

Company number: 386771
Charity number: 214050

SCHRODER CHARITY TRUST

**Financial Statements
31 March 2022**

SCHRODER CHARITY TRUST

Financial statements for the year ended 31 March 2022

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SCHRODER CHARITY TRUST

Reference and administrative information For the year ended 31 March 2022

Directors and Trustees:

Mrs C B Mallinckrodt
Mrs C L Fitzalan Howard
Mr T B Schroder (Chairman)
Ms L K E Schroder
Mr J H F Schroder

Company Secretary and Charities Director:

Miss L M Bowman

Registered Office:

81 Rivington Street
London
EC2A 3AY

Solicitors:

Withers
20 Old Bailey
London
EC4M 7AN

Auditor:

UHY Kent LLP trading as UHY Hacker Young
Thames House
Roman Square
Sittingbourne
ME10 4BJ

Bankers:

Schroder & Co Limited
1 London Wall Place
London
EC2Y 5AU

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

Investment Manager:

Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

SCHRODER CHARITY TRUST

Report of the directors for the year ended 31 March 2022

The directors, who are also the Trustees of the Schroder Charity Trust ('the Trust'), present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative details

The financial statements comply with the charity's Trust Deed, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)).

Origin of Trust

The Bruno Schroder Charity Trust was incorporated on the 6 April 1944 as an unlimited company having an authorised share capital of £100. The name was changed to Schroder Charity Trust on the 11 June 1953.

The Trust is a charity registered in England and Wales, charity number 214050.

The Trust is a private unlimited company registered in the United Kingdom, company number 386771.

Directors and their interests in shares

The directors who were in office during the year and their interests in the shares of the company at 1 April 2021 and 31 March 2022, were as follows:

	1 April 2021	31 March 2022
Mrs C B Mallinckrodt	1	1
Mrs C L Fitzalan Howard	1	1
Mr T B Schroder	1	1
Ms L K E Schroder	1	1
Mr J H F Schroder	1	1

One share is also held by the Executors of Mr B L Schroder who are not a director.

People with significant control

After due consideration, and having made enquiries of the Trust's shareholders as listed above, the Trust knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the Trust.

Structure, governance and management

Constitution

Schroder Charity Trust is an unlimited company registered in the United Kingdom, number 386771. It is charity registered in England and Wales, number 214050, and is governed by its memorandum and articles of association.

Appointment of Directors, Induction and Training

The memorandum and articles of association allow for not more than ten and not less than two Directors. New Directors can be appointed by a majority of those shareholders present at a general meeting (quorum: 2) of the members either to fill a vacancy or as an addition to the existing Board.

The induction process for any newly appointed Director comprises an initial meeting with the Chairman to understand powers and responsibilities, the governing document and the strategy of the Trust. This is followed by a meeting with the Company Secretary on the Trust's grant-making process, and internal policies and procedures.

Objects and strategy

Under the Memorandum of Association, the directors may receive donations and pay or apply the income and, if they shall think fit, the capital of the Trust to or for such charitable purposes whatsoever at such times and in such manner as the directors shall from time to time think proper.

The Memorandum of Association authorises the directors to invest without limitation.

SCHRODER CHARITY TRUST

Report of the directors for the year ended 31 March 2022 (continued)

Public Benefit

The directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning their future activities.

Grant making policy

Applications are open to charities registered in the UK, who apply via an online form. Applications for funding are considered at bi-annual meetings of the directors. Areas of focus include arts, culture & heritage; education, training and employment; environment & conservation; health & wellbeing; and strengthening communities.

Annual review

During the year 1,103 (2021: 1,422) applications were received. Grants were made to 107 charities (2021: 113).

In January 2022, the application and grants management system for the Schroder Charity Trust was updated.

Financial position

The capital of the Trust is principally shares in Schroders plc.

During the period the Trust received income of £560,555 (2021: £525,391). The directors made grants totalling £399,400 (2021: £515,900).

After taking into consideration net losses on investments for the year of £1,178,261 (2021: gains of £3,967,815) the net decrease in funds for the year, as shown in the Statement of Financial Activities, amounted to £1,075,155 (2021: increase of £3,930,991).

The Trust's net assets decreased to £14,500,844 from £15,575,999 due to the unrealised losses on the revaluation of investments.

Investment policy

The current policy is to maintain the Trust's investment in the shares of Schroders plc, with the balance of the assets invested at the discretion of the directors' appointed Investment Manager. Performance is reviewed at each board meeting and the investment policy remains under annual review.

Investment performance

At 31 March 2022, 85.5% of the value of the investment portfolio were held in Schroders plc shares. Until August 2020, the shares were held in certificated form by the Trust. Since that point custody has been provided by Schroder & Co. Ltd as part of their service. The allocation of investments for the remaining 14.5% is delegated to the Investment Manager who provides progress reports to directors at Board meetings. The directors also regularly review current strategy thereby ensuring the careful stewardship of Schroder Charity Trust funds.

The investment manager is tasked with maintaining or increasing the value of the portfolio, while ensuring there are sufficient funds to meet all commitments in full. On 31 March 2022, the market value of the settled funds stood at £14,169,018 (2021: £15,234,569). During the year ended 31 March 2022, net losses on investments were £1,178,261 (2021: net gains of £3,967,815).

Future plans

The directors will continue to receive and distribute charitable funds in accordance with their policies.

The unrestricted funds are being managed to ensure that current levels of charitable grants are maintained for the foreseeable future.

SCHRODER CHARITY TRUST

Report of the directors for the year ended 31 March 2022 (continued)

Reserves policy

The directors are aware of the general legal duty to apply charitable funds within a reasonable time of receiving them. Accordingly, they intend to continue to:

1. Donate in excess of 65% of the net budgeted income arising each year from its unrestricted funds.
2. Retain the balance of such income in order to allow the directors to respond to specific appeals by making larger donations as the directors may from time to time consider to be appropriate.
3. Review the level of the reserves twice a year.
4. Review this policy once a year.

At the year end, total unrestricted reserves were £14,500,838 (2021: £15,575,993).

Risks

The directors have carried out a review of the major risks facing the charity. They have constructed a risk register which prioritises these risks and identifies the mitigating factors, systems and controls in relation to each risk. The directors also ensure that there is a comprehensive monitoring and review process in place to capture new risks as they may arise and that systems are in place to manage these.

The major risk to which the charity is exposed is that of incurring significant losses in the investment portfolio. General performance targets are set by the directors in relation to the investment portfolio, and the investment performance is kept under review by the directors.

In particular, the directors reviewed the charity's risks in response to the impact of the Covid-19 pandemic. This included the potential impact on income and its ability to continue its charitable activities, i.e. grant-making. This process confirmed that there is sufficient income for the year ahead to maintain its charitable activities. The income derived from dividends from shares in Schroders plc is allocated to grant-making activities each year, and the level of expenditure is based on available funds which reduces the risk of overspending.

Interests

The directors maintain a 'Register of Interests' as a measure of good practice and also to ensure that no conflicts occur. This register is updated and reviewed on an annual basis.

Statement of directors' responsibilities

The directors (who are also the trustees of the Schroder Charity Trust for the purposes of charity law) are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

SCHRODER CHARITY TRUST

Report of the directors for the year ended 31 March 2022 (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company'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 Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Approval

Approved by the Board of Directors on 12 Oct 2022 and signed on its behalf by:

Timothy Schroder
Director

SCHRODER CHARITY TRUST

Independent Auditor's Report to the members of Schroder Charity Trust

Opinion

We have audited the financial statements of the Schroder Charity 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 notes to the financial statements including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of the charitable company's incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006.

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 charitable company 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 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, 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.

SCHRODER CHARITY TRUST

Independent Auditor's Report to the members of Schroder Charity Trust (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees Report for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirements to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial statements

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.

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:

How the audit was considered capable of detecting irregularities, including fraud:

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:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charitable company, including the Charities Act 2011 and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

SCHRODER CHARITY TRUST

Independent Auditor's Report to the members of Schroder Charity Trust (continued)

We assessed the susceptibility of the charitable company's accounts 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 set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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 trustees 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. The description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Allan Hickie BSc FCA (Senior statutory auditor)

For and on behalf of

UHY Kent LLP
Chartered Accountants and Statutory Auditors
Thames House, Roman Square
Sittingbourne, Kent. ME10 4BJ

Date: 20 October 2022

SCHRODER CHARITY TRUST

Statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2022

	Notes	Restricted £	Unrestricted £	2022 Total funds £	2021 Total funds £
Income from:					
Investments	3	-	560,555	560,555	525,391
Total		-	560,555	560,555	525,391
Expenditure on:					
Raising funds – investment manager fees	4	-	2,459	2,459	2,078
Charitable activities	5	-	454,990	454,990	560,137
Total		-	457,449	457,449	562,215
Net income/(expenditure) before gains and losses on investments		-	103,106	103,106	(36,824)
Net (losses)/gains on investments	7	-	(1,178,261)	(1,178,261)	3,967,815
Net (expenditure)/income and movement in funds	8	-	(1,075,155)	(1,075,155)	3,930,991
Fund balances brought forward		-	15,575,993	15,575,993	11,645,002
Fund balances carried forward		-	14,500,838	14,500,838	15,575,993

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above and therefore those stated above represent total comprehensive income.

The notes on page 12 to 19 form part of these financial statements.

SCHRODER CHARITY TRUST

Balance sheet as at 31 March 2022

	Notes	2022 £	2021 £
Fixed assets			
Investments	9	<u>14,169,018</u>	<u>15,234,569</u>
Current assets			
Debtors	10	349,098	324,706
Cash at bank and in hand		<u>9,137</u>	<u>55,755</u>
		358,235	380,461
Creditors: amounts due within 1 year	11	<u>(26,409)</u>	<u>(39,031)</u>
Net current assets		<u>331,826</u>	<u>341,430</u>
Net assets		<u>14,500,844</u>	<u>15,575,999</u>
Financed by:			
Share capital	12	6	6
Funds			
Unrestricted funds		<u>14,500,838</u>	<u>15,575,993</u>
Total funds	13	<u>14,500,844</u>	<u>15,575,999</u>

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Approved by the directors and authorised for issue on 12 Oct 2022 and signed on their behalf by:

Timothy Schroder

Director

Registered company number: 386771

The notes on page 12 to 19 form part of these financial statements.

SCHRODER CHARITY TRUST

Statement of cash flows for the year ended 31 March 2022

	Notes	2022 £	2021 £	
Cash flows from operating activities:				
Net cash used in operating activities	(a)	(494,463)	(562,742)	
Cash flows from investing activities:				
Dividends, interest and rents from investments		523,965	490,998	
Proceeds from sale of investments		16,897	8,327	
Purchase of investments		(18,527)	(6,445)	
Change in investment cash		(74,490)	(3)	
Net cash provided by investing activities		447,845	492,877	
Change in cash and cash equivalents in the reporting period		(46,618)	(69,865)	
Cash and cash equivalents at the beginning of the reporting period	(b)	55,755	125,620	
Cash and cash equivalents at the end of the reporting period	(b)	9,137	55,755	
(a) Reconciliation of net income to net cash flows from operating activities				
Net (expenditure)/income for the reporting period		(1,075,155)	3,930,991	
Adjustments for:				
Losses/(gains) on investments		1,178,261	(3,967,815)	
Dividends and interest from investments		(560,555)	(525,391)	
Increase in debtors		(24,392)	(52)	
Decrease in creditors		(12,622)	(475)	
Net cash used in operating activities		(494,463)	(562,742)	
(b) Analysis of cash and cash equivalents				
Cash in hand		9,137	55,755	
Total cash and cash equivalents		9,137	55,755	
(c) Analysis of changes in net debt:				
	1 April 2021 £	Cash flows £	Non-cash movement £	31 March 2022 £
Cash and cash equivalents	55,755	(46,618)	-	9,137

The notes on page 12 to 19 form part of these financial statements.

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2022

1. General information

The Schroder Charity Trust is a charitable company registered in England and Wales (company number 386771 and charity number 214050), governed by its Memorandum of Association. The registered office is 81 Rivington Street, London, EC2A 3AY. The annual statements are prepared in sterling, being the functional currency of the entity, and have been rounded to the nearest pound.

2. Principal accounting policies

a) Basis of accounting and going concern

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, and 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 (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The Trust constitutes a public benefit entity as defined by FRS 102.

The preparation of the financial statements requires the directors to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on the directors' best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. The directors consider that there are no key sources of estimation uncertainty.

The directors reviewed the Trust's investments and operations in response to the ongoing impact of the Covid-19 pandemic and other external factors. The budget for charitable activities in 2022-23 is, at this time, unaffected and there is sufficient cash available for the year ahead. The directors consider that there are no material uncertainties over the Trust's ability to continue as a going concern for the foreseeable future, being a period of at least 12 months from the date of signing the financial statements.

b) Income

Income is stated on a receivable basis.

Income received by way of donations and gift aid is included in full in the Statement of Financial Activities when receivable. Income receivable from Gift Aid claims is recognised when the claim had been submitted.

Investment income is credited gross to the Statement of Financial Activities on the date it becomes payable.

c) Expenditure

Expenditure is recognised in the period in which they are incurred. Expenditure includes attributable VAT which cannot be recovered.

Expenditure on raising funds includes investment manager fees which are calculated quarterly by Schroder & Co Ltd (the investment manager) and included in investment manager fees on a payable basis.

Expenditure on charitable activities includes charitable grants, administration costs and governance costs.

Charitable grants are charged to the Statement of Financial Activities when approved by the directors and any conditions placed on the recipient have been met. Other expenditure is provided on an accruals basis.

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2022

2. **Principal accounting policies continued**

c) **Expenditure (continued)**

Administration costs consist of the day-to-day administration of the Trust's affairs as carried out by staff employed by The Schroder Foundation. The costs are recharged to the Trust based on the levels of activity of the charity.

Governance costs charged in these financial statements include auditor's remuneration and other compliance costs imposed by the requirements of charities legislation.

d) **Gains/losses on investment assets**

All gains and losses are taken to the Statement of Financial Activities as they arise. Unrealised gains and losses on investment assets represent the difference between their fair value at the end of the year and their fair value at the beginning of the year, or transaction value if acquired during the year. Realised gains and losses on disposal of investment assets represent the difference between the sale proceeds and the fair value at the beginning of the year, or transaction value if acquired during the year.

e) **Taxation**

The Trust is a registered company and charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

f) **Financial instruments**

The Trust 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.

g) **Investments**

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 their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. Investments held in the cash liquidity funds are classified within current assets.

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

The main form of financial risk faced by the Trust is that of volatility in the investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors of sub-sectors.

h) **Debtors**

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

i) **Cash at bank and in hand**

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less.

j) **Creditors**

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

k) **Restricted funds**

Any restricted funds would be used for the specific purposes laid down by the donor. Expenditure which meets their criteria is charged to the fund together with a fair allocation of management and support costs.

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2022

2. Principal accounting policies continued

l) Unrestricted funds

Unrestricted funds are donations, investment income and other incoming resources receivable or generated for the objects of the charity. The general fund therefore comprises those monies which may be used towards meeting the charitable objectives of the Trust at the discretion of the directors.

3. Investment income	2022 £	2021 £
Dividends	560,548	525,390
Bank interest	7	1
	<u>560,555</u>	<u>525,391</u>

No restricted investment income was received in the year (2021: £Nil).

4. Raising funds - costs	2022 £	2021 £
Investment management costs	2,459	2,078
	<u>2,459</u>	<u>2,078</u>

All costs incurred in both 2022 and 2021 were in respect of unrestricted funds.

5. Charitable activities	2022 £	2021 £
Charitable grants (note 6)	399,400	515,900
Administration	49,452	33,887
Governance	6,138	10,350
	<u>454,990</u>	<u>560,137</u>

All costs incurred in both 2022 and 2021 were in respect of unrestricted funds.

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2022

6. Charitable grants	2022 £
Made to institutions:	
999 Club and Lady Florence Trust, The	5,000
Afghanistan & Central Asian Association	5,000
Albert Kennedy Trust, The	3,000
Alice (Relief of Poverty & Advancement of Community)	4,000
Ampney Crucis Church	1,000
Arts Taunton	5,000
Back On Track Manchester Ltd	5,000
Beauty for Ashes Refuges	5,000
Berkshire Autistic Society	3,000
Berkshire Women's Aid	3,000
Birmingham Settlement, The	5,000
CARIS Haringey	5,000
Change of Scene	4,000
Chapel-en-le-Frith Mobile Physiotherapy Service	3,000
Chelsea Old Church	1,000
Childhood Eye Cancer Trust (CHECT)	4,000
Choir With No Name, The	5,000
Cirencester Housing for Young People	5,000
City Harvest	3,000
Climate Action Strathaven	2,000
Colchester Gateway Clubs	2,000
Creative Kids	4,000
Creekside Education Trust Ltd.	4,000
Dash Charity, The	5,000
Door Youth Project, The	3,000
East and North Hertfordshire NHS Trust Charitable Fund	5,000
Eating Matters	4,000
emerge (UK) Company Limited	3,000
Families InFocus (Essex)	3,500
Family First	2,000
Felix Project, The	3,000
Fight Bladder Cancer	5,000
FoodCycle	3,000
Foundation for Young Musicians, The	3,000
Friends of the Family Winchester Limited	3,000
Future Frontiers	3,000
Garnsychan Partnership	5,000
Girls' Network, The	5,000
Gloucestershire Bundles	4,000
Group for Recycling in Argyll and Bute Trust Limited	3,000
Growing Well Limited	5,000
Haven Wolverhampton, The	5,000
Hear Me Out Music	5,000
Henry van Straubenzee Memorial Fund	3,000
Heron Corn Mill (Beetham) Ltd	3,000
Hertfordshire Domestic Abuse Helpline	3,000
Hope for Tomorrow	5,000
Jigsaw (South East)	3,000
Just Like Us	4,000
JUSTICE	4,000
Kennet Furniture Refurbiz	4,000
Kilcooley Women's Centre	4,000
Life Cycle UK	5,000
Link to Change	4,000
Mums and Midwives Awareness Academy	2,500
Mersey Counselling and Therapy Centre	3,000
Miracle Foundation, The	3,000
Mosaic – Supporting Bereaved Children	3,000
Multiple Sclerosis Therapy Centre Lothian Limited	4,000
MYTIME	5,000
National Manuscripts Conservation Trust, The	5,000
Carried forward	231,000

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2022

6. Charitable grants (continued)	2022 £
Brought forward	231,000
National Youth Arts Trust	3,000
National Youth Choirs of Great Britain	5,000
NewStarts	5,000
Nottingham and Nottinghamshire Refugee Forum	5,000
Oarsome Chance	4,000
OHMI Trust, The	5,000
Orchard Project (Cause) Ltd, The	4,000
Orchid Cancer Appeal (Orchid)	4,000
Prisoners Education Trust	5,000
Pure Insight 1628	5,000
Purple Angel Dementia Awareness Devon	3,000
Quetzal	3,000
Radford Care Group	4,000
Read Easy UK	5,000
Remap 2010	5,000
Roman River Music	3,000
Royal Chapel Windsor	400
Royal Northern College of Music Endowment Fund	5,000
SameYou	4,000
Sara Lee Trust, The	4,000
Separated Child Foundation, The	4,000
Settled	5,000
SHRUB Cooperative	4,000
Sixty-One	5,000
South Bristol Advice Services	3,000
South London Cares Limited	4,000
South West Coast Path Association	2,000
St Andrew's Church (Currey Rivel)	1,000
St Jude's Church	500
Stowe House Preservation Trust	5,000
Sudents4Students	2,500
Support Through Court	4,000
Surviving Economic Abuse	3,000
Teach2Teach International	3,000
Teesmouth Field Centre	2,000
Tools for Self Reliance	3,000
Transitions UK	5,000
Tunbridge Wells Counselling Centre	3,000
West Wales River Trust	5,000
Wilts & Berks Canal Trust	4,000
Womankind	4,000
Women's Health and Family Services	4,000
Worcestershire Association for the Blind	3,000
York Rescue Boat	3,000
Youth Talk Limited	3,000
Zinc Project CIO, The	2,000
2022 total	399,400
2021 total	515,900

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2022

7.	Net investment gains/(losses)	2022	2021
		£	£
	Realised gains	2,563	1,359
	Unrealised (losses)/gains	(1,180,824)	3,966,456
		<u>(1,178,261)</u>	<u>3,967,815</u>

8. Net movement in funds

Net movement in funds is stated after charging:

	2022	2021
	£	£
Directors' remuneration	-	-
Auditor's remuneration - as auditor	5,400	9,600

The directors consider themselves and the company secretary as comprising the key management personnel of the Trust. There are 5 employees (the directors). The directors and company secretary received no remuneration or benefits in kind (2021: £Nil) and received no reimbursement of expenses (2021: £Nil).

There were no employees who received remuneration exceeding £60,000.

9.	Investments	2022	2021
		£	£
	Market value brought forward	15,234,566	11,234,240
	Additions at cost	55,116	40,838
	Disposals proceeds	(16,897)	(8,327)
	Net (losses)/gains on disposals and revaluations	(1,178,261)	3,967,815
		<u>14,094,525</u>	<u>15,234,566</u>
	Portfolio cash held by investment manager	74,493	3
	Market value carried forward	<u>14,169,018</u>	<u>15,234,569</u>
	Historic cost carried forward	<u>13,107,608</u>	<u>13,056,518</u>

Investments comprise the following:

	2022	2021
	£	£
Equities (listed)	14,047,691	15,184,366
Private equity	46,834	50,200
	<u>14,094,525</u>	<u>15,234,566</u>

10.	Debtors	2022	2021
		£	£
	Dividends receivable	349,098	324,706
		<u>349,098</u>	<u>324,706</u>

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2022

11.	Creditors: amounts falling due within one year	2022 £	2021 £
	Accruals:		
	Investment manager's charges	562	539
	Share custody fees	1,524	-
	Companies House fees	13	-
	Administration of the Trust	18,172	28,142
	Auditor's remuneration	5,400	9,600
	Accountancy fee	738	750
		<u>26,409</u>	<u>39,031</u>

12.	Share capital	Authorised £	Allotted, called up and fully paid £
	Ordinary shares of £1 each	<u>100</u>	<u>6</u>

The ordinary shareholders have no rights over the funds of the Trust.

13.	Analysis of net assets between funds - 2022	Share capital £	Restricted funds £	Unrestricted funds £	Total funds £
	Investments	-	-	14,169,018	14,169,018
	Net current assets	6	-	331,820	331,826
	Net assets at the end of the year	<u>6</u>	<u>-</u>	<u>14,500,838</u>	<u>14,500,844</u>

All funds held at 31 March 2022 were unrestricted funds and all transactions in the year ended 31 March 2022 were within unrestricted funds.

	Analysis of net assets between funds - 2021	Share capital £	Restricted funds £	Unrestricted funds £	Total funds £
	Investments	-	-	15,234,569	15,234,569
	Net current assets	6	-	341,424	341,430
	Net assets at the end of the year	<u>6</u>	<u>-</u>	<u>15,575,993</u>	<u>15,575,999</u>

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2022

14. Related party transactions

Ms L K E Schroder and Mrs C L Fitzalan Howard are non-executive directors of Schroders plc, the ultimate parent company of Cazenove Capital, which acts as investment manager for the Charity, and Schroder & Co Ltd, which act as bankers for the charity. In addition, the charity holds 338,832 ordinary voting shares and 61,000 ordinary non-voting shares in Schroders plc. At the year end, the total value of these shares was £12,118,862 (2021: £13,378,020) representing 85.5% (2021: 87.8%) of the total value of the Schroder Charity Trust investment portfolio.

Three of the directors, Mrs C B Mallinckrodt, Mrs C L Fitzalan Howard and Ms L K E Schroder, are also trustees of The Schroder Foundation. During the year The Schroder Foundation made a charge to the charity of £36,204 (2021: £28,142) in respect of administration and accountancy services provided during the year. An amount of £18,923 (2021: £28,142) is due to The Schroder Foundation at the year end.

