

Company number: 386771
Charity number: 214050

SCHRODER CHARITY TRUST

**Financial Statements
31 March 2023**

SCHRODER CHARITY TRUST

Financial statements for the year ended 31 March 2023

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SCHRODER CHARITY TRUST

Reference and administrative information For the year ended 31 March 2023

Directors and Trustees:

Mrs C B Ma nckrodt (Res gned 15 June 2023)

Mrs C L F tza an Howard

Ms M K F tza an Howard (Appo nted 1 September 2023)

Mr T B Schroder (Cha rman)

Ms L K E Schroder

Mr J H F Schroder

Company Secretary and Charities Director:

M ss L M Bowman

Registered Office:

81 R v ngton Street

London

EC2A 3AY

Solicitors:

W thers

20 O d Ba ey

London

EC4M 7AN

Auditor:

UHY Kent LLP trad ng as UHY Hacker Young

Thames House

Roman Square

S tt ngbourne

ME10 4BJ

Bankers:

Schroder & Co L m ted

1 London Wa P ace

London

EC2Y 5AU

CAF Bank L m ted

25 K ngs H Avenue

K ngs H

West Ma ng

Kent

ME19 4JQ

Investment Manager:

Cazenove Cap ta

1 London Wa P ace

London

EC2Y 5AU

SCHRODER CHARITY TRUST

Report of the directors for the year ended 31 March 2023

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 2023.

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 2022 and 31 March 2023, were as follows:

	1 April 2022	31 March 2023
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 counsel, the Directors have determined 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 a 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 2023 (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 and heritage; education, training and employment; environment and conservation; health and wellbeing; and strengthening communities.

Annual review

During the year 1,032 (2022: 1,103) applications were received. Grants were made to 114 charities (2022: 107). Of these, three larger grants were made, one in response to the conflict in Ukraine (Caritas Ukraine) and two to address the impact of rising energy costs in the UK (Fuel Bank Foundation and National Energy Action).

Financial position

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

During the period the Trust received income of £571,736 (2022: £560,555). The directors made grants totalling £512,300 (2022: £399,400).

After taking into consideration net losses on investments for the year of £1,693,551 (2022: losses of £1,178,261) the net decrease in funds for the year, as shown in the Statement of Financial Activities, amounted to £1,701,260 (2022: decrease of £1,075,155).

The Trust's net assets decreased to £12,799,584 from £14,500,844 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 2023, 85% 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 15% 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.

On 20 September 2022 the 61,000 ordinary non-voting shares in Schroders plc held by Schroder Charity Trust were re-designated as 61,000 ordinary shares with full voting rights. The 338,832 ordinary voting shares in Schroders plc held by Schroder Charity Trust were subject to a bonus issue of 3 additional ordinary shares for every 17 ordinary shares held by ordinary shareholders. The Schroder plc's £1 ordinary shares were then subdivided into new ordinary shares of 20 pence each. At 31 March 2023 the charity holds 2,298,129 ordinary voting shares in Schroders plc with a value of £10,571,393 (2022: £12,118,862 total value of ordinary voting and non-voting shares)

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 2023, the market value of the settled funds stood at £12,442,848 (2022: £14,169,018). During the year ended 31 March 2023, net losses on investments were £1,693,551 (2022: net losses of £1,178,261).

SCHRODER CHARITY TRUST

Report of the directors for the year ended 31 March 2023 (continued)

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.

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 £12,799,578 (2022: £14,500,838).

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. 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.

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 2023 (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 27th Sept 2023 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 2023, 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 2023 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: 24 October 2023

SCHRODER CHARITY TRUST

Statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2023

	Notes	Restricted £	Unrestricted £	2023 Total funds £	2022 Total funds £
Income from:					
Investments	3	-	571,736	571,736	560,555
Total		-	571,736	571,736	560,555
Expenditure on:					
Raising funds – investment manager fees	4	-	2,319	2,319	2,459
Charitable activities	5	-	577,126	577,126	454,990
Total		-	579,445	579,445	457,449
Net (expenditure)/income before losses on investments		-	(7,709)	(7,709)	103,106
Net losses on investments	7	-	(1,693,551)	(1,693,551)	(1,178,261)
Net expenditure and movement in funds	8	-	(1,701,260)	(1,701,260)	(1,075,155)
Fund balances brought forward		-	14,500,838	14,500,838	15,575,993
Fund balances carried forward		-	12,799,578	12,799,578	14,500,838

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 2023

	Notes	2023 £	2022 £
Fixed assets			
Investments	9	<u>12,442,848</u>	<u>14,169,018</u>
Current assets			
Debtors	10	<u>354,196</u>	<u>349,098</u>
Cash at bank and in hand		<u>38,604</u>	<u>9,137</u>
		392,800	358,235
Creditors: amounts due within 1 year	11	<u>(36,064)</u>	<u>(26,409)</u>
Net current assets		<u>356,736</u>	<u>331,826</u>
Net assets		<u><u>12,799,584</u></u>	<u><u>14,500,844</u></u>
Financed by:			
Share capital	12	6	6
Funds			
Unrestricted funds		<u>12,799,578</u>	<u>14,500,838</u>
Total funds	13	<u><u>12,799,584</u></u>	<u><u>14,500,844</u></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 23rd Sept 2023 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 2023

	Notes	2023 £	2022 £	
Cash flows from operating activities:				
Net cash used in operating activities	(a)	(574,888)	(494,463)	
Cash flows from investing activities:				
Dividends, interest and rents from investments		532,314	523,965	
Proceeds from sale of investments		13,917	16,897	
Purchase of investments		(13,225)	(18,527)	
Change in investment cash		71,349	(74,490)	
Net cash provided by investing activities		604,355	447,845	
Change in cash and cash equivalents in the reporting period		29,467	(46,618)	
Cash and cash equivalents at the beginning of the reporting period	(b)	9,137	55,755	
Cash and cash equivalents at the end of the reporting period	(b)	38,604	9,137	
(a) Reconciliation of net income to net cash flows from operating activities				
Net expenditure for the reporting period		(1,701,260)	(1,075,155)	
Adjustments for:				
Losses on investments		1,693,551	1,178,261	
Dividends and interest from investments		(571,736)	(560,555)	
Increase in debtors		(5,098)	(24,392)	
Increase/(decrease) in creditors		9,655	(12,622)	
Net cash used in operating activities		(574,888)	(494,463)	
(b) Analysis of cash and cash equivalents				
Cash in hand		38,604	9,137	
Total cash and cash equivalents		38,604	9,137	
(c) Analysis of changes in net debt:				
	1 April 2022 £	Cash flows £	Non-cash movement £	31 March 2023 £
Cash and cash equivalents	9,137	29,467	-	38,604

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 2023

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 and 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 Cazenove Capital (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 2023

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 or 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 2023

2. Principal accounting policies continued

i) 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	2023 £	2022 £
Dividends	569,386	560,548
Bank interest	2,350	7
	<u>571,736</u>	<u>560,555</u>

All income received in both 2023 and 2022 were in respect of unrestricted funds.

4. Raising funds - costs	2023 £	2022 £
Investment management costs	2,319	2,459
	<u>2,319</u>	<u>2,459</u>

All costs incurred in both 2023 and 2022 were in respect of unrestricted funds.

5. Charitable activities	2023 £	2022 £
Charitable grants (note 6)	512,300	399,400
Administration	57,531	49,452
Governance	7,295	6,138
	<u>577,126</u>	<u>454,990</u>

All costs incurred in both 2023 and 2022 were in respect of unrestricted funds.

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2023

6. Charitable grants	2023 £
Made to institutions:	
ADHD Foundation	5,000
Afasic	5,000
African Children's Fund Ltd	3,000
Age UK Bath and North East Somerset Limited	4,000
Alive Activities Ltd	5,000
Alnwick District Playhouse Trust	4,000
Amazon Charitable Trust	5,000
Ambulance Staff Charity, The	5,000
Ampney Crucis Parochial Church Council	1,000
Apollo Music Projects	5,000
Art Against Knives	3,000
Artbox London	5,000
Arts 4 Dementia	5,000
Autistic Minds	5,000
Azalea	3,000
Bail for Immigration Detainees	4,000
Blackmore Vale Charity, The	4,000
Blind in Business Trust	5,000
Bloomin' Arts Limited	2,500
Boccia England Limited	5,000
Brass Bands England	5,000
Breaking Barriers	5,000
British Youth Opera	4,000
Buglife – The Invertebrate Conservation Trust	5,000
Caritas Ukraine	25,000
Changing Faces	3,000
Chelsea Old Church P.C.C.	1,000
Chichester Diocesan Association for Family Support Work	4,000
Children's Literacy Charity, The	2,500
Chiswick House and Gardens Trust	5,000
Chroma Church	3,000
City Gate Community Projects (FareShare Sussex & Surrey)	5,000
Community Voluntary Action Ledbury & District	4,000
Crown and Manor Boys Club, Hoxton	4,000
Cruse Bereavement Care Scotland	4,000
Dig Deep (Africa)	4,000
Domestic Abuse Volunteer Support Services	4,000
Doorstep Library Network	5,000
Downside Settlement, The	5,000
Earth Trust	5,000
East Herts Citizens Advice Service	4,000
Eastside Community Trust	5,000
ECPAT UK	3,000
Emerge 3RS	5,000
Endometriosis UK	1,300
Euan's Guide	2,500
Farms for City Children Limited	5,000
Final Straw Foundation	5,000
Food Chain (UK) Ltd, The	3,000
Fuel Bank Foundation	25,000
Future Men	3,000
Giving World	5,000
Goldsmiths, University of London	5,000
Great Western Air Ambulance Charity	5,000
Habitat for Humanity Great Britain	5,000
Half Moon Young People's Theatre Limited	5,000
Hands On London	5,000
Home-Start Bristol	4,000
Hourglass (Safer Ageing)	4,000
Inter Care Ltd	5,000
Carried forward	290,800

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2023

6. Charitable grants (continued)	2023 £
Brought forward	290,800
Island House Community Centre	5,000
Links International Trust	4,000
Listening Books	5,000
Listening Place, The	5,000
Little Green Pig	5,000
Little Ouse Headwaters Project	5,000
Lullaby Trust, The	5,000
Manor Community Transport	2,000
Mary Rose Trust, The	5,000
Maytree Respite Centre, The	4,000
Medair UK	5,000
Migrateful	5,000
Moir Anderson Foundation, The	4,000
Music of Life Foundation	5,000
National Energy Action	10,000
New Brewery Arts Ltd	5,000
One25 Limited	4,000
Our Time	4,000
Perkisound CIO	2,000
Pimlico Opera	5,000
Play Action International	4,000
Positive East	3,000
Prison Radio Association	5,000
Prisoners Abroad	4,000
Prisoners' Advice Service	5,000
Progressive Farming Trust Ltd	5,000
Pump Aid	5,000
Punchdrunk Enrichment Limited	4,000
Read for Good	3,000
Refugee Education UK	5,000
Richmond Good Neighbours	2,000
Ripple Suicide Prevention Charity	3,000
Rising Sun Domestic Violence & Abuse Service	4,000
Royal Chapel of All Saints	1,000
SAFE Foundation	3,000
Snowdrop Project, The	3,000
Solicitors Pro Bono Group	4,000
Sophie Hayes Foundation	5,000
Spread a Smile	5,000
St Andrew's Church (Curry Rivel)	1,000
St Andrew's Club	4,000
St Jude's United Church, Englefield Green	500
Sunbeams London Ltd	4,000
Talking Money	4,000
Toucan Employment	2,500
Tourette Syndrome (UK) Association	5,000
Trust Music	5,000
Unseen (UK)	5,000
Watford New Hope Trust	5,000
We Are Grow	5,000
Wintercomfort For The Homeless	3,000
Young Roots	5,000
Zambia Orphans Aid UK	2,500
2023 total	512,300
2022 total	399,400

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2023

7. Net investment gains/(losses)	2023	2022
	£	£
Realised gains	1,518	2,563
Unrealised losses	(1,695,069)	(1,180,824)
	<u>(1,693,551)</u>	<u>(1,178,261)</u>

8. Net movement in funds

Net movement in funds is stated after charging:

	2023	2022
	£	£
Directors' remuneration	-	-
Auditor's remuneration		
- as auditor	5,880	5,400
- for tax advice	540	-
	<u>6,420</u>	<u>5,400</u>

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 (2022: £Nil) and received no reimbursement of expenses (2022: £Nil).

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

9. Investments	2023	2022
	£	£
Market value brought forward	14,094,525	15,234,566
Additions at cost	52,647	55,116
Disposals proceeds	(13,917)	(16,897)
Net losses on disposals and revaluations	(1,693,551)	(1,178,261)
	<u>12,439,704</u>	<u>14,094,525</u>
Portfolio cash held by investment manager	3,144	74,493
Market value carried forward	<u>12,442,848</u>	<u>14,169,018</u>
Historic cost carried forward	<u>13,156,848</u>	<u>13,107,608</u>

Investments comprise the following:

	2023	2022
	£	£
Equities (listed)	12,397,944	14,097,691
Private equity	41,759	46,834
	<u>12,439,703</u>	<u>14,094,525</u>

10. Debtors	2023	2022
	£	£
Dividends receivable	354,196	349,098
	<u>354,196</u>	<u>349,098</u>

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2023

11.	Creditors: amounts falling due within one year	2023 £	2022 £
	Accruals	36,064	26,409
		<u>36,064</u>	<u>26,409</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 - 2023	Share capital £	Restricted funds £	Unrestricted funds £	Total funds £
	Investments	-	-	12,442,848	12,442,848
	Net current assets	6	-	356,730	356,736
	Net assets at the end of the year	<u>6</u>	<u>-</u>	<u>12,799,578</u>	<u>12,799,584</u>

All funds held at 31 March 2023 were unrestricted funds and all transactions in the year ended 31 March 2023 were within unrestricted funds.

	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>

SCHRODER CHARITY TRUST

Notes to the financial statements for the year ended 31 March 2023

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.

On 20 September 2022 the 61,000 ordinary non-voting shares in Schroders plc held by Schroder Charity Trust were re-designated as 61,000 ordinary shares with full voting rights. The 338,832 ordinary voting shares in Schroders plc held by Schroder Charity Trust were subject to a bonus issue of 3 additional ordinary shares for every 17 ordinary shares held by ordinary shareholders. The Schroder plc's £1 ordinary shares were then subdivided into new ordinary shares of 20 pence each. At 31 March 2023 the charity holds 2,298,129 ordinary voting shares in Schroders plc with a value of £10,571,393 (2022: £12,118,862 total value of ordinary voting and non-voting shares) representing 85.0% (2022: 85.5%) 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 £47,211 (2022: £36,204) in respect of administration and accountancy services provided during the year and £13 regarding Companies House costs. An amount of £28,290 (2022: £18,923) is due to The Schroder Foundation at the year end.