

THE COSTA FAMILY CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 05 APRIL 2021

THE COSTA FAMILY CHARITABLE TRUST

CONTENTS

	Page
Reference and administrative details	1
Trustees report	2 - 4
Independent Examiners report	5
Statement of Financial Activities	6
Balance sheet	7
Notes to the financial statements	8 – 12

THE COSTA FAMILY CHARITABLE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY NUMBER	221604
CHARITY TRUSTEES	Mr Kenneth Johann Costa Mrs Ann Fiona Costa
PRINCIPAL OFFICE	20 Ilchester Place London W14 8AA
INDEPENDENT EXAMINERS	Price Bailey LLP 3rd Floor, 24 Old Bond St Mayfair London W1S 4AP
BANKERS	Coutts & Co 440 Strand London WC2R 0QS

THE COSTA FAMILY CHARITABLE TRUST

TRUSTEES' REPORT

The Trustees present their annual report and financial statements of the charity for the year ended 5 April 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities SORP 2019 (FRS 102)

Objectives and Activities

The Trust Fund is held upon trust to pay, apply or allocate the capital and income of the Trust for the benefit of such charity or charities as the Trustees may from time to time in their absolute discretion select.

Structure, Governance and Management

The Costa Family Charitable Trust is constituted under a Trust Deed dated 6 July 1959. It is a registered charity no 221604.

The Trustees who have served during the year and since the year end are set out on page 1. Where there is a requirement for new Trustees, these would be identified and appointed by the remaining Trustees.

At the Annual Trustees' Meeting, the Trustees agree the board strategy and areas of activity for the Foundation, including consideration of grant making, investment, reserves and risk management policies and performance.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Trust faces and confirm that systems have been established to enable regular reports to be produced so that such risks are continuously monitored and that appropriate steps can be taken to lessen these risks. This year, due to Covid-19, there has been additional emphasis on risk management.

Public Benefit

The trustees confirm that they have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and activities and in planning future activities.

It is the judgement of the trustees that activities in pursuit of the above objectives fully meet the public benefit test, which they have kept in mind in operational planning.

Achievements and performance

During the year the charity provided support to charitable work in accordance with its objectives and strategy. The charity supports individuals and other charities. The trustees prefer identifying specific projects where they can see how their contribution has been applied.

A number of good causes supported by the charity were identified and sponsored by the trustees.

In addition, during the previous financial year the rights and royalties for three books were transferred from Mr K Costa to the Costa Family Charitable Trust under a Deed of Assignment dated 21st November 2017. Royalties were received in August 2018 from a book titled "Strange Kingdom".

Due to Covid-19, promotion of the books has been restricted which has had a direct impact on royalty receipts and associated donations.

THE COSTA FAMILY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

Reserves Policy

All of the Trust's funds held as at 5 April 2021 are general unrestricted funds which are expendable at the discretion of the Trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investments.

As the foundation does not seek funding but uses its resources to provide funding for the furtherance of its objectives, it is the Trustees' policy to maintain the charity's reserves at sufficient level to enable it to continue to provide such funding in future years. This is monitored on a regular basis by the Trustees, who review the level of reserves in the light of future funding requirements and this is considered adequate to meet their needs. The value of the charity's unrestricted funds at 5 April 2021 is £49,851 (2020: £60,709). As such, the Trustees are in agreement that there are no issues pertaining to going concern.

Financial review

The Trustees have continued to apply their funds in accordance with the objectives of the Trust and their grant making policy. Total receipts, during the year, on unrestricted funds totalled £80,261 of which £15,000 related to Gift Aid recoverable (2020: £338,751 of which £62,500 related to Gift Aid). The charity expenditure totalled £91,119 (2020: £409,305).

Unrestricted net assets at the year-end totalled £49,851 (2020: £60,709).

Covid-19

The Covid-19 pandemic has not had a material financial impact on the charity or its ability to continue as a going concern.

Trustees' Responsibilities Statement

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).

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). 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 in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

THE COSTA FAMILY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

Trustees' Responsibilities Statement continued...

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Kenneth Costa
Trustee

Date: 03.02.2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE COSTA FAMILY CHARITABLE TRUST

I report to the charity trustees on my examination of the accounts of the charity for the year ended 5 April 2021 which are set out on pages 6 to 12.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



Michael Cooper-Davis FCCA ACA

For and on behalf of:

Price Bailey LLP

3rd Floor

24 Old Bond Street

Mayfair

London

W1S 4AP

Date: 4 February 2022

THE COSTA FAMILY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 05 APRIL 2021

	Notes	Unrestricted 2021 Total £	2020 (As restated) Total £
INCOME:			
Donations and legacies	2	60,000	250,000
Charitable activities	2	5,261	26,251
Other	2	15,000	62,500
Total income		80,261	338,751
EXPENDITURE:			
Charitable activities	3 4	48,915	289,358
Raising funds	5	42,204	119,947
Total expenditure		91,119	409,305
Net (expenditure)/income for the year being net movement in funds		(10,858)	(70,554)
Reconciliation of funds:			
Total funds brought forward		60,709	131,263
Total funds carried forward		49,851	60,709

All amounts relate to continuing activities of the charity.

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

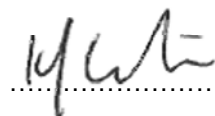
The notes to the accounts are shown on pages 8 to 12.

THE COSTA FAMILY CHARITABLE TRUST

BALANCE SHEET AS AT 05 APRIL 2021

	Notes	2021 £	2020 £
CURRENT ASSETS			
Cash at bank and in hand		53,601	67,619
TOTAL CURRENT ASSETS		53,601	67,619
LIABILITIES			
Creditors: amounts falling due within one year	9	(3,750)	(6,910)
TOTAL NET ASSETS		49,851	60,709
THE FUNDS OF THE CHARITY:			
Unrestricted funds		49,851	60,709
TOTAL FUNDS		49,851	60,709

The financial statements were approved by the Board of Trustees on 03.02.2022 and signed on their behalf by:


.....

Kenneth Costa

The attached notes on pages 8 to 12 form part of these financial statements.

THE COSTA FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 05 APRIL 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust, registered in England, United Kingdom, has taken advantage of the exemption in FRS102 from the requirement to produce a cash flow statement on the grounds that it is a small charity. The financial statements are reported in £.

The Trust constitutes a public benefit entity as defined by FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Going Concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern due to K Costa's commitment to continue to provide funding to the Trust. As such, they continue to adopt the going concern basis of accounts in preparing the financial statements.

c) Funds structure

Unrestricted income funds comprise of funds which the trustees are free to use for any purpose in the furtherance of the charitable objectives.

d) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

THE COSTA FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 05 APRIL 2021

e) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis under the following heading:

Expenditure on charitable activities includes donations made to other charities. Grants paid to charities and individuals are approved by trustees at meetings before formally being sent to the respective beneficiaries and accounted for by the Trust.

f) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include only governance costs as the charity has no office costs. These costs have been allocated to expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.

g) Debtors

Debtors are recognised at the settlement amount due.

h) Cash at bank and In hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

i) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

j) Financial instruments

The charity 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. All assets and liabilities are recorded at cost which is their fair value.

k) Legal status

The Costa Family Charitable Trust is a registered charity governed by a Trust Deed dated 6th July 1959.

l) Key sources of judgement and estimate uncertainty

No significant judgements, accounting policies or assumptions have been made by management in applying the charity's accounting policies.

THE COSTA FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 05 APRIL 2021

2 Income

	2021	2020 (As restated)
	£	£
Donations Received	60,000	250,000
Royalties	-	13,079
Fundraising	5,261	13,172
Gift Aid recoverable on donations	15,000	62,500
	<u>80,261</u>	<u>338,751</u>

3 Charitable activities

	2021	2020 (As restated)
	£	£
Total grants made during the year (note 7)	44,333	285,089
Support costs (note 4)	4,582	4,269
	<u>48,915</u>	<u>289,358</u>

4 Allocation of support costs

	2021	2020
	£	£
Governance costs		
Accountancy and independent examination	3,920	3,640
Bank Charges	662	629
	<u>4,582</u>	<u>4,269</u>

All governance costs have been directly allocated to charitable activities in both current and prior years.

5 Costs of raising funds

	2021	2020
	£	£
Book promotion, editing and research costs	42,204	119,947
	<u>42,204</u>	<u>119,947</u>

6 Independent Examiner's Emoluments

The independent examiner's remuneration for these 2021 financial statements amounts to £2,480 (2020: £2,200).

THE COSTA FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 05 APRIL 2021

7 Grants expenditure

	2021	2020 (As restated)
	£	£
Alpha International	-	29,500
Elevation Church	4,319	-
Free Chapel Worship Centre	2,064	-
Royal Opera House Covent Garden	5,250	5,140
24/7 Prayer	7,485	174,183
Policy Exchange	-	2,500
OneLife	150	2,500
Blue and Yellow	-	330
St Thomas Crookes	500	-
Grange Park Opera	2,500	5,000
Mebo	3,849	-
Chelsea Physic Garden	500	-
Fusion Community Trust	500	-
Change Festival	-	500
Chelsea Academy	-	500
CWPlus	-	1,000
Drapers Lunch	-	200
English National B	-	2,000
Heywood Foundation	-	1,000
HTB	5,000	10,000
Study Trip Israel	-	35,774
Kintsugi Hope	-	1,250
Love Your Neighbour	-	1,000
Lyns House Cambridge	-	100
Our God Given	-	500
Philo Trust	-	500
Queens College	-	2,500
Amounts paid to charities	32,117	275,977
Amounts paid to individuals	12,216	9,112
Total	44,333	285,089

In 2021, 5 grants (2020: 13) were made to individuals.

8 Staff Emoluments

The Trust has no employees and considers its key management personnel to comprise of the trustees. None of the trustees received any remuneration or benefits in kind from the Trust during the year (2020: £nil).

Trustee expenses amounting to £nil (2020: £nil) were reimbursed during the year.

THE COSTA FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 05 APRIL 2021

9 Creditors: Amounts falling due within one year

	2021	2020 (As restated)
	£	£
Accruals	3,750	6,910

10 Trustees and related party transactions

During the year, the charity received a donation of £60,000 from Mr K Costa (2020: 1 donation of £250,000, from a settlement, of which Mr K Costa is a beneficiary).

There were no other trustee or other related party transactions during the year (2020: none).

11 Prior year adjustment

During the independent examination some prior year errors were identified. The following adjustments have been made – support costs of £4,269 have been re-characterised and are included in the Statement of financial activity as charitable activities costs rather than raising funds costs.