

Charity Registration Number: 220124

P F CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2021

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REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

The Charitable Trust was founded under a Deed of Trust dated 28 May 1951 (Settlement Deed), which established the objects and powers of the Charitable Trust. The Charitable Trust is registered with the Charity Commission for England and Wales as Charity Number 220124.

TRUSTEES

Robert Fleming Dec'd (26 June 2020)
Philip Fleming
Rory David Fleming
Matthew Valentine Fleming

PRINCIPAL OFFICE

PF Charitable Trust
15 Suffolk Street
London
SW1Y 4HG

INDEPENDENT AUDITOR

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London, EC1M 7AD

REGISTERED CHARITY NUMBER

220124

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2021

The Trustees present their report along with the financial statements of the Charity for the year ended 31 March 2021. The reference and administrative information set out on page 1 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 15 and comply with the Charity's Settlement Deed, the Charities Act 2011 and the reviewed Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015).

STRUCTURE GOVERNANCE AND MANAGEMENT

The Trustees who held office throughout the year are shown on Page 1. Any new Trustee required is selected and vetted by the serving Trustees as to their suitability and then in exercise of the powers given to them by the Trustee Act 1925 (as amended) appointed by Deed to be a Trustee jointly with the continuing Trustees. Trustees are informed of the history of the Charity and acquainted with the activities of the Charity. Additional training and/or information is provided to the Trustees on an on-going basis when relevant.

No Trustee receives a fee for the service they provide to the Charity, all time spent is donated free of charge.

RFT Management Services Limited provides the Charity with charity administration and financial reporting services. The Trustees receive regular reports from RFT Management Services Limited.

The Trustees meet regularly during the year.

OBJECTS AND ACTIVITIES

The Charity was established for the purpose of making contributions to religious and educational bodies or other legal charities, as the Trustees shall from time to time at their discretion decide.

The Charity's objectives are wide in scope and allow the Trustees to modify their grant-making activity to consider varying charitable demands over time. This means that funding can be applied where the Trustees consider that it is most needed.

In furtherance of the objectives the Trustees continue to make a substantial number of grants to charitable organisations both on a one-off and recurring basis.

The Trustees aim to continue to generate sufficient income to allow it to meet its grant-making objective. This will be achieved by focusing on the long-term sustainability of the investments and maintaining the capital value to support this income requirement.

The Trustees monitor the performance of the investments against their income requirement and capital growth objectives in supporting income. Performance is discussed regularly with the investment managers against suitable industry benchmarks.

GRANT MAKING POLICY

The Trustees support a wide variety of charitable trusts by providing financial support to other registered charities.

Whilst the Trustees are able to advance funds out of the expendable endowment fund, the intention for the foreseeable future is to pay expenses and grants solely out of income.

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2021 (CONT'D)

The Trustees usually meet monthly to consider applications and approve grants. Applications should be addressed to the Secretary at the principal office.

The Trustees have indicated to certain charities that they may make further grants in forthcoming years. The Trustees retain the option to discontinue those prospective instalments at any time.

The Trustees require all beneficiaries to acknowledge grants made and where possible to provide an update as to how funds have been applied by them in meeting their own charitable objectives and hence that the funds have been put to good use.

The Trustees have considered the Charity Commission guidance on public benefit including the guidance "public benefit running a charity" when formulating the grant making policy. The Trustees consider how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries.

ACHIEVEMENTS AND PERFORMANCE

During the course of the financial year covered by this report, the Trustees awarded grants totalling £1,841,280. These charities benefitted by way of increased financial resources to meet their charitable objectives. The grants benefitted a number of public causes as detailed in note 6.

The Trustees continued with their policy of making a large number of smaller grants to widen the number of charities supported. The Trustees are also mindful that some projects require much larger funding levels to be effective.

The Trustees' policy is to make grants to registered charities over a wide range of charitable objects which during the year were principally in the areas of

- The advancement of health or the saving of lives
- The advancement of education
- The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage
- The advancement of the arts, culture, heritage, or science

The Trustees look forward to expanding their work with many other charities and foundations in the years to come in accordance with the grant making policy, which reflects the objectives of the Charity.

FINANCIAL REVIEW

The Charity's principal source of income is from its investments, which amounted to £2,228,905 (2020-£3,585,738).

FUTURE PLANS

The Trustees have carefully considered the impacts of coronavirus on the charity. Whilst the charity has no staff it has received confirmation from RFT Management Services Limited (RFTMS) who provide all charity administration and financial accounting services that RFTMS have taken necessary steps to protect their staff. The Trustees have and continue to follow Government advice and will monitor future developments closely.

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2021 (CONT'D)

The Trustees do not envisage any material change to the operation of the Charity in the long-term. The investments will continue to be managed on a similar basis to now. Notwithstanding this, the Trustees remain flexible in terms of the type of organisations supported so as to meet the demands of the day.

RESERVES POLICY

It is the Trustees' intention to sustain the unrestricted funds at a level which will provide sufficient investment income to increase the level of grants paid, cover the Charity's management and administration costs and to be able to respond to any emergency applications that may arise from time to time. At the Balance Sheet date, the unrestricted reserves, including the expendable endowment of the Charity, amounted to £133,780,825. The Trustees are satisfied with the level of reserves currently held.

INVESTMENT POLICY

The Trustees have agreed an investment policy for the Charity's investment portfolio and have instructed the investment managers that the portfolio is to be invested to produce a suitable mixture of income, in order that the level of grants may be maintained and capital growth to secure the future of the Charity in the coming years. This policy is monitored by regular investment reports and meetings with the investment managers.

To meet these objectives, the Charity's investments are managed across a range of asset classes, maintaining diversification, to produce an appropriate balance between risk and return.

The Trustees have decided that it would be inappropriate to impose any specific ethical investment constraints upon the investment manager over and above those already contained within the managers' own ethical and socially responsible investment policies.

RISK MANAGEMENT

The Trustees have reviewed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate those risks. The principal risk faced by the Charity is an investment risk. This risk could be the reduction in the capital value of the investments and the income derived from the investments, required by the Trustees in meeting their charitable objectives. This risk has been addressed by the appointment of professional advisors to monitor investment performance and to decide on acquisitions and disposals.

KEY MANAGEMENT PERSONNEL

The Trustees are considered to be the Key Management Personnel of the Charity. The Trustees are not remunerated for their services.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2021 (CONT'D)

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the resources and application of resources, including income and expenditure for that period.

In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

In so far as the Trustees are aware:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure the financial statements comply with the Charity's Settlement Deed, the Charities Act 2011 and the reviewed Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015). The Trustees 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.

Approved by the Trustees and signed on their behalf by:



P Fleming
Trustee

Date: 27/10/2021

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE P F CHARITABLE TRUST
FOR THE YEAR ENDED 31 MARCH 2021**

Opinion

We have audited the financial statements of The P F Charitable Trust (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 March 2021 and of the group'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 Charities Act 2011.

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 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 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 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 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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE P F CHARITABLE TRUST
FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)**

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Charities Act 2011 require us to report to you if, in our opinion:

- the charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charity's 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 group or parent charitable company 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 151 of the Charities Act 2011 and report in accordance with that Act.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE P F CHARITABLE TRUST
FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)**

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity considered that the most significant are, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE P F CHARITABLE TRUST
FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)**

events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters which 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 any party other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

James Cross, Statutory auditor
Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 2 November 2021

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	NOTE	Unrestricted Funds		Total	Total
		Expendable Endowment	Income	2021	2020
		£	£	£	£
INCOME					
Investment income	3	-	2,228,905	2,228,905	3,585,738
TOTAL INCOME		-	2,228,905	2,228,905	3,585,738
EXPENDITURE					
Costs of generating funds	4	-	76,704	76,704	75,949
Charitable activities	6	-	1,911,135	1,911,135	2,673,652
TOTAL EXPENDITURE		-	1,987,839	1,987,839	2,749,601
Transfers between funds	8	500,000	(500,000)	-	-
GAINS/(LOSSES) ON INVESTMENTS					
Realised	9	616,178	-	616,178	123,300
Unrealised	9	25,398,957	-	25,398,957	(19,465,320)
NET INCOME/(EXPENDITURE)		26,515,135	(258,934)	26,256,201	(18,505,883)
(Losses)/Gains on foreign exchange		(25,602)	(387)	(25,989)	20
NET MOVEMENT IN FUNDS		26,489,533	(259,321)	26,230,212	(18,505,863)
RECONCILIATION OF FUNDS					
Total funds brought forward		106,713,153	837,460	107,550,613	126,056,476
BALANCE CARRIED FORWARD		133,202,686	578,139	133,780,825	107,550,613

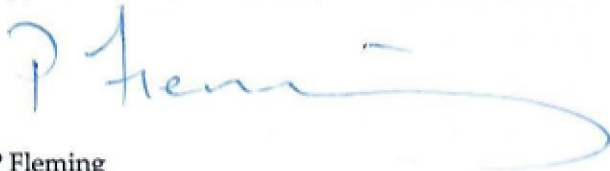
CONTINUING OPERATIONS: all of the Charity's activities relate to continuing operations.

TOTAL RECOGNISED GAINS AND LOSSES: the Charity has no recognised gains and losses other than those shown in the statement of financial activities.

BALANCE SHEET AS AT 31 MARCH 2021

	NOTE	2021 £	2020 £
FIXED ASSETS			
Investments	9	129,136,679	100,889,121
		<u>129,136,679</u>	<u>100,889,121</u>
CURRENT ASSETS			
Debtors	10	47,486	-
Cash at Bank		4,625,510	6,704,842
		<u>4,672,996</u>	<u>6,704,842</u>
LIABILITIES			
Creditors: falling due within one year	11	(28,850)	(43,350)
NET CURRENT ASSETS		<u>4,644,146</u>	<u>6,661,492</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>133,780,825</u>	<u>107,550,613</u>
Representing:			
UNRESTRICTED FUNDS			
Income	12	578,139	837,460
Expendable Endowment	12	133,202,686	106,713,153
		<u>133,780,825</u>	<u>107,550,613</u>

Approved and authorised by the Trustees for issue



P Fleming
Trustee

Date: 27/10/2021

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
NET CASH ABSORBED BY OPERATING ACTIVITIES (see below)		(2,075,814)	(6,374,763)
Cash flows from investing activities			
Dividends and interest from investments	3	2,228,905	3,585,738
Proceeds from the sale of investments	9	6,239,091	7,453,843
Purchase of investments	9	(8,471,514)	(4,995,832)
Net cash provided by investing activities		(3,518)	6,043,749
Change in cash in period		(2,079,332)	3,307,894
Cash brought forward		6,704,842	3,396,948
Cash carried forward		4,625,510	6,704,842
RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES			
Net movement in funds for the period ended 31 March 2021 (as per the Statement of Financial Activities, page 10)		26,230,212	(22,144,771)
Adjustments for:			
Dividends and interest from investments	3	(2,228,905)	(3,585,738)
Realised (gain) on the sale of investments	9	(616,178)	(123,300)
Unrealised (gain)/loss in revaluing investments	9	(25,398,957)	19,465,320
(Decrease)/Increase in debtors	10	(47,486)	-
(Decrease)/Increase in creditors	11	(14,500)	13,726
Net cash absorbed by operating activities (see above)		(2,075,814)	(6,374,763)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

(a) **Basis of Preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and a registered Charity and therefore has also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), and Charities Act 2011. These accounts are prepared in sterling, which is the functional currency of the Charity, and rounded to the nearest pound.

(b) **Going Concern**

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees have carefully considered the impacts of coronavirus on the charity. Whilst the charity has no staff it has received confirmation from RFT Management Services Limited (RFTMS) who provide all charity administration and financial accounting services that RFTMS have taken necessary steps to protect their staff. The Trustees have and continue to follow Government advice and will monitor future developments closely. The most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the Trustees' annual report for more information).

(c) **Fund Structure**

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

The Expendable Endowment Fund represents those assets which are held for the longer term for the Charity, in accordance with the terms of the Settlement Deed. Income arising on the Expendable Endowment Fund can be used in the Unrestricted Income Fund. As an Expendable Endowment Fund can be used in accordance with the objects of the Charity and is included in the unrestricted funds, capital can also be spent in certain circumstances in fulfilment of the Charity's objects. Any capital gains or losses arising on the investments held in the Expendable Endowment Fund form part of that Fund.

(d) **Income**

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

Investment Income

Investment income is accounted for when receivable and is stated gross of any reclaimable taxation relief.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)

1. ACCOUNTING POLICIES (CONT'D)

(e) Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Costs of generating funds

The costs of generating funds consist of investment management and related costs.

Charitable Activities

Costs of charitable activities include grants made and support and governance costs. Grants payable are recognised when they are approved by the Trustees and the recipient of the grant has been informed of the amount to be paid.

Support and Governance Costs

Support and governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include expenses related to statutory audit fees, professional and legal fees, and support costs.

(f) Fixed Asset Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(g) Foreign Currencies

Transactions in foreign currencies are recognised at the rate of exchange at the date of transaction. Monetary assets and liabilities are translated into sterling at the rate of exchange on the balance sheet date. Exchange differences are recognised through the statement of financial activities.

(h) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

(i) Critical accounting estimates and areas of judgement

In preparing financial statements, it is necessary to make certain adjustments, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)

1. ACCOUNTING POLICIES (CONT'D)

(e) Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

(f) Financial Instruments

The Charity has elected to apply the provisions of Section 11 Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. INFORMATION REGARDING TRUSTEES AND EMPLOYEES

In the financial year ended 31 March 2021, none of the Trustees received any remuneration or had expenses reimbursed by the Charity (2020: £Nil). The Trustees are considered to comprise the Charity's key management. The Charity has no employees.

3. INVESTMENT INCOME

	2021	2020
	£	£
Income from Investments	2,028,563	3,437,757
Income from Interest	200,224	147,981
Interest on cash deposits	118	-
	<u>2,228,905</u>	<u>3,585,738</u>

4. COSTS OF GENERATING FUNDS

	2021	2020
	£	£
Investment Management Fees (after fee adjustment/rebates)	28,736	24,081
Custody and Administration Fees	47,968	51,868
	<u>76,704</u>	<u>75,949</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)

5. CHARITABLE ACTIVITIES

The Charity undertook no direct charitable activities but awarded grants to a number of institutions in furtherance of its charitable activities. These are as follows:-

	£
ABF The Soldiers' Charity	80,000
Institute of Cancer Research	50,000
Priscilla Bacon Hospice	50,000
Scar Free Foundation	40,000
(The) Alice Marshall Hall	30,000
Grants above £20,000 and up to £30,000	176,000
Grants above £5,000 and up to £20,000	486,500
Grants £5,000 and below	928,780
Total for the year	1,841,280

6. ANALYSIS OF GRANTS MADE

	2021 No.	2020 No.	2021 £	2020 £
The prevention of relief of poverty	15	11	77,000	46,000
The advancement of education	31	46	151,500	318,000
The advancement of religion	3	7	37,500	68,500
The advancement of health or the saving of lives	170	186	1,042,000	1,254,500
The advancement of citizenship or community development	14	20	100,000	64,000
The advancement of the arts, culture, heritage or science	31	43	127,780	229,280
The advancement of amateur sport	6	4	28,000	21,000
The advancement of environmental protection or improvement	7	13	29,000	139,500
The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	46	57	144,000	211,500
The promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services	4	4	85,000	14,000
The advancement of human rights, conflict resolution of reconciliation or the promotion of religious or racial harmony or equality and diversity	1	1	2,500	2,000
The advancement of animal welfare	6	4	17,000	11,000
Any other purposes that are recognised as charitable under sub-section (4) of the Charities Act 2006 s.2	-	1	-	56,000
	334	397	1,841,280	2,435,280
Refund of unused donation from previous year	-	-	(2,000)	-
Support and Governance costs (see note 7)	-	-	71,855	238,372
Charitable Activities	334	397	1,911,135	2,673,652

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)

7. SUPPORT AND GOVERNANCE COSTS

	Total 2021 £	Total 2020 £
Legal and Professional Fees	60,000	60,000
Auditor's remuneration	10,000	10,000
Auditor's remuneration prior year under/(over) accrual	500	(400)
Secretary's fees and expenses	(200)	17,266
IT	1,140	1,140
Bank charges	415	133
Other charges	-	150,233
To Charitable activities	(71,855)	(238,372)
	-	-

8. MAINTENANCE OF ENDOWMENT FUND

In accordance with the Trustees' intentions to preserve capital and enhance income levels, a transfer of £500,000 was made from the Income Fund to the Expendable Endowment Fund (2020: £794,860).

9. FIXED ASSET INVESTMENTS

Movement in fixed asset investments

	Unlisted Securities		Listed Securities		Total 2021 £	Total 2020 £
	2021 £	2020 £	2021 £	2020 £		
Market value brought forward	9,117,934	8,493,787	91,771,187	114,195,365	100,889,121	122,689,152
Acquisitions at cost	907,556	1,495,832	7,563,958	3,500,000	8,471,514	4,995,832
Less disposal proceeds	(301,861)	(1,409,082)	(5,937,230)	(6,044,762)	(6,239,091)	(7,453,843)
Realised gains on disposal	15,989	96,580	600,189	26,720	616,178	123,300
Gains/(losses) on revaluation	805,875	440,817	24,593,082	(19,906,137)	25,398,957	(19,465,320)
Market Value Carried Forward	10,545,493	9,117,934	118,591,186	91,771,187	129,136,679	100,889,121
<i>Historical Costs</i>	<i>9,369,444</i>	<i>8,663,501</i>	<i>92,061,807</i>	<i>90,836,278</i>	<i>101,431,251</i>	<i>99,499,779</i>
Geographical Analysis						
United Kingdom investments	803,558	1,029,371	108,072,846	86,766,395	108,876,405	87,795,766
Overseas investments	9,741,935	8,088,563	10,518,340	5,004,792	20,260,274	13,093,355
	10,545,493	9,117,934	118,591,186	91,771,187	129,136,679	100,889,121

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)

9. FIXED ASSET INVESTMENTS (CONTD)

The following investments comprise in excess of the 5% of the value of the portfolio:

Investment	Holding	Value
Stonehage Fleming Global Equities Fund II	22,319,911	56,647,936
Ishare Core FTSE100 UCITS ETF	1,590,182	10,509,513
Evenlodge Global Income Fund	8,036,572	10,391,287
Stonehage Fleming UK Equity Fund	4,327,891	7,177,808
Pimco Global Advisors IRL LTD GIS Income Hedged	650,125	6,793,809

10. DEBTORS

	2021	2020
	£	£
Income Due	47,486	-
	<u>47,486</u>	<u>-</u>

11. CREDITORS – amounts falling due within one year

	2021	2020
	£	£
Accruals	28,850	43,350
	<u>28,850</u>	<u>43,350</u>

12. FUND ANALYSIS

	Unrestricted Expendable Endowment	Unrestricted Income	2021
	£	£	£
Investments	129,136,679	-	129,136,679
Cash at Bank	4,066,007	559,503	4,625,510
Debtors	-	47,486	47,486
Creditors	-	(28,850)	(28,850)
	<u>133,202,686</u>	<u>578,139</u>	<u>133,780,825</u>

	Unrestricted Expendable Endowment	Unrestricted Income	2020
	£	£	£
Investments	100,889,121	-	100,889,121
Cash at Bank	5,824,032	880,810	6,704,842
Creditors	-	(43,350)	(43,350)
	<u>106,713,153</u>	<u>837,460</u>	<u>107,550,613</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (CONT'D)

13. RELATED PARTY TRANSACTIONS

Philip Fleming is a director of RFT Management Services Limited. Philip Fleming is also a director and substantial shareholder of RF Trustee Co. (Holdings) Limited, the holding company of RFT Management Services Limited. RFT Management Services Limited charged the Charity £60,000 (2020 - £60,000) for the year in respect of administration services.

Rory Fleming is a Trustee of The Fleming-Wyfold Art Foundation to whom a grant of £25,000 was paid during the year (2020 £25,000).