Endowment funds (from which donations are not paid) have increased by £275,619 in the year (2020: £105,843 decrease).

The Trustees of the Trust can reduce outgoings by decreasing future commitments to donate if investment income declines. No indications exist which may suggest that the Trustees would need to exercise such measures. The Trust does not have any material annual donations that place a constructive liability on the Trust. The Trustees therefore consider the going concern basis for the preparation of the financial statements appropriate.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

The law applicable to charities in England and Wales requires the Trustees to prepare accounts 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 Statement of Recommended Practice (Accounting and Reporting by Charities) (the "Charities SORP");
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that that charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.



Tom Patrick
Trustee

29 April 2022

THE CHARTERHOUSE CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CHARTERHOUSE CHARITABLE TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion the financial statements of The Charterhouse Charitable Trust (the 'charity'):

- give a true and fair view of the state of the charity's affairs as at 30th June 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 including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements which comprise:

- the statement of financial activities;
- the balance sheet; and
- the related notes 1 to 8.

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).

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 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.

THE CHARTERHOUSE CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CHARTERHOUSE CHARITABLE TRUST (continued)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the charity's industry and its control environment, and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities. We obtained an understanding of the legal and regulatory framework that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Trust Deed, Charities Act 2011 and Charities (Accounts and Reports) Regulations 2008; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- The risk that donations expenses are inaccurate or incomplete. In order to address this risk we reviewed the relevant key controls, obtained board approvals and donation letters, and agreed the payments to bank statements for all donations.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

THE CHARTERHOUSE CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CHARTERHOUSE CHARITABLE TRUST (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued...)

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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.

We have nothing to report in respect of these matters.

Use of our report

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

Deloitte LLP

Deloitte LLP
Statutory Auditor
London, United Kingdom

29 April 2022

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

THE CHARTERHOUSE CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 30 June 2021

| | Notes | Unrestricted Funds £ | Endowment Funds £ | Total Funds £ |
|--|-------|----------------------------|-------------------------|---------------------|
| INCOME FROM: | | | | |
| Investments | 2 | 37,609 | - | 37,609 |
| Donations - Gift in Kind | 3 | 3,500 | - | 3,500 |
| TOTAL INCOME | | 41,109 | - | 41,109 |
| EXPENDITURE ON: | | | | |
| Raising funds - investment management costs | 6 | - | (11,493) | (11,493) |
| Charitable activities and support costs | 4 | (8,607) | - | (8,607) |
| TOTAL EXPENDITURE | | (8,607) | (11,493) | (20,100) |
| Net income / (expenditure) before investment losses | | 32,502 | (11,493) | 21,009 |
| Net gains on investments | 6 | - | 287,112 | 287,112 |
| Net income for the year | | 32,502 | 275,619 | 308,121 |
| Transfer between funds | | - | - | - |
| NET MOVEMENT IN FUNDS | | 32,502 | 275,619 | 308,121 |
| RECONCILIATION OF FUNDS | | | | |
| Fund balances brought forward | | 66,125 | 1,816,278 | 1,882,403 |
| Fund balances carried forward | | 98,627 | 2,091,897 | 2,190,524 |

The income and resources and net movement in funds arise from continuing operations.

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

The notes on pages 12 to 15 form an integral part of these financial statements.

THE CHARTERHOUSE CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 30 June 2020

| | Notes | Unrestricted Funds £ | Endowment Funds £ | Total Funds £ |
|---|-------|----------------------------|-------------------------|---------------------|
| INCOME FROM: | | | | |
| Investments | 2 | 52,525 | - | 52,525 |
| Donations | | - | - | - |
| Donations - Gift in Kind | 3 | 3,500 | - | 3,500 |
| TOTAL INCOME | | 56,025 | - | 56,025 |
| EXPENDITURE ON: | | | | |
| Raising funds - investment management costs | 6 | - | (11,184) | (11,184) |
| Charitable activities and support costs | 4 | (59,464) | - | (59,464) |
| TOTAL EXPENDITURE | | (59,464) | (11,184) | (70,648) |
| Net expenditure before investment losses | | (3,439) | (11,184) | (14,623) |
| Net losses on investments | 6 | - | (94,659) | (94,659) |
| Net expenditure for the year | | (3,439) | (105,843) | (109,282) |
| Transfer between funds | | - | - | - |
| NET MOVEMENT IN FUNDS | | (3,439) | (105,843) | (109,282) |
| RECONCILIATION OF FUNDS | | | | |
| Fund balances brought forward | | 69,564 | 1,922,121 | 1,991,685 |
| Fund balances carried forward | | 66,125 | 1,816,278 | 1,882,403 |

The notes on pages 12 to 15 form an integral part of these financial statements.

THE CHARTERHOUSE CHARITABLE TRUST

BALANCE SHEET

| | | 30 June 2021 | 30 June 2020 |
|--------------------------|-------|------------------|------------------|
| | Notes | £ | £ |
| Investment assets | | | |
| Investments | 6 | 2,091,897 | 1,816,278 |
| | | <u>2,091,897</u> | <u>1,816,278</u> |
| Current assets | | | |
| Cash at bank | | 98,627 | 66,125 |
| | | <u>98,627</u> | <u>66,125</u> |
| Net assets | | <u>2,190,524</u> | <u>1,882,403</u> |
| Funds | | | |
| Endowment | 7 | 2,091,897 | 1,816,278 |
| Unrestricted | 7 | 98,627 | 66,125 |
| | | <u>2,190,524</u> | <u>1,882,403</u> |

These Financial Statements were approved by the Trustees on 29 April 2022 and signed on their behalf by:



Tom Patrick
Trustee

The schedules and notes on pages 12 to 15 form an integral part of these financial statements.

THE CHARTERHOUSE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Charitable status

The Charterhouse Charitable Trust, a public benefit entity, is incorporated in England and Wales as a Charity limited by guarantee not having a share capital. There are currently four Trustees who are also the members of the Charity. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10. The charity is a registered charity. The registered office is given on page 1.

Basis of accounting

The accounts (financial statements) have been prepared under the historical cost convention as modified by financial instruments recognised at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Going Concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. As outlined in the Reserves Policy, the Trustees consider current reserves more than adequate to cover the Trust's expenditure for the foreseeable future, including at a minimum twelve months from the signing of this report.

The uncertainties over the emergence and spread of COVID-19 have caused market volatility on a global scale. The Trustees have assessed that the Trust has sufficient financial resources and is well-placed to manage the associated risks of the COVID-19 outbreak to the Trust and its charitable objectives. The performance of the investment portfolio following the balance sheet date, valued at £2,248,992 as at 31 December 2021, gives further assurance here.

Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

Income

Bank interest is accounted for on an accruals basis. Income from investments in equities, unit trusts and fixed interest securities is accounted for on a receivable basis. Gifts in kind are recognised in donations.

Expenditure

Expenses, which relate to direct charitable expenditure and administration and management fees, are accounted for on an accruals basis. Investment administration and management fees are charged against endowment funds.

Fixed asset investments

Financial assets are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets which qualify as basic financial instruments as laid out in FRS 102 paragraph 11.8, including investments in non-puttable ordinary shares.

Financial assets are derecognised when and only when (a) the contractual right to the cash flows from the financial asset expire or are settled, (b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

THE CHARTERHOUSE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 ACCOUNTING POLICIES (continued)

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.'

Fund accounting

The Endowment Fund represents the capital funds of the Trust and cannot be used to make charitable donations and grants.

Unrestricted funds represent donations received, investment income from listed investments and bank deposit interest and are available for general charitable purposes of the Trust at the discretion of the Trustees.

Grant expenditure

Grants made during the financial year are reflected in the Statement of Financial Activities. Liabilities for future commitments are only reflected in the Balance Sheet to the extent that the Trustees make an unconditional commitment.

Cash flow

The Trust meets the definition of a small charity under the FRS 102. The Trust has applied an exemption in taking the decision not to prepare a Cash Flow Statement.

2 INVESTMENT INCOME

| | Year ended 30 June 2021 | | Year ended 30 June 2020 | |
|--------------------------|-------------------------|---------------|-------------------------|---------------|
| | Unrestricted Funds | Total Funds | Unrestricted Funds | Total Funds |
| | £ | £ | £ | £ |
| Investment income | | | | |
| Income from investment | 37,598 | 37,598 | 52,323 | 52,323 |
| Bank deposit interest | 11 | 11 | 202 | 202 |
| | <u>37,609</u> | <u>37,609</u> | <u>52,525</u> | <u>52,525</u> |

3 RELATED PARTY TRANSACTIONS

During the year under review, neither the Trustees nor any party related to them received any remuneration or reimbursement of expenses from The Charterhouse Charitable Trust. There are no persons employed by the Charitable Trust. The audit fee of £3,500 (2020 £3,500) is borne by Charterhouse Development Capital Limited. This has been recognised as a gift in kind and included within donations. There were no other related party transactions.

THE CHARTERHOUSE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

4 CHARITABLE ACTIVITIES AND SUPPORT COSTS

Year Ended 30 June 2021

| <i>Charity</i> | <i>Charity's purpose</i> | <i>£</i> | <i>Number of donations</i> |
|------------------------------|---|----------|----------------------------|
| Meetings Industry Fund (MIF) | Providing financial assistance during times of crisis like a disaster, medical illness, or an emergency | 5,107 | 1 |

| | |
|-------|---|
| 5,107 | 1 |
|-------|---|

Support Costs

| | |
|--|-------|
| Governance costs – Audit & Admin | 3,500 |
| Total Donations Made and Support Costs | 8,607 |

Year Ended 30 June 2020

| <i>Charity</i> | <i>Charity's purpose</i> | <i>£</i> | <i>Number of donations</i> |
|---|--|----------|----------------------------|
| Lynda Jackson Macmillan Centre | Supporting families in the fight against cancer. | 5,000 | 1 |
| Australian Red Cross | To support and empower people and communities in times of vulnerability. | 10,000 | 1 |
| Operdale Di Bergamo Papa Giovanni XXIII | Italian hospital. Donation made to support efforts in relation to Covid-19 | 4,711 | 1 |
| The Hygiene Bank | To bring communities together to tackle hygiene poverty, by providing essential products needed to feel clean, confident, and healthy. | 10,000 | 1 |
| The Trussell Trust | To support a nationwide network of food banks, providing emergency food and support to people locked in poverty | 10,000 | 1 |
| Policlinico di Milano | Italian hospital. Donation made to support efforts in relation to Covid-19 | 4,711 | 1 |
| St Mungo's | To end homelessness and help rebuild lives | 10,000 | 1 |
| Mothers 2 Mothers | Bolstering African healthcare systems, while delivering empowerment opportunities for women | 1,500 | 1 |

| | |
|--------|---|
| 55,922 | 8 |
|--------|---|

Support Costs

| | |
|--|--------|
| Governance costs – Audit & Admin | 3,542 |
| Total Donations Made and Support Costs | 59,464 |

THE CHARTERHOUSE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 TAXATION

As a charity, the Trust is exempt from tax on income and gains falling within part 10 of the Income Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that the income is applied to its charitable objects. No tax charges have arisen in the Trust.

6 INVESTMENTS

| | 30 June 2021 | 30 June 2020 |
|--|--------------|--------------|
| | Total | Total |
| | £ | £ |
| Market value at commencement of year | 1,816,278 | 1,922,121 |
| Additions (at cost) | - | - |
| Disposals proceeds | - | - |
| Net realised gains on investments | - | - |
| Management fees | (11,493) | (11,184) |
| Unrealised gains/(losses) on investment assets | 287,112 | (94,659) |
| Market value at end of year | 2,091,897 | 1,816,278 |
| Historical cost | 1,276,434 | 1,276,434 |

The above investments have been revalued at 30 June 2021 based on their market bid price at that date.

| | 30 June 2021 | | 30 June 2020 | |
|-----------------------------|-----------------------|-----------|-----------------------|-----------|
| | In the United Kingdom | Total | In the United Kingdom | Total |
| | £ | £ | £ | £ |
| Listed equities | 2,091,897 | 2,091,897 | 1,816,278 | 1,816,278 |
| Market value at end of year | 2,091,897 | 2,091,897 | 1,816,278 | 1,816,278 |

The Trust's investment portfolio is invested in the Newton Growth and Income Fund for Charities.

7 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

| | 30 June 2021 | | | 30 June 2020 | | |
|-------------------|--------------------|-----------------|-----------|--------------------|-----------------|-----------|
| | Unrestricted Funds | Endowment Funds | Total | Unrestricted Funds | Endowment Funds | Total |
| | £ | £ | £ | £ | £ | £ |
| Investment assets | - | 2,091,897 | 2,091,897 | - | 1,816,278 | 1,816,278 |
| Current assets | 98,627 | - | 98,627 | 66,125 | - | 66,125 |
| Total funds | 98,627 | 2,091,897 | 2,190,524 | 66,125 | 1,816,278 | 1,882,403 |

In accordance with the Trust Deed, the Endowment Fund is a permanent fund. The income generated from the Endowment Fund is available for the benefit of charities.

8 POST BALANCE SHEET EVENTS

Post year-end donations totalling £25,000, which were approved by the Trustees during the financial year, were paid following the completion of the requisite beneficiaries and trustees screening.