

**THE HENRY SMITH CHARITY**  
**Registered Charity 230102**

**ANNUAL REPORT  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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## Chair's Review

Last year I said that we had been working with our investment advisers to explore drawing more than our usual annual 4% from the endowment in the light of the excellent investment performance of the last few years, to enable us to increase our grant giving in the future. I am pleased that the conclusion of that analysis was that we should be able to release an additional £100m from the fund over the next ten years, and this has now been factored into our forward planning.

The Covid- 19 pandemic with its restrictions continued to create challenges across society in 2021. And as those eased earlier in 2022, we have faced the issues of war in Ukraine and high inflation affecting living costs, especially for the most disadvantaged. Against this background I am again very proud of the way in which the Charity has continued to deliver and is substantially increasing the grant funding awarded. I am extremely grateful to the staff team, who had to work remotely for long periods, for the way in which this has been achieved.

We gave grants totalling a record £39.8m in 2021. This included £1.3m from our own funds, as part of the Covid 19 response, for organisations in Northern Ireland, Scotland and Wales which had not been eligible for the 2020 DCMS Community Match Challenge (through which we had distributed £4.5m, 50% from DCMS, to organisations in England). This compares with total grants of £39.2m in 2020, which was itself very substantially more than in previous years. Throughout the year we have continued to focus on learning and evaluation. We are using data and insights from our grant making, and learning from the wider sector, to inform our decisions and ensure our grants are as effective as possible. We aim to develop this further as our data holdings grow.

We know that the impacts of the pandemic are likely to be long lasting, particularly for disadvantaged communities, who are likely also to be worse affected by the current problems. Many organisations working with those communities have not been able to support as many people as they would have wanted. In response, in Autumn 2021 we invited over 400 of our current grant holders to apply for an additional 3 year grant to help meet those additional needs. Through this initiative we expect during 2022 to give an additional up to £20m, drawing funds from the additional £100m which the Board agreed should be made available over 10 years.

Also from the £100m, over 3 years we plan to spend a further up to £45m extra to fund work in communities which have been most adversely affected and to increase our spend on main grants. In preparation for this we have been recruiting more staff and volunteer visitors who are crucial in assessing the applications. I was delighted to meet so many new recruits, alongside longer serving staff and volunteers in April when we were able to hold our first in person conference for 3 years.

The additional spend has been made possible by excellent investment performance in recent years. At the end of 2021 the endowment was valued at £1.4bn. It has not been immune to the volatility since then, but it is highly diversified and working with our investment advisers we have been able to weather the storms relatively well. In January this year we issued a bond for £100m. This will enable a continuing increase in grants over the long term.

I should like to thank my fellow Trustees for their continuing support, time and commitment. Having worked entirely virtually in the early part of 2021 we have since been able to resume in person meetings, albeit often with some remote attendance for Committees. There have been several changes in Trustees in recent months. We were delighted to welcome George Roberts, Faisal Rahman and Andy Beeforth who joined the Board in 2021, and Jan Garrill who joined in January 2022 followed by Peter Wilson in June.

We have been sad to say goodbye to several Trustees. Noel Manns and James Hordern reached the end of their terms in December 2021 and May 2022 respectively. Both had served for a long time and made enormous contributions. Noel was Vice Chair and had for a time been acting Chair. James had chaired the Investment Committee. We are grateful to Ben Kernighan and Emma Davies who have taken on the Vice Chair and Investment Committee Chair roles. Emily Bolton and Heider Ridha stepped down early because of other commitments. We wish all our departing Trustees well for the future.

Finally, I should like to thank Nick Acland, who left in May 2022. He had served the Charity with great dedication for a very long time, first as a Trustee and for nearly 10 years as the Director. We are extremely grateful to him and he goes with our very best wishes.

Vivienne Dews, Chair

# Report of the Trustees

## Trustees

J Asquith	A Beeforth (appointed December 2021)
E Bolton (retired December 2021)	B Colgrain
E Davies	V Dews
E Feisal	P Feilden
J Garrill (appointed March 2022)	M Granger
P Hackwood	J P Hordern (retired May 2022)
B Kernighan (retired July 2022*)	N G H Manns (retired December 2021)
F Rahman (appointed May 2021)	H Ridha (retired June 2022)
G Roberts (appointed Jul 2021)	P Wilson (appointed June 2022)

\* - Ben Kernighan has stepped down as a Trustee for a temporary leave of absence

## Registered Office

65 Leadenhall Street, London, EC3A 2AD

## Website

[www.henrysmithcharity.org.uk](http://www.henrysmithcharity.org.uk)

## CEO

N Acland (until May 2022)

A Shukla (from May 2022)

## Charity Registration

230102

**Bankers:** Bank of Scotland, 8 Lochside Avenue, Edinburgh, EH12 9DJ

**Solicitors:** SNR Denton LLP, One Fleet Place, London, EC4M 7WS  
Veale Wasbrough Vizards LLP, 24 King William Street, London, EC4R 9AT

**Auditor:** Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

**Investment Custodian:** Northern Trust, 50 Bank St, London, E14 5NT

**Investment Advisers:** Cambridge Associates, 80 Victoria Street, London, SW1E5JL

**Property Advisers:** LaSalle Investment Mgt, 33 Cavendish Square, London, W1A 2NF  
Savills UK Ltd, Stuart House, City Road, Peterborough, PE1 1QF

# Report of the Trustees

## Overview

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### Introduction

The Henry Smith Charity was established from a gift of land given during the lifetime of Henry Smith, and bequest upon his death in 1628. Since then, the charity has honoured the spirit of Henry Smith's will, working to combat disadvantage and meet the challenges and opportunities facing people in need throughout the UK. Nearly four centuries after we were first established, The Henry Smith Charity is one of the largest grant-making charities in the UK.

The Henry Smith Charity aims to bring about lasting change to people's lives, helping them to benefit from and contribute to society. We achieve this by providing funding to reduce social and economic disadvantage. Our grantees are at the core of our mission and work.

The charity is registered in England and Wales and governed by a Scheme of the Charity Commissioners dated 5 October 2000 which came into effect on 1 January 2001.

### Guiding Principles

The Charity has adopted a set of guiding principles which outline how we aim to work as an organisation. They guide our activity, serve as a reference for our ongoing work, and help to ensure that our actions are consistent with our aspirations. These principles underpin all our grant making activities.

- We aim to continue the legacy of philanthropy established by our founder Henry Smith
- We focus on those social problems where there is an opportunity for our money to make a difference
- We endeavour to maximise the effectiveness of our funding
- We seek to be responsive to demand
- We aim to maintain a rational, pragmatic approach
- We aim to be as helpful as possible to those we seek to assist

### Trustees

The Charity is required to have between ten and twenty Trustees. The Trustees are listed on page 1 of this report. New Trustees serve up to two terms of five years each, with provision in exceptional cases for a third term of up to five years. Trustees are appointed following a formal recruitment process, including an assessment of the Charity's needs and the mix of skills and experience on the Board. A structured induction programme is provided for all for new Trustees. Board effectiveness is maintained and ensured through regular reviews of both Board and individual Trustee performance, and Trustee training is provided as needed.

# Report of the Trustees

## Decision Making

The Board is responsible for all major policy decisions and for approving strategy and objectives. It meets four times a year. Main grants are approved by the Board, but significant decision-making authority is also delegated to the following committees:

- Decisions in respect of some of the Charity's smaller grant programmes are delegated to Trustee Committees or appointed Trustees, with recommendations and decisions being reported to the Board.
- The Governance and Nominations Committee is responsible for ensuring good governance of the charity.
- The Remuneration Committee is responsible for determining the Director's and Senior Managers' remuneration.
- The Investment Committee is responsible for investment policy, asset allocation, fund selection and performance monitoring.
- The Finance and General Purposes Committee is responsible for budgeting and financial management, organisational policies, staff remuneration, audit and risk management.

Day to day operational activities are delegated to the Director and members of the senior management team, comprising the Head of Finance & Resources, Head of Grants, Head of Grants Administration and Head of Learning & Evaluation, under a formal schedule of delegations.

## Statement of Organisational Purpose

In 2019, guided by the recommendation in the Charity Governance Code, we developed a statement of organisational purpose: ***'To use our resources to help people and communities at a time of need and to bring about positive change.'*** This informs and guides our decision making across the organisation.

## The Charity's objects and activities for the public benefit

The Charity is constituted as two funds, the Main Fund and the Estates Fund. The objects of the Main Fund of the Henry Smith Charity have been changed at various points over the years, while maintaining the spirit of Henry Smith's original bequest. The objects as currently agreed with the Charity Commission are as follows:

- For the relief of the poor kindred of Henry Smith;
- For hospitals, hospices and other forms of residential care or provision of health care for those who are sick or in need and for other institutions providing medical assistance for those in financial need;
- For the relief of poor, aged or sick persons and their spouses, widows, widowers and dependants;
- For the relief of poor, aged or sick members of the clergy and their spouses, widows, widowers and dependants;
- For the relief, rehabilitation and training of disabled persons including disabled ex-Servicemen and war widows;
- For any medical research;
- For the promotion of moral welfare or social service; and
- For the relief and rehabilitation of those persons who are or have been slaves or serfs and their dependants who are in need or distress or for preventing their seizure.

The objects of the Estates Fund of the Henry Smith Charity are as follows:

- For the relief of poor, aged or infirm in specified, historic parishes;
- For the relief of poor, aged or infirm elsewhere in England and Wales;
- For the benefit of hospitals or convalescent homes in the specified, historic parishes; and
- For the benefit of hospitals or convalescent homes elsewhere in England and Wales.

# Report of the Trustees

The Charity's objects provide the framework within which more detailed funding priorities are set; these priorities will change from time to time as needs change and the funding landscape shifts. ***Current priorities for the Charity's grant programmes are set out on the Charity's website.***

In summary, the Charity aims to bring about lasting change to people's lives, helping them to benefit from and contribute to society. This is achieved by funding organisations that work with people to reduce social and economic disadvantage.

## Public Benefit

Trustees have considered the Charity Commission guidance on public benefit when planning future activities, setting grant-making policies and in making grants. The positive social impact anticipated from each grant is considered before a grant is awarded and monitored. This enables Trustees to be confident that the Charity has, through its wide range of grantees, achieved significant public benefit for a number of vulnerable groups across the UK. A diverse range of public benefit is provided by the hundreds of charities we support each year, as they work to alleviate need and distress, and help people lead more fulfilling lives. A summary of our grant making in 2021 is set out below illustrating the work we have supported.

## Diversity, Equity and Inclusion

As a charity working to reduce social and economic disadvantage, the values of Diversity, Equity and Inclusion (DEI) are central to the ethos of The Henry Smith Charity. We believe that these values should be reflected throughout our whole organisation and everything we do. This includes working to address social inequity in all its forms including racial injustice and discrimination.

We recognise that this will not be achieved without self-awareness and work on our part. We are therefore committed to measuring, monitoring and publishing our progress in these areas.

Over the past two years we have been working on our organisational approach to DEI. We set up a steering group made up of staff, Trustees, and volunteers to set initial objectives, and an operational group to implement the plans arising. In 2021 we:

- assessed our performance against the Association of Charitable Foundations (ACF) pillars of good practice, especially in relation to DEI, and identified areas of improvement for our grant making.
- carried out a review of our grants using the Funders for Race Equality audit tool developed by Cadbury Barrow Trust, Esmée Fairbairn Foundation and Power to Change on behalf of the Funders for Race Equality Alliance. We published the findings on our website.
- commissioned Pearn Kandola (PK) to carry out an Inclusion Audit. All staff, Trustees and volunteers were invited to participate. Demographic information was collected, along with qualitative and quantitative information gathered from a survey and focus groups. The recommendations of the report were agreed by the board of Trustees and an action plan implemented.
- started the process of reviewing our policies and procedures, prioritising and improving those relating to recruitment and induction. Our review of recruitment processes resulted in the implementation of many positive changes and applications from a more diverse pool of candidates.
- Developed a DEI training plan and invited potential providers to quote to deliver this in 2022

We have now established a working group to develop and implement an organisational DEI strategy, which we hope to complete and publish during 2022.

# Report of the Trustees

## Grant Making Programmes

We awarded grants through a number of different programmes during the year.

Programme	Overview
Main Grants	Grants for organisations that work to reduce social and economic disadvantage. Main grants are divided into two separate programmes: Improving Lives and Strengthening Communities. Each of these programmes has a separate set of priorities and guidelines.
Strategic Grants	Grants identified proactively, supported by the evidence and learning from our responsive programmes. These grants are not restricted to proven work or direct service delivery and may involve significant elements of innovation, awareness raising and/or systemic change.
Covid-19 Grants	Grants for organisations enabling them to deliver established vital services with those most affected by Covid-19 and/or to deliver new/different services to respond to challenges related to the current crisis.
County Grants	Grants for smaller organisations working with disadvantaged people and communities in one of eight English counties with which the Henry Smith Charity has a historical connection.
Holiday Grants	Grants for recreational trips and holidays for groups of children aged 13 and under in the UK who are disabled or disadvantaged.
Parishes Grants	Grants for local organisations, mainly based broadly on an allocation set out by the Trustees of Henry Smith's will for the relief of poverty in specified parishes but widened in 2020 to include parishes located in some of the most deprived areas in the UK as highlighted by the indices of deprivation.
Clergy and Christian Projects	Grants to support projects that explicitly promote the Christian faith in the UK.
Kindred Grants	Grants to individuals who are descendants of the sister of Henry Smith or adopted by a descendant. Grants are awarded on a means-tested basis.

Grants totalling £39.8million were awarded as follows:

Programme	Total Funding Committed
Main Grants	£33,957,000
Strategic Grants	£629,000
Covid-19 Grants	£1,302,000
County Grants	£1,283,000
Holiday Grants	£90,000
Parishes Grants	£853,000
Clergy and Christian projects	£1,189,000
Kindred Grants	£850,000
Less: cancelled/refunded grants	(£353,000)
<b>Total Grant Awards</b>	<b>£39,800,000</b>

A full list of the grants we made to organisations over the last year along with the detailed criteria for each grant programme is available on our website.



# Report of the Trustees

## Achievements and Performance – Main Grants

£33,957,000

Our Main Grants Strategy comprises two programmes: Improving Lives and Strengthening Communities. Each programme has its own priorities, funding guidelines, criteria and application information. In 2021, we made 248 grants – 219 Improving Lives grants and 29 Strengthening Communities grants. We received 955 applications in total, a similar number to 2020.

	Improving Lives	Strengthening Communities	Total
Total number of applications	844	111	955
Total number of grants	219	29	248
Success rate	26%	26%	26%

Almost all grants were for three years and the average 3-year total grant award was £136,000, a 5% increase on 2020. The average Improving Lives grant was £138,000. The average Strengthening Communities grant was £121,000.

Continuation grants (repeat grants made to applicants who we currently fund) accounted for 39% of all Main Grants. Continuation grant applicants have significantly higher success rates than non-continuation grant applicants.

### Improving Lives

Through the Improving Lives grant programme, we support charitable organisations across the UK to help people for whom other sources of support have failed, been inappropriate or are simply not available. This is our largest funding programme, through which we distribute most of our funds. In 2021, we made **219 Improving Lives grants** in response to **844 applications**.

The Improving Lives programme has six funding priorities, which describe the work we fund and how we want to bring about change for the most disadvantaged people in the greatest need. During the application process grantees must demonstrate how the outcomes they deliver meet one or more of these priority areas:

- **Help at a Critical Moment** - Helping people to rebuild their lives following a crisis, critical moment, trauma or abuse
- **Positive Choices** - Helping people, whose actions or behaviours have led to negative consequences for themselves and others, to make positive choices
- **Accommodation / Housing Support** - Enabling people to work towards or maintain accommodation
- **Employment and Training** - Supporting people to move towards or gain employment
- **Financial Inclusion, Rights & Entitlements** - Supporting people to overcome their financial problems and ensure they can claim their rights and entitlements
- **Support Networks & Family** - Working with people to develop improved support networks and family relationships

As in previous years, Help at a Critical Moment and Support networks and Family were the most selected cause areas chosen by 61% and 53% of grant holders respectively. This was consistent with 2020. We received fewer Financial Inclusion, Rights and Entitlements applicants than in 2020, which was surprising given the economic impacts of the Covid-19 crisis. We received significantly more applications and made more grants addressing Employment and Training, many of these supporting Children and Young People.

Grants can be made for an organisation's running costs (including salaries and overheads) or the costs of a specific project (including staffing costs). In 2021 we awarded 134 grants towards project costs and 85 grants towards organisational running costs.

# Report of the Trustees

## Strengthening Communities

The Strengthening Communities programme supports small grassroots organisations working in the most deprived areas of the UK (measured by national indices of multiple deprivation). We know that smaller organisations rooted in their communities play a vital role in supporting people to make positive changes. We support these organisations to create lasting solutions to both the individuals and the community. We make Running Costs grants only.

In 2021, we made grants to 29 organisations in response to 111 applications, an increase in grants despite a small reduction in applicant numbers compared to 2020. The proportion of the Main Grants budget going to Strengthening Communities has decreased from 19% in 2018 to 12% in 2021. The average grant value totalled £121,000, a 12% increase compared to 2020. The number of Strengthening Communities applications has fallen since we launched the programme in 2018.

In 2021 we promoted our Strengthening Communities Programme in areas of the UK where the levels of applications and grants awarded were lower than we would expect. We also updated the criteria for the programme to fund organisations supporting organisations physically located within, or immediately next to the most deprived areas, with the aim of reducing the number of ineligible applications. These two measures resulted in an increase in applications in the second half of 2021, and we expect the number of Strengthening Communities grants awarded to be higher in 2022.

## Cause Areas Supported

Cause area	Grants	Rejected Applications	Success Rates
Black and Minority Ethnic Communities	10	16	38%
Carers	7	15	32%
Children and Young people	30	130	19%
Disability	18	46	28%
Disadvantaged Communities	45	146	24%
Domestic and Sexual Abuse	25	31	45%
Family Services	23	49	32%
Homelessness	18	31	37%
Learning Disabilities	17	39	30%
LGBTQ	4	6	40%
Mental Health and Wellbeing	9	89	9%
Older People	10	39	20%
Prisoners and Ex-Offenders	6	16	27%
Refugees and Asylum Seekers	17	21	45%
Sex Work, Trafficking and Modern Slavery	2	4	33%
Substance Misuse and Dependency	7	16	30%
Ineligible (outside of criteria)		13	0%
<b>Total</b>	<b>248</b>	<b>707</b>	

Our grant making focus remains relatively broad and responsive. We aim to respond to the needs identified by applicants, and therefore make grants to charities supporting individuals facing disadvantage in diverse areas of their lives.

We continue to see a high demand for grants related to domestic and sexual abuse, family support services, and children and young people. Success rates for applications working to address mental health and wellbeing were low this year. However, this does not tell the whole story as many grant holders delivering work categorised in other cause areas are working towards improved mental health outcomes.

# Report of the Trustees

## Geographical Distribution

As a UK-wide responsive funder running an open grant programme, it is important that we make grants across the UK. The table below shows the number of grants made and applications received in the year split by geographical area.

We continue to find that much of the work meeting the greatest need is within the most deprived, mainly urban areas of the UK. In 2021, we made 44% of our grants to organisations based in geographical areas in the bottom 20% on the Indices of Multiple Deprivation. The Strengthening Communities programme has a particular focus on areas of deprivation. In 2021, we made 19 of 29 grants to organisations working in the 5% most deprived areas of the country.

We will continue to review the geographical spread of our grant making to ensure that we are receiving applications from all areas of the UK and that our grant making is targeted to need.

Geographical area	Grants	Applications
Crown Dependency	0	1
East Midlands	11	57
East of England	8	51
London	57	168
National	13	71
North East	10	44
North West	36	111
Northern Ireland	11	26
Scotland	19	78
South East	20	96
South West	15	69
Wales	7	37
West Midlands	15	83
Yorkshire and The Humber	26	63
<b>Total</b>	<b>248</b>	<b>955</b>

# Report of the Trustees

## Grant Assessment

We assess the quality of applications against a wide variety of different criteria to ensure that we are achieving our charitable objectives and that we are making robust, transparent and consistent funding decisions.

Assessment of the organisations is divided into the following headings:

- Vision, mission and strategy
- Integration into the community
- Financial Eligibility
- Budgeting and fundraising
- Governance

Assessment of the service(s) provided is divided up into the following headings:

- Need for the service
- Description of the service
- Is it clear how the service is making a difference?
- Service impact
- How 'significant' is the difference?
- Monitoring & evaluation quality
- Ability to deliver
- Is the work delivered as intended?

Once an application has passed the initial paper-based assessment, an assessment visit will take place. This enables us to assess the need for the project, ensure the organisation's management and governance are fit for purpose, confirm that the project is sustainable, and the outcomes are both realistic and achievable.

## Grant Holders' Progress Reports

Once a grant has been approved, grant holders report back to us on their progress annually for the duration of their grant. They report on the numbers of people they helped, activities delivered, beneficiary outcomes, organisational developments, external changes that have affected their work, their financial performance and outlook for the year ahead. They also provide beneficiary case studies.

These reports provide valuable information on issues our grant-holders are facing, and on progress of work supported by our grants. During the continuing pandemic, these reports have provided evidence of need for the additional funding to grant holders planned for 2022.

## Learning and Evaluation

In line with the wider voluntary sector we are aware of the need to understand the impact of our work. We require those applying to us to demonstrate the outcomes they are achieving and believe we should apply the same rigour to ourselves. This is a challenge, as our grants cover a wide range of services and groups to relieve poverty, deprivation and disadvantage.

We monitor the outcomes of all grants through our progress reporting process. We examine the specific outcomes that organisations have achieved in terms of the number of people they work with and the benefit they provide. During the COVID-19 pandemic we wanted to be as helpful as possible and allow organisations to focus on responding to the needs they are seeing on the ground. While the outcomes of some grants changed, the monitoring framework we have in place allowed us to continue to collect information about the outcomes achieved with each grant, learn about the organisation and the operating environment, and identify lessons learned.

We monitor our grantmaking throughout the year but also carry out a detailed annual review to confirm our understanding of who and what we are funding. We analyse applications and grants made and use the data to inform our policy-making and future planning. This continues to be particularly important for understanding the changing environment and the impact of Covid-19 on our grant holders.

# Report of the Trustees

We also gather insight and learning from the wider sector to inform our grantmaking. We carry out a series of internal reviews looking at the context, needs and issues in each of the major sectors we fund. This work gathers learning to inform our Improving Lives and Strengthening Communities grants assessments and also feeds into longer term policy and strategy development. We also identify opportunities for strategic funding where our funding could have a magnified impact. Over the last year we have implemented an internal learning log as a framework for collecting and storing our internal learning to use it systematically to inform our decision making.

## Achievements and Performance – Other Programmes

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### Strategic Grants

£629,000

While most of our funding is distributed through our Improving Lives and Strengthening Communities programmes, we also proactively identify Strategic Grants, supported by the evidence and learning from our responsive programmes.

All Strategic Grants broadly align with the aims of the Improving Lives and Strengthening Communities programmes; however they are not restricted to proven work or direct service delivery. They may involve significant elements of innovation, awareness raising and/or systemic change. We also expect Strategic Grants to have a legacy of change which continues beyond our involvement. We have been carrying out reviews of our various grant-making areas, which have identified some possibilities for strategic grant-making, and this is an ongoing process.

We currently have three active strategic grants.

1. In 2020 we launched our Housing First programme through which we have made £2m of grants to support small/ medium sized organisations delivering Housing First services for those who have experienced homelessness with multiple and complex needs.
2. Together with youth charity Impetus, in 2020 we contributed £2m to the Engage Fund a new programme to tackle the rising number of school exclusions and improve outcomes for young people from disadvantaged backgrounds who are at risk of exclusion from school, or in alternative provision. This work will provide funding and support to five organisations pioneering high-quality interventions to help more young people who are struggling to engage in mainstream education, by helping them develop essential life skills, reintegrate into school when appropriate and achieve the qualifications they need.
3. This year we made a strategic grant of £629,000 to DFN Project SEARCH to deliver more than 120 Supported Internship programmes for young people with learning disabilities and/or autism.

Throughout this year we have also been working to develop a strategic grant supporting Advocacy services for people with Learning Disabilities. Grants will be made in the next financial year.

### Covid-19 Grants

2021 continued to be dominated by the Covid-19 pandemic which has far reaching implications for our grant holders and the people they are working to support. We continued to support grant holders by being flexible with our funding, giving grant holders greater scope to address funding shortfalls, or meet changing needs.

Following on from the additional £4.5m funding we were able to provide grant holders in England in 2020, we identified grant holders supporting communities most impacted by the pandemic in Northern Ireland, Scotland and Wales and awarded 25 grants to a value of £1.3m.

# Report of the Trustees

## County Grants

£1,283,000

Historically, the County Grants programme has supported the work of small organisations and charities in eight counties with which the Henry Smith Charity has a historical connection. The eight counties are Gloucestershire, Hampshire, Kent, Leicestershire, Suffolk, Surrey, East Sussex and West Sussex. A decision was made in 2021 to phase out the programme, in order to focus funding more directly into areas of the greatest need, with programmes in specific Counties closing on the retirement of the Trustees with responsibility for recommending grants in these areas. In 2021 we closed funds for East Sussex, Gloucestershire, Hampshire, Suffolk and Surrey, and the West Sussex fund will close in 2022.

Grants support work with people experiencing social and/or economic disadvantage (people with disabilities, for example) and work that tackles problems in areas of high deprivation broadly in line with our main grant objectives. Grants range from £2,000 to £20,000 with an average grant size of £10,300. To be eligible to apply for a County Grant, the organisation's annual income must be below £250,000, unless the organisation is working county-wide, in which case its income must be below £1 million.

Grant recommendations are made by County Trustees who use their local knowledge to assess the merit of applications. County grant recommendations are approved at the quarterly Board meeting.

In 2021, 123 grants were awarded across the eight counties, 30 more than 2020.

County	Grant Number	Grant Amount
East Sussex	26	£113,000
Gloucestershire	11	£138,650
Hampshire	25	£237,000
Kent	25	£267,000
Leicestershire	8	£105,400
Suffolk	10	£120,000
Surrey	10	£168,855
West Sussex	9	£133,000

Grants were used for organisation running costs, salaries, project costs, or one-off small capital expenditure such as building refurbishment or equipment.

## Holiday Grants

£90,000

The Holiday Grants programme provides one-off grants for short holidays and recreational trips for groups of children aged 13 and under in the UK who are disabled or disadvantaged. During the year we made 52 grants.

Grants ranged between £500 and £2,500 and were made to schools, youth groups, not for profit organisations and charities. We temporarily adjusted our guidelines to fund day trips only for a variety of fun activities for young people many of whom had had little opportunity to leave their homes during covid restrictions. Due to the impact of Covid-19 the number of grants awarded has been lower than in previous years. It is important to us that no child be excluded on financial grounds from a trip we are supporting, and all grants are awarded on this condition. In line with our commitment to be flexible and supportive to our grant holders, we have agreed to changes to dates and duration of trips as necessary and adjusted our guidelines to provide greater flexibility for grant holders and applicants.

# Report of the Trustees

## Clergy and Christian Projects

£1,189,000

The Clergy and Christian Projects grants programme has three elements and in 2021 grants were made as follows:

Programme	Grant Amount
Grants to support individual clergy, managed through Church of England dioceses	£640,000
Bursaries for Church of England Ordinand training	£54,000
Grants to Christian Projects that explicitly promote the Christian faith in the UK	£495,000

In the Christian Projects programme we value projects that set out to nurture and grow people's journey in Christian faith and grow churches, and only support work that comes from a Church of England context, or is fully ecumenical. There are three priority areas for this fund and all applications must explicitly address one or more of these priorities.

1. Meeting the spiritual needs of older people, including those with dementia
2. Reaching out to people unconnected with churches, especially young people and young families, by nurturing their spiritual interest and well-being
3. Projects which support and care for Anglican clergy at times of acute need.

## Kindred

£850,000

In line with Henry Smith's will, which included a legacy to help members of his family in financial need we award grants to individuals who are descendants of the sister of Henry Smith or adopted by a descendant. Our Kindred grant making goes directly to address financial need among the descendants of Henry Smith. Grants are awarded on a means-tested basis. A free confidential Helpline is also provided as an alternative means of assistance. More than 2,500 kindred are registered with us and over 200 people received financial support in 2021. We were also pleased to introduce an emergency grant scheme for Kindred who were facing financial hardship as a result of the pandemic especially in the period before government support payments reached those in need.

## Parishes

£848,000

The parish scheme is a separate fund within the endowment, representing approximately 2% of our assets. Under the scheme we distribute annual grants of between £2,000 and £20,000 to over 150 entities, based broadly on an allocation set out by the Trustees of Henry Smith's will for the relief of poverty in particular parishes. These entities then use the money for the relief of poverty within their designated parishes, and report annually how the money was used.

The entities include local ecclesiastical parishes, specially established local Henry Smith Charities and larger grant making organisations such as Trust for London and Cripplegate Foundation. In 2021, we made 200 grants, including 43 supplementary grants, intended to support 15,000 beneficiaries. Over 1,000 volunteers administer the local grant-making and more than 5,000 people receive a grant each year.

During the year we continued to offer the opportunity for parishes to apply for supplementary grants to meet additional needs in their area, many of which are more acute due to the impact of Covid-19. In addition we continued to widen the scope of the scheme to cover 22 additional parishes, based in the most deprived areas, who were in a position to make grants to meet the needs of people in their areas.

# Report of the Trustees

## Plans for Future Development

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We have agreed a one-off budget of £20m for Covid-19 grants and have invited existing grant holders to apply for funding, to be awarded in 2022, to meet the additional and continued needs arising from the impact of the Covid-19 pandemic. These grants will provide longer-term support to enable organisations to extend their reach, respond to more complex needs or maintain an increase in delivery arising from the pandemic.

We are recruiting more staff and volunteers to increase capacity, with induction and training in the first half of 2022. After carrying out online assessments from the start of the pandemic, we are returning to face to face visits to organisations as part of the second stage of our main grants application process.

In 2022 we plan to increase the total of Main Grants awarded to £40m and aim to sustain this higher level of grant-making for some years. The Trustees agreed in 2021 to distribute an additional up to £100m over ten years, in light of strong historic investment performance, and this will enable an increased Main Grants budget as well as further additional grant-making.

Throughout this year we have also been working to develop a strategic grant supporting Advocacy services for people with Learning Disabilities. Grants will be made in 2022.

Within the organisation we will evaluate the Flexible Working Pilot we started in October 2021 and review our future office needs and working arrangements. At the same time staff, Trustees and Volunteers will be participating in a shared DEI learning and development programme, and we will be developing an organisational DEI Strategy.

## Financial Review

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### Investments

The Henry Smith Charity is a permanent endowment, with assets held in perpetuity. These assets are the primary funding source for the Charity, so the performance of investments over the long term is vitally important to the sustainability of the Charity, and the impact it can make through the grants it awards.

The Charity operates a Total Return approach to investment, with power to spend both income and capital, provided the core endowment of the fund is maintained. The Charity has power under its Scheme to invest in stocks, shares, funds, securities and other property. The Trustees have appointed professional investment advisors, who advise on investment policy and strategy, asset allocation, manager selection and performance.

### Investment Policy

The investment portfolio has the primary long-term objective of maximising sustainable spending from the portfolio in order to support grant-making. The secondary long-term objective is to maintain the real value of the fund in perpetuity after spending. The Charity currently aims to spend 4% of the portfolio in grant-making over the long-term and the portfolio has a goal of returning an annual 4% real return over a rolling 5 year period.

It is recognised that in order to achieve the primary objective of sustaining a 4% spending rate over the long term, there will be periods of short-term volatility of investment returns. The investment strategy seeks to build a diversified portfolio that minimises the impact of short-term losses. Given the portfolio's strategic asset allocation and investment strategy it is understood that potential short-term losses are possible.



# Report of the Trustees

The Charity also recognises that there are several other forms of risk beyond short term volatility that need to be managed as part of the ongoing oversight of the portfolio. These risks include the prudent management of liquidity, the level of exposure to non-Sterling denominated assets, the level of overall leverage in the portfolio and risks associated with investing alongside investors with different goals.

## ESG

The Charity has adopted the following policy in relation to Environmental, Social and Governance (ESG) issues, and has communicated the policy to all fund managers with whom it invests.

- We take ESG factors into account when we buy new managers and when assessing existing managers.
- We also review our direct equity investments held via tracker funds to assess which companies we may wish to exclude/engage with.
- We apply a materiality lens to any observations and judgements that we make.

The Trustees have excluded from our directly held investment portfolio companies who have significant involvement (greater than 10% of turnover) in the production or retailing of alcohol or tobacco, gambling or predatory lending. Companies with any involvement in the production or sale of indiscriminate weaponry are also excluded.

## Asset Allocation and Strategy

Between 60% and 65% of the investment portfolio was allocated to growth assets during the year, to provide longer term returns, with the remaining allocation invested in diversifying assets. Further details are given in note 9 to the accounts.

## Total Return Approach to Investing

The Charity operates a Total Return approach to investments, with freedom to invest the entire endowment with the aim of maximising total returns regardless of whether those returns accrue by way of income or capital growth. Over the long term the investment portfolio has a target annualised return of CPI +4%; over shorter periods we assess performance against a blended benchmark comprising benchmarks for the individual asset classes in which we invest.

## Investment Returns for 2021

Investment returns, net of fees, were over £225m. Total returns for the portfolio for the year were 20.1% (2020: 14.3%) and outperformed the portfolio benchmark by 10.5%. Over the last 3 years the portfolio has exceeded its long-term benchmark of CPI + 4% by 10.0% per annum.

## Investment Costs

The Charity aims to maintain transparency over the total fees paid on investments and regularly reviews manager fees to ensure they are matched by performance. All investment performance is reported net of fees to enable us to monitor this closely and take corrective action where necessary.

We spent £11.1m (2020: £13.9m) on our investment fees and costs. Our investments in alternative assets such as hedge funds are more expensive than traditional long-only investments, but over time we have obtained excellent returns with lower volatility, which have more than compensated for the additional fee costs.

Fee costs comprise ongoing fees generally set as a fixed percentage of the investment value and additional fees payable only if performance thresholds and hurdles are exceeded. The performance-related fees for our alternative investment assets, included within the total costs of £11.1m, amounted to £3.4m of the total expenditure.

# Report of the Trustees

## **“Core Endowment” (endowment funds)**

Under the Total Return approach, the Charity must ensure that the value of total endowment funds does not fall below the Core Endowment. The Core Endowment is fixed at £276m, representing the value of the endowment as at 31 December 1991. Endowment funds in excess of the Core Endowment are known as the Unapplied Total Return; these are the accumulated returns from which the Charity may make funds available for grant-making. The Trustees also monitor the value of endowment funds compared to an inflation-adjusted measure of the Core Endowment, recognising the need to maintain the Charity’s spending power in real terms.

The Charity’s current policy is to transfer each year from the endowment funds, into the Main Unrestricted and Estates Restricted funds, 4.0% of the total value of the endowment as averaged over the previous 5 years (referred to as the “Distribution Rate”); these funds are then available for grant making and operations. These transfers are funded over time by the total investment returns achieved by the Charity’s endowment. The Trustees review the Distribution Rate from time to time and adjust as necessary to take account of prevailing rates of investment return.

In addition, the Trustees agreed in 2021 to distribute an additional up to £100m over ten years, in light of strong historic investment performance. This additional amount has been assessed, with advice from Cambridge Associates, as affordable while preserving the long-term funding capacity of the Endowment.

The movements in Unapplied Total Return for 2021 are shown in note 7 to the accounts. The Charity transferred £39.5 million into the Main Unrestricted and Estates Restricted funds for its annual distribution, calculated at a 4.0% Distribution Rate, and an additional £1.3m to accommodate agreed additional grant spending. For 2022 the Trustees have agreed a transfer of £42.7 million plus an extra £32.1 million for additional grant spending. At 31 December 2021, the endowment funds of £1.4bn were well in excess of the Core Endowment.

## **Reserves (grant-making funds)**

Historically the Trustees stated policy has been to retain a reserve of funds made available for grant-making, held as the Main Unrestricted and Estates Restricted funds, to provide flexibility should unforeseen circumstances arise to give an urgent need for additional grants or other spend. The target reserve was typically one year’s costs of running the office.

Given the unprecedented circumstances of the Covid-19 pandemic, the Trustees agreed to spend down available unrestricted funds to sustain grant-making and to provide additional resources to assist charities and their beneficiaries impacted by the crisis. The Main Unrestricted fund was fully spent in 2021 and the Charity will withdraw additional funds from the Endowment as required in 2022.

The Estates Restricted fund is used solely for grants under the Parish programme, with reserves of £0.8 million at the year-end.

## **Risk Management**

The Trustees formally review risk on an annual basis as well as when issues arise, and during the year adopted a new risk management framework to enable more effective risk management. The Trustees also meet the auditors during the year to discuss recommendations arising from their annual audit, which inform our approach.

## Report of the Trustees

One of the key risks identified is that of substantial investment losses, which would reduce the amount of money available for grant-making over the longer-term and hence the impact of the Charity through the grants it awards; to address this the Charity has a diversified investment portfolio and processes in place to monitor cash flow and spending, which should minimise the potential for long term losses.

The investment portfolio has proved to be resilient through 2021 and the Charity actively monitors current risks, including the ongoing impact of the Covid-19 pandemic, the cost-of-living crisis and the events in Ukraine. This includes business continuity in the event of disaster or other business interruption; a policy and action plan have been adopted to ensure adequate control of this risk and plans were implemented to ensure the successful ongoing operations of the Charity through lockdown.

The Charity has been monitoring the performance of grants and the level of applications, as Covid-19 has proved very disruptive to many charities. Most of the Charity's existing grants have continued to run, though changes to the objectives have been agreed for some grants in response to the changed environment. The level of grant applications remains strong but manageable.

The Trustees have reviewed areas of potential risk for the Charity and concluded that there are sufficient controls in place across the organisation.

Safeguarding is a key risk area, and a safeguarding policy and training plan are in place.

Work is ongoing with regards to Data Protection and the GDPR legislation. Key areas have been addressed, and work continues to maintain full compliance as the Charity's activities develop over time.

Staff wellbeing has been an area of priority during the Covid-19 pandemic. The Charity continues to monitor staff wellbeing, aiming to provide a supportive and safe working environment despite the difficulties that can arise with protracted working-from-home, along with specific support and tools where this can benefit individuals.

### **Preparation of the Accounts on a Going Concern Basis**

The Charity's normal practice is to distribute no more than 4% of assets annually calculated on a five-year rolling basis. On occasion, the Charity may make additional distributions, in which case an assessment of affordability and long-term sustainability is carried out, with advice from its investment advisor.

Total assets at 31 December 2021 were well in excess of the £276 million "core endowment" which must be preserved. The Trustees continue to consider the Charity to be a going concern and to prepare the accounts on this basis.

### **Remuneration of Key Management Personnel and Staffing**

The Trustees consider the Board of the Charity and the Senior Management Team (the Director, Head of Grants, Head of Grants Administration, Head of Learning and Evaluation, and Head of Finance & Resources) as comprising the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis.

No Trustees are remunerated by the Charity. Remuneration for the Senior Management Team is reviewed annually, with salary increases determined in light of inflation rates and affordability. Salary increases and remuneration levels are also reviewed against other grant-making charities of a similar size and activity, to ensure remuneration is fair and not out of line with that generally paid for similar roles.

Average staff numbers increased to 32 in 2021 (2020: 31), as we continued to invest in grant-making capabilities to support our main grants strategy and the development and growth of other programmes. More details are given in note 6 to the accounts.

# Report of the Trustees

## Conflicts of Interest

From time to time the Charity makes grants to organisations with whom one or more of its Trustees is connected, typically as a Trustee or member of staff. The Charity takes steps to ensure that decisions on these grants are made at arms-length, and in accordance with its policies for dealing with potential conflicts of interest

## Fundraising

The Charity has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

## Statement of Trustees' Responsibilities

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

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 of the incoming resources and application of resources of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

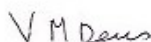
## Disclosure of information to auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditors are unaware.
- The Trustees have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information

Approved by the Trustees on 19 July 2022

Vivienne Dews  
Chair



# **Independent Auditor's Report to the Trustees of The Henry Smith Charity**

## **Opinion**

We have audited the financial statements of The Henry Smith Charity ('the Charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, Charity Balance Sheet, 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 Charity's affairs as at 31 December 2021 and of the Charity's income and receipt of endowments 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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Other information**

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# **Independent Auditor's Report to the Trustees of The Henry Smith Charity**

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of the trustees**

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

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

## **Auditor's responsibilities for the audit of the financial statements**

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

## **Independent Auditor's Report to the Trustees of The Henry Smith Charity**

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

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

*Crowe U.K. LLP*

**Crowe U.K. LLP**  
Statutory Auditor

London

9 September 2022

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

## Statement of Financial Activities for the Year Ended 31 December 2021

	Main Unrestricted Fund £'000	Estates Restricted Fund £'000	Endowment Funds £'000	2021 Total £'000	2020 Total £'000
<b>INCOME</b>					
Investment income (note 3)	-	-	11,000	11,000	10,038
Other income	-	-	-	-	2,027
Transfer to income (note 7)	39,912	888	(40,800)	-	-
<b>TOTAL INCOME</b>	<u>39,912</u>	<u>888</u>	<u>(29,800)</u>	<u>11,000</u>	<u>12,065</u>
<b>EXPENDITURE</b> (note 4)					
Expenditure on raising funds (investment costs)	-	-	11,095	11,095	13,882
<b>Charitable activities</b>					
Grant-making	41,249	853	-	42,102	41,516
<b>TOTAL EXPENDITURE</b>	<u>41,249</u>	<u>853</u>	<u>11,095</u>	<u>53,197</u>	<u>55,398</u>
Gains on investment and currency assets (note 9)	-	-	226,918	226,918	153,242
<b>NET MOVEMENT IN FUNDS</b>	<u>(1,337)</u>	<u>35</u>	<u>186,023</u>	<u>184,721</u>	<u>109,909</u>
<b>TOTAL FUNDS BROUGHT FORWARD AT 1 JANUARY 2021</b>	1,353	768	1,200,018	1,202,139	1,092,230
<b>TOTAL FUNDS AT 31 DECEMBER 2021</b>	<u>16</u>	<u>803</u>	<u>1,386,041</u>	<u>1,386,860</u>	<u>1,202,139</u>

The notes on pages 26 to 37 form part of these accounts.

All income and expenditure derive from continuing activities. The statement of financial activities includes all gains and losses recognised during the year and there is no difference between the results for the year stated above and their historical cost equivalents.



## Balance Sheet as at 31 December 2021

	Main Unrestricted Fund £'000	Estates Restricted Fund £'000	Endowment Funds £'000	2021 Total £'000	2020 Total £'000
<b>FIXED ASSETS</b>					
Tangible Fixed Assets (note 8)	129	-	-	129	123
Investments (note 9)	33,070	-	1,386,579	1,419,649	1,243,613
Programme Related Investments (note 10)	-	-	8	8	16
<b>Total Fixed Assets</b>	<u>33,199</u>	<u>-</u>	<u>1,386,587</u>	<u>1,419,786</u>	<u>1,243,752</u>
<b>CURRENT ASSETS</b>					
Debtors (note 11)	151	-	695	846	2,372
Cash at bank	20,918	1,035	-	21,953	6,687
	<u>21,069</u>	<u>1,035</u>	<u>695</u>	<u>22,799</u>	<u>9,059</u>
<b>CREDITORS</b>					
Amounts falling due within one year (note 12)	(30,550)	(232)	(1,241)	(32,023)	(30,595)
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>	<u>(9,481)</u>	<u>803</u>	<u>(546)</u>	<u>(9,224)</u>	<u>(21,536)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	23,718	803	1,386,041	1,410,562	1,222,216
<b>CREDITORS</b>					
Amounts falling due after one year (note 13)	(23,702)	-	-	(23,702)	(20,077)
<b>NET ASSETS</b>	<u>16</u>	<u>803</u>	<u>1,386,041</u>	<u>1,386,860</u>	<u>1,202,139</u>
<b>FUNDS</b>					
Main Endowment Fund Estates	-	-	1,357,887	1,357,887	1,172,758
Endowment Fund Main	-	-	28,154	28,154	27,260
Unrestricted Fund Estates	16	-	-	16	1,353
Restricted Fund	-	803	-	803	768
<b>TOTAL FUNDS AT 31 DECEMBER 2021</b>	<u>16</u>	<u>803</u>	<u>1,386,041</u>	<u>1,386,860</u>	<u>1,202,139</u>

Approved by the Trustees on 19 July 2022 and signed on their behalf by:

*V M Dews*

*Jonathan Asquith*

Vivienne Dews  
Chair

Jonathan Asquith  
Trustee

The notes on pages 26 to 37 form part of these accounts.

## Cashflow Statement for the Year Ended 31 December 2021

	2021 £'000	2020 £'000
<b>Net cash used in operating activities (note 16)</b>	<b>(36,241)</b>	<b>(37,021)</b>
<b>Cash flows from investing activities</b>		
Investment Income received	11,619	9,178
Payments for Investment Management and advice	(10,953)	(4,365)
Purchase of tangible fixed assets	(48)	(43)
Cash withdrawn from fixed asset investments to fund operating costs	50,881	32,676
Repayment of social investments	8	-
<b>Net cash provided by investing activities</b>	<b>51,507</b>	<b>37,446</b>
<b>Change in cash and cash equivalents in the year</b>	<b>15,266</b>	<b>425</b>
Cash and cash equivalents at 1 January 2021	6,687	6,262
<b>Cash and cash equivalents at 31 December 2021</b>	<b>21,953</b>	<b>6,687</b>

The notes on pages 26 to 37 form part of these accounts.

# Notes to the Accounts

## 1. CHARITY INFORMATION

The Charity (registered no. 230102) is a public benefit entity established in the UK as a Trust governed by a Scheme of the Charity Commissioners dated 5 October 2000. It operates from its principal place of business, 65 Leadenhall Street, London EC3A 2AD.

## 2. ACCOUNTING POLICIES

### Basis of Preparation

The accounts have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of certain fixed asset investments, and in accordance with applicable accounting standards, 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 (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

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 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 (FRS 102) issued on 16 July 2014 rather than the previous Statement of Recommended Practice: Accounting and Reporting by Charities effective from 1 April 2005 which has since been withdrawn.

Trustees have considered the impact of the Covid-19 pandemic on the Charity's activities and resources. Effects of the crisis on investment performance and grant making activities have been reviewed and included in our risk management framework. These factors have been considered alongside relevant forecasts and budgets and trustees are not aware of any material uncertainties surrounding the Charity's ability to continue as a going concern.

### Funds

The Charity's Funds include two permanent endowments. The Main Endowment Fund may be used to support all of the Charity's objects. The Estates Endowment Fund may only be used to support charitable activities in specified, historic parishes in England. The assets of both funds are pooled and managed as a single investment portfolio; investment returns are allocated in proportion to the Funds' asset values. The Estates Restricted Fund reflects funds made available from the Estates Endowment Fund for grant-making which are not yet spent.

The Charity also holds funds to cover the costs of managing legacy activities related to the Equitable Charitable Trust. Once these legacy activities are completed any remaining funds will be made available for grant-making. At 31 December 2020 £151k was held within endowment funds for this purpose.

### Income

Dividends are recognised as receivable when a security is listed as ex-dividend. Income from fixed interest investments is recognised 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 or investment fund. Other investment income is recognised when notified as payable to the Charity by the relevant fund managers.

### Expenditure

Liabilities are recognised as expenditure when there is a legal or constructive obligation committing the Charity to the expenditure. Grants, both single and multi-year, are recognised in the accounts as liabilities after they have been approved by the Trustees, the recipients have been notified and there are no further terms and conditions to be fulfilled within the control of the Charity. In these circumstances there is a valid expectation by the recipients that they will receive the grant.

# Notes to the Accounts

## **Expenditure on raising funds**

Expenditure on raising funds includes the direct costs paid to service providers for managing the investment assets, the direct costs of activities including staff salaries and other expenditure, and an allocation of related support costs. Support costs are allocated according to an estimate of the proportional usage across different activities supported, generally on a staff time basis.

## **Charitable activities**

The cost of charitable activities consists of grants awarded, the direct costs of grant making activities including staff salaries and other expenditure, and an allocation of related support costs.

## **Investments**

Marketable investment assets are included in the financial statements at their fair values, either at closing market prices (listed investments) or through independent valuation (unlisted direct property) or from valuations provided by the investment manager (unlisted hedge funds, private equity and indirect property). Cash held for investment purposes is included within investments. The Charity enters into forward currency contracts to reduce currency exposure in its investment portfolio. The basis of fair value of these forward exchange contracts is estimated by using the gain or loss that would arise from closing the contract at the balance sheet date. All investment and currency gains and losses are recognised as incurred.

## **Pensions**

The Charity operates a defined contribution scheme. Contributions payable to the scheme are included as expenditure in the period in which the Charity receives the related services from the employees.

## **Irrecoverable VAT**

Irrecoverable VAT is included in the Statement of Financial Activities or Fixed Assets within the expenditure to which it relates.

## **Fixed assets**

Leasehold improvements are included at cost and depreciated on a straight-line basis over the remaining term of occupation of the Charity's premises. Fixtures, fittings and equipment are included at cost and depreciated on a straight-line basis over 4 years. Assets below £1,000 in cost are not capitalised. The cost of assets includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

## **Operating leases**

Rental costs of operating leases where the Charity is a lessee are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Rental income from operating leases where the Charity is a lessor is recognised on a straight-line basis over the term of the relevant lease.

## **Key judgements and assumptions**

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

## Notes to the Accounts

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Valuation of investment properties – these are stated at their estimated fair value based on professional valuations as disclosed in note 9. Commercial Property valuations are prepared by applying an investment yield to the appropriate rental income stream, having regard to the individual asset fundamentals, including inter alia, location, lease length and tenant covenant strength. The relevant investment yield and rental values are determined principally through the use of comparative data.

Valuations for Rural Estates properties let on Assured Shorthold, Farm Business or protected residential tenancies are calculated by applying a discount to the vacant possession value to reflect the degree to which vacant possession is not immediately available. Valuations for properties let under the Agricultural Holdings Act 1986 are prepared by making an assessment of the estimated rental value of the properties, as compared to the current rent passing, and applying to the estimated rental value a valuation yield to reflect the individual characteristics of the property.

Valuation of private equity investments – these are stated at their estimated fair value based on valuations carried out by the fund managers.

### Financial instruments

The Charity 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 amortised cost using the effective interest method.

Financial assets held at amortised cost comprise cash at bank, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors.

Investments held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

### 3. INVESTMENT INCOME

	2021 £'000	2020 £'000
Equities	3,971	3,189
Fixed Income	470	290
Property	6,559	6,559
	<b>11,000</b>	<b>10,038</b>

## Notes to the Accounts

### 4. EXPENDITURE

	Expenditure on Raising Funds £'000	Grant- making £'000	Governance £'000	Total 2021 £'000	Total 2020 £'000
<b>Grants awarded (note 5)</b>	-	<b>39,800</b>	-	<b>39,800</b>	39,205
<b>Direct costs</b>					
Direct property costs	891	-	-	891	2,029
Investment management, administration and advice	10,062	-	-	10,062	11,704
Staff costs (note 6)	84	935	92	1,111	1,068
Auditors' remuneration*	-	-	38	38	40
Other costs	-	41	87	128	133
	<u>11,037</u>	<u>40,776</u>	<u>217</u>	<u>52,030</u>	<u>54,179</u>
<b>Support costs</b>					
Staff costs (note 6)	18	560	8	586	496
Premises and office services	40	524	17	581	723
	<u>58</u>	<u>1,084</u>	<u>25</u>	<u>1,167</u>	<u>1,219</u>
<b>Total expenditure</b>	<u><b>11,095</b></u>	<u><b>41,860</b></u>	<u><b>242</b></u>	<u><b>53,197</b></u>	<u><b>55,398</b></u>

\* - in the current and previous year the auditors' remuneration was solely for audit services.

### 5. GRANTS AWARDED

	2021 £'000	2020 £'000
Grants to organisations	38,713	38,380
Grants to individuals	1,440	1,321
Grants returned or cancelled	(353)	(496)
<b>Total Grants Awarded</b>	<u><b>39,800</b></u>	<u><b>39,205</b></u>

Further analysis of our main grant awards is given in the Trustees' Report and a full listing of grants awarded to organisations is available on our website. This information has not been audited.

## Notes to the Accounts

### 6. STAFF COSTS

	2021 £'000	2020 £'000
Wages and salaries costs	1,326	1,227
Social security costs	144	138
Pension costs	152	131
Other benefits	75	68
	<u>1,697</u>	<u>1,564</u>
The average number of employees		
Generating Funds	1.00	1.00
Grant-making	30.00	29.00
Governance	1.00	1.00
<b>Total</b>	<u><b>32.00</b></u>	<u><b>31.00</b></u>

The number of employees with emoluments greater than £60,000

£120,000-£130,000	1	-
£110,000-£120,000	-	1
£80,000-£90,000	1	1
£60,000-£70,000	2	1

No pension contributions were outstanding at the year end.

Total remuneration for key management personnel for the year amounted to £484,000 (2020: £469,000).

### 7. MOVEMENT IN UNAPPLIED TOTAL RETURN

The overall movement in unapplied total return in the year was as follows:

	2021 £'000	2020 £'000
<b>Unapplied total return at 1 January 2021</b>	<b>924,018</b>	<b>812,320</b>
Add: Income received	11,000	10,038
Less: Expenditure on raising funds	(11,095)	(13,882)
Add : Investment gains	226,918	153,242
Unapplied total return before transfer to income	<u>1,150,841</u>	<u>961,718</u>
Less: transfer to income	<u>(40,800)</u>	<u>(37,700)</u>
<b>Unapplied total return at 31 December 2021</b>	<b>1,110,041</b>	<b>924,018</b>
Add: core endowment	276,000	276,000
<b>Endowment assets at 31 December 2021</b>	<u><b>1,386,041</b></u>	<u><b>1,200,218</b></u>

## Notes to the Accounts

The Charity is permitted to adopt a total return approach to its investments by Order of the Charity Commissioners for England and Wales dated 20<sup>th</sup> December 2006.

### 8. TANGIBLE FIXED ASSETS

	Fixtures, Fittings & Equipment £'000	Leasehold Improvements £'000	Total £'000
Cost at 1 January 2021	210	258	468
Additions	48	-	48
Disposals	-	-	-
Cost at 31 December 2021	258	258	516
Accumulated depreciation at 1 January 2021	111	234	345
Depreciation charged in the year	37	5	42
Accumulated depreciation at 31 December 2021	148	239	387
<b>Net Book Value at 31 December 2021</b>	<b>110</b>	<b>19</b>	<b>129</b>
Net Book Value at 31 December 2020	99	24	123

### 9. INVESTMENTS

	2021 £'000	2020 £'000
Listed Investments	410,156	355,177
Unlisted Investments	686,642	629,414
Investment Properties	215,772	196,386
Cash and other balances	107,079	62,636
<b>Total Investments</b>	<b>1,419,649</b>	<b>1,243,613</b>

The movement in market value of investments (excluding cash and other balances) was as follows:

	2021 £'000	2020 £'000
<i>Listed Investments</i>		
Market Value at 1 January 2021	355,177	332,783
Investment gains/(losses) net of fees	60,397	33,842
Additions	26,964	1,933
Disposals	(32,382)	(13,381)
<b>Market Value at 31 December 2021</b>	<b>410,156</b>	<b>355,177</b>



## Notes to the Accounts

### *Unlisted Investments*

Market Value at 1 January 2021	629,414	534,205
Investment gains net of fees	147,875	121,452
Additions	79,628	61,555
Disposals	(170,275)	(87,798)

<b>Market Value at 31 December 2021</b>	<b>686,642</b>	<b>629,414</b>
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### *Investment Properties*

Market Value at 1 January 2021	196,386	201,947
Investment gains/(losses) net of fees	20,486	(5,027)
Additions	-	336
Disposals	(1,100)	(870)

<b>Market Value at 31 December 2021</b>	<b>215,772</b>	<b>196,386</b>
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Total gains were made up as follows:	2021	2020
	£'000	£'000

Gains on investment assets	226,918	159,042
Other currency (losses)/gains	-	(5,800)

<b>Investment and currency gains</b>	<b>226,918</b>	<b>153,242</b>
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The market value of listed investments at the year-end was £410m (2020: £355m). None of these were UK-only investments (2020: Nil). The historical cost of listed investments was £244m (2020: £246m).

	2021	2020
	£'000	£'000
Programme Related Investments	<b>8</b>	<b>16</b>

At 31 December 2021 the Charity had nine foreign exchange forward contracts open in eight currencies, with a notional sterling liability of £2.2 million. These contracts were entered into to mitigate the currency risk of being a UK based charity while holding global equity and hedge fund assets in local currencies. These foreign exchange forward contracts have all been revalued at the applicable year-end rates and the resulting unrealised losses are included within the overall value of the investments above. The settlement date for the contracts ranged from 31 January 2022 to 30 June 2022.

## Notes to the Accounts

The Charity's direct holdings in property were valued at 31 December by currently Registered RICS Valuers employed by the Charity's property advisers, and in accordance with the RICS Valuation – Professional Standards (January 2014) published by the Royal Institution of Chartered Surveyors.

The Charity has committed to fund up to a further £84m of capital calls from private equity funds. These calls will be funded from the sale of liquid assets across the investment portfolio, and from distributions from private equity funds.

### 10. DEBTORS

	2021 £'000	2020 £'000
Rents receivable	580	1,199
Other debtors	262	1,002
Prepayments	4	171
	<b>846</b>	<b>2,372</b>

### 11. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Grants payable	30,125	29,603
Accruals	1,604	698
Rental income in advance	294	294
	<b>32,023</b>	<b>30,595</b>

Movements in rental income in advance were as follows:

Balance brought forward at 1 January 2021	294
Released to income in the year	(294)
Deferred in the year	294

Balance carried forward at 31 December 2021	<b>294</b>
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### 12. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £'000	2020 £'000
Grants payable	23,554	19,910
Accruals and provisions	148	167
	<b>23,702</b>	<b>20,077</b>

## Notes to the Accounts

### 13. MATURITY OF FINANCIAL LIABILITIES

	2021 £'000	2020 £'000
In one year or less, or on demand	32,023	30,595
In more than one year, but not more than two years	16,904	14,275
In more than two years, but not more than five years	6,798	5,709
In more than five years	-	93
	<b>55,725</b>	<b>50,672</b>

The movement in grants payable during the year was as follows:

	2021 £'000	2020 £'000
Grants payable at 1 January 2021	49,513	39,308
Grants awarded	40,153	39,701
Cancelled grants	(353)	(496)
Payments made	(35,634)	(29,000)
<b>Market Value at 31 December 2021</b>	<b>53,679</b>	<b>49,513</b>

### 14. RELATED PARTY TRANSACTIONS

Expenses of £1,540 (2020: £425) were reimbursed to five Trustees during the year (2020: one) to cover travel and other related costs incurred by them in fulfilment of their duties. The Trustees received no remuneration during the year or in the previous year.

Annual subscription, Grant Award, conference and training expenses totalling £12,609 were paid during the year (2020: £32,170) to the Association of Charitable Foundations, of which N Acland, who served as Director of The Henry Smith Charity during the year, is a Trustee.

### 15. OPERATING LEASE COMMITMENTS

At year-end the Charity held a lease for its premises expiring in March 2026. Rental payments amounted to £121,000 in 2021 and are contracted to be £191,000 per annum until the end of the lease term.

At year-end the Charity held rental leases on its investment properties under which payments are receivable until lease expiry or term of notice as follows:

Year	Payments receivable in year £000
2022	783
2023	2,245
2024	1,285
2025	823
2024 and subsequently	38,534

The total payments receivable under rental leases at 31 December 2021, until expiry or term of notice for all leases, was £43.7 million.

## Notes to the Accounts

### 16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £'000	2020 £'000
Net movement in funds	184,721	109,909
Investment gains	(226,918)	(153,242)
Investment income and deposit interest	(11,000)	(10,065)
Investment management and advice	10,953	13,733
Depreciation	42	43
Decrease/(increase) in debtors	907	(863)
Increase in creditors	5,054	9,264
Currency (losses)/gains	-	(5,800)
<b>Net cash flow from operating activities</b>	<b>(36,241)</b>	<b>(37,021)</b>

### 17. POST BALANCE SHEET EVENT

The Charity received £100m from a bond issued on 10 March 2022 to Metropolitan Life Insurance Company and Metlife Insurance K.K. The Charity will pay annual interest of 2.75% and the balance is repayable in full in 2072.

# Notes to the Accounts

## 18. STATEMENT OF FINANCIAL ACTIVITIES FOR PRIOR YEAR

	Main Unrestricted Fund £'000	Estates Restricted Fund £'000	CMC Restricted Fund £'000	Endowment Funds £'000	2020 Total £'000	2019 Total £'000
<b>INCOME</b>						
Investment income (note 3)	-	-	-	10,038	10,038	11,907
Other income	27	-	2,000	-	2,027	129
Transfer to income (note 7)	36,852	848	-	(37,700)	-	-
<b>TOTAL INCOME</b>	<b>36,879</b>	<b>848</b>	<b>2,000</b>	<b>(27,662)</b>	<b>12,065</b>	<b>12,036</b>
<b>EXPENDITURE</b> (note 4)						
Expenditure on raising funds (investment costs)	-	-	-	13,882	13,882	9,111
<b>Charitable activities</b>						
Grant-making	38,661	855	2,000	-	41,516	33,909
<b>TOTAL EXPENDITURE</b>	<b>38,661</b>	<b>855</b>	<b>2,000</b>	<b>13,882</b>	<b>55,398</b>	<b>43,020</b>
Gains on investment and currency assets (note 9)	-	-	-	153,242	153,242	142,377
<b>NET MOVEMENT IN FUNDS</b>	<b>(1,782)</b>	<b>(7)</b>	<b>-</b>	<b>111,698</b>	<b>109,909</b>	<b>111,393</b>
<b>TOTAL FUNDS BROUGHT FORWARD AT 1 JANUARY 2020</b>	<b>3,135</b>	<b>775</b>	<b>-</b>	<b>1,088,320</b>	<b>1,092,230</b>	<b>980,837</b>
<b>TOTAL FUNDS AT 31 DECEMBER 2020</b>	<b>1,353</b>	<b>768</b>	<b>-</b>	<b>1,200,018</b>	<b>1,202,139</b>	<b>1,092,230</b>

# Notes to the Accounts

## 19. BALANCE SHEET FOR PRIOR YEAR

	Main Unrestricted Fund £'000	Estates Restricted Fund £'000	CMC Restricted Fund £'000	Endowment Funds £'000	2020 Total £'000	2019 Total £'000
<b>FIXED ASSETS</b>						
Tangible Fixed Assets (note 8)	123	-	-	-	123	123
Investments (note 9)	43,307	-	-	1,200,306	1,243,613	1,126,616
Programme Related Investments (note 9)	-	-	-	16	16	16
<b>Total Fixed Assets</b>	<b>43,430</b>	<b>-</b>	<b>-</b>	<b>1,200,322</b>	<b>1,243,752</b>	<b>1,126,755</b>
<b>CURRENT ASSETS</b>						
Debtors (note 10)	780	-	1,000	592	2,372	621
Cash at bank	5,688	999	-	-	6,687	6,262
	<b>6,468</b>	<b>999</b>	<b>1,000</b>	<b>592</b>	<b>9,059</b>	<b>6,883</b>
<b>CREDITORS</b>						
Amounts falling due within one year (note 11)	(28,468)	(231)	(1,000)	(896)	(30,595)	(24,059)
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>	<b>(22,000)</b>	<b>768</b>	<b>-</b>	<b>(304)</b>	<b>(21,536)</b>	<b>(17,176)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>21,430</b>	<b>768</b>	<b>-</b>	<b>1,200,018</b>	<b>1,222,216</b>	<b>1,109,579</b>
<b>CREDITORS</b>						
Amounts falling due after one year (note 12)	(20,077)	-	-	-	(20,077)	(17,349)
<b>NET ASSETS</b>	<b>1,353</b>	<b>768</b>	<b>-</b>	<b>1,200,018</b>	<b>1,202,139</b>	<b>1,092,230</b>
<b>FUNDS</b>						
Main Endowment Fund	-	-	-	1,172,758	1,172,758	1,063,676
Estates Endowment Fund	-	-	-	27,260	27,260	24,644
Main Unrestricted Fund	1,353	-	-	-	1,353	3,135
Estates Restricted Fund	-	768	-	-	768	775
CMC Restricted Fund	-	-	-	-	-	-
<b>TOTAL FUNDS AT 31 DECEMBER 2020</b>	<b>1,353</b>	<b>768</b>	<b>-</b>	<b>1,200,018</b>	<b>1,202,139</b>	<b>1,092,230</b>