

**Report of the Trustees and
Financial Statements for the Year Ended 5 April 2023
for
Margaret Davies Charity**

**Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY**

Margaret Davies Charity
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for the Year Ended 5 April 2023

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Margaret Davies Charity
Reference and Administrative Details
for the Year Ended 5 April 2023

| | |
|--------------------------------------|---|
| TRUSTEES | D Davies Chair Dr D F Balsom Dr J D Lewis T Williams Mrs E M Gilbey |
| PRINCIPAL ADDRESS | Plas Dolerw Milford Road Newtown Powys SY16 2EH |
| REGISTERED CHARITY NUMBER | 235589 |
| AUDITORS | Morgan Griffiths LLP Chartered Accountants Statutory Auditor Cross Chambers 9 High Street Newtown Powys SY16 2NY |
| BANKERS | HSBC Bank Plc The Cross 1 Broad Street Newtown Powys SY16 2LX |
| INVESTMENT MANAGERS | Rathbones Group PLC 8 Finsbury Circus London EC2M 7AZ |

Margaret Davies Charity
Report of the Trustees
for the Year Ended 5 April 2023

The trustees present their report with the financial statements of the charity for the year ended 5 April 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Charity carries out these objectives by paying grants at the Trustee's discretion for charitable purposes to organisations which benefit the people of Wales and to other registered charities (based mainly in Wales) for the benefit of the following:

- The visual arts
- The performing arts
- Education
- Health & Social
- Provision for youth

Projects that were started by the sisters, or inspired by them, would seem especially appropriate for donations.

Grantmaking

The trustees make charitable grants to organisations which benefit the people of Wales and to other charitable organisations which are mainly Welsh.

ACHIEVEMENT AND PERFORMANCE

The charity has succeeded in awarding grants amounting to £331,794 (2022 £231,285) which have been funded from income received from investments for the year of £258,231 (2022 £220,719).

The Statement of Financial Activities shows a deficit in the net movement of funds for the year of £1,100,949 (2022 surplus £593,482), and the general fund stands at £9,279,404 (2022 £10,380,353).

The trustees have made awards of grants in the year in accordance with the objectives of the charity.

The charity's wholly owned subsidiary Welsh Town Planning & Housing Trust Ltd reported a net loss for the year of £115 (2022 £172 loss).

FINANCIAL REVIEW

Principal funding sources

The charity's main source of income is provided from income generated on its investment portfolio. Realised gains of equities sold are reinvested in equities in the investment portfolio to promote further income.

Margaret Davies Charity
Report of the Trustees
for the Year Ended 5 April 2023

FINANCIAL REVIEW

Investment policy and objectives

The objective of the Davies Charity's endowment funds is to maintain a balance between the achievement of capital appreciation and the provision of a reasonable level of income so as to maintain the real value of that income.

The trustees of the Davies Charity's endowment funds have accepted a medium to high degree of risk for their investment portfolios.

The responsibility of the day to day management of the charity's investment assets lies with the Rathbones Greenbank who have discretionary management powers with effect from 14th January 2022 under the established investment policy agreement which was established by the charity on the 8th May 2012 and updated following a review on the 16th September 2022.

The appointment of the investment manager is on a discretionary basis. Accordingly the investment manager accepts responsibility on a continuing basis for taking investment action as and when appropriate in accordance with the Investment Policy.

Reserves policy

The trustees hold the capital element of the original endowment together with the accumulation of capital gains in order to generate income to provide funds to make charitable contributions in accordance with its Trust Deed. This is considered to be necessary as the charity has no fund raising capacity.

The trustees will maintain a reserve equivalent to six months income in order to meet management and administration expenses as they arise and to be in funds to meet charitable expenditure. The trustees monitor the situation at their biannual meetings.

The level of free reserves at the year end is £9,191,992 (2022 £10,322,374).

FUTURE PLANS

The Trustees and the new Director have been working to update and modernise the Charity's policies, systems, procedures and grant-making processes, with the objective of becoming more efficient and better-targeting the most effective grantees.

The Trustees continue to meet at least three times a year to decide on grants and agree on future strategy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Margaret Davies Charity (also known as The Gwendoline and Margaret Davies Charity) was constituted by a Trust Deed in 1934 and is a registered charity.

The Trust Deed irrevocably dedicated in perpetuity for charitable purposes all investments held by or transferred to the trustees on behalf of the charity.

Recruitment and appointment of new trustees

Trustees have the power to appoint additional trustees as they consider it appropriate to do so. The charity is organised so that the trustees meet four times a year to manage its affairs, with the routine management of its affairs being dealt with by the Chairman. The period of office for trustees is open, and the Trust Deed states that the total number of trustees shall not exceed five.

Organisational structure

The organisation employs one person to carry out day to day operations, reporting to the Chairman. The key management personnel are the board of Trustees who receive no remuneration.

Induction and training of new trustees

Trustees have been chosen for their knowledge and experience of charity work over the years and through the nature of their appointments undergo continuous professional development.

Margaret Davies Charity
Report of the Trustees
for the Year Ended 5 April 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The charity has a wholly owned subsidiary, Welsh Town Planning and Housing Trust Limited. In accordance with the Charities Act requirements for groups, consolidated accounts have not been prepared because the group income is below £1,000,000.

The charity operates in the same building as another charity, The Vronhaul (Llandinam) Charity. The trustees of Margaret Davies Charity are the same as The Vronhaul (Llandinam) Charity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on 8 December 2023 and signed on its behalf by:

Daicl Davies

D Davies - Trustee

**Report of the Independent Auditors to the Trustees of
Margaret Davies Charity**

Opinion

We have audited the financial statements of Margaret Davies Charity (the 'charity') for the year ended 5 April 2023 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 5 April 2023 and of its incoming resources and application of resources, 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 Auditors' 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. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

**Report of the Independent Auditors to the Trustees of
Margaret Davies Charity**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

**Report of the Independent Auditors to the Trustees of
Margaret Davies Charity**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including relevant legislation such as the Charities Act 2011, taxation legislation, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed nominal ledgers and tested journal entries reports to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustee and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
Margaret Davies Charity**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
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8 December 2023

Margaret Davies Charity
Statement of Financial Activities
for the Year Ended 5 April 2023

| | | 5.4.23 Unrestricted fund £ | 5.4.22 Total funds £ |
|-------------------------------------|--------------|---|---|
| INCOME AND ENDOWMENTS FROM | Notes | | |
| Investment income | 2 | 258,231 | 220,719 |
| Other income | | 115 | 123 |
| Total | | 258,346 | 220,842 |
| EXPENDITURE ON | | | |
| Raising funds | | | |
| Investment management costs | 3 | 54,830 | 44,167 |
| | | 54,830 | 44,167 |
| Charitable activities | | | |
| Awarding Grants | | 364,476 | 266,425 |
| Education of the public in the Arts | | 115 | 123 |
| Total | | 419,421 | 310,715 |
| Net gains/(losses) on investments | | (939,874) | 683,355 |
| NET INCOME/(EXPENDITURE) | | (1,100,949) | 593,482 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | | 10,380,353 | 9,786,871 |
| TOTAL FUNDS CARRIED FORWARD | | 9,279,404 | 10,380,353 |

The notes form part of these financial statements

Margaret Davies Charity

Balance Sheet
5 April 2023

| | | 5.4.23 Unrestricted fund £ | 5.4.22 Total funds £ |
|--|-------|-------------------------------------|-------------------------------|
| FIXED ASSETS | Notes | | |
| Tangible assets | 8 | 905 | 1,357 |
| Investments | 9 | 86,507 | 86,622 |
| | | <u>87,412</u> | <u>87,979</u> |
| CURRENT ASSETS | | | |
| Stocks | 10 | 1,525 | 1,640 |
| Debtors | 11 | 6,836 | 105,502 |
| Investments | 12 | 9,045,772 | 9,738,672 |
| Cash at bank and in hand | | 208,513 | 550,368 |
| | | <u>9,262,646</u> | <u>10,396,182</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 13 | (70,654) | (73,808) |
| NET CURRENT ASSETS | | <u>9,191,992</u> | <u>10,322,374</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>9,279,404</u> | <u>10,410,353</u> |
| CREDITORS | | | |
| Amounts falling due after more than one year | 14 | - | (30,000) |
| NET ASSETS | | <u>9,279,404</u> | <u>10,380,353</u> |
| FUNDS | 15 | | |
| Unrestricted funds: | | | |
| General fund | | 9,279,404 | 10,380,353 |
| TOTAL FUNDS | | <u>9,279,404</u> | <u>10,380,353</u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 8 December 2023 and were signed on its behalf by:

David Davies

D Davies - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The charity has a wholly owned subsidiary, Welsh Town Planning and Housing Trust Limited. In accordance with the Charities Act requirements for groups, consolidated accounts have not been prepared because the group is small.

Income recognition

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured accurately.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants payable are payments made to third parties in furtherance of the charitable objects of the charity. Provisions for grants are made when the intention to make the grant has been agreed by the trustees at the bi annual meetings held within the financial year.

Allocation and apportionment of costs

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise of all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with support costs relating to trustee Board meetings.

All governance and support costs have been apportioned in full to grant making. There are no costs to the charity for the activity of 'Education of the public in the Arts'.

Costs of raising funds

The costs of generating funds consist of investment management fees.

Charitable activities

The expenditure on charitable activities includes grants made, governance costs and support costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 25% on cost

1. ACCOUNTING POLICIES - continued**Related party exemption**

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from tax on its charitable activities.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments**Fixed asset investments**

The investment in the subsidiary is stated at the balance sheet date at historical cost less impairment.

Current asset investments

Listed investments are stated at market value at the balance sheet date. Realised gains and losses on investments, calculated as the difference between the sales proceeds and their market value at the start of the year, or subsequent cost, are credited or charged to the SOFA in the year of gain or loss. Unrealised gains and losses representing the movement in market values during the year are credited or charged to the SOFA in the year of gain or loss. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities,

Unlisted investments are stated in the balance sheet at historical cost.

2. INVESTMENT INCOME

| | 5.4.23 | 5.4.22 |
|--------------------------|----------------|----------------|
| | £ | £ |
| Deposit account interest | 6,287 | 247 |
| Listed investments | 250,626 | 219,154 |
| Other investments | 1,318 | 1,318 |
| | <u>258,231</u> | <u>220,719</u> |

3. INVESTMENT MANAGEMENT COSTS

| | 5.4.23 | 5.4.22 |
|----------------------|---------------|---------------|
| | £ | £ |
| Portfolio management | 54,715 | 43,995 |
| Impairment losses | 115 | 172 |
| | <u>54,830</u> | <u>44,167</u> |

Margaret Davies Charity

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

4. GRANTS PAYABLE

| | 5.4.23 £ | 5.4.22 £ |
|---|----------------|----------------|
| Awarding Grants | 331,794 | 231,285 |
| The total grants paid to institutions during the year was as follows: | | |
| | 5.4.23 £ | 5.4.22 £ |
| Miscellaneous under £5,000 | 134,494 | 161,285 |
| Valley Kids | 5,000 | - |
| M.C.R.A. | - | 5,000 |
| Canolfan Gerdd William Mathias | 5,000 | - |
| Rekindle | 5,000 | - |
| Abergorki Community Hall | 5,000 | - |
| Cwmparc Community Association | - | 5,000 |
| Mid Wales Opera | 5,000 | 5,000 |
| Hope House Charity | - | 5,000 |
| Eisteddfod Genedlaethol Cymru | 10,000 | - |
| The Aloud Charity | 5,000 | - |
| Carers Trust Wales | - | 5,000 |
| Tregynon Community Centre | 5,000 | - |
| Wales Centre for International Affairs | 10,000 | - |
| Canolfan Owain Glyndwr Centre | 7,500 | - |
| Plant Dewi | 5,000 | - |
| Nightingale House Hospice | - | 5,000 |
| Wales Millenium Centre | - | 5,000 |
| St Paul's Family Centre | 5,000 | 5,000 |
| Brigend Carers | - | 5,000 |
| Support Through Courts | - | 5,000 |
| Elidyr Communities Trust | - | 5,000 |
| Awel Aman Tawe | - | 5,000 |
| UPROAR - Wales New Music Ensemble | 5,000 | 5,000 |
| Brecon Festival of Ballet | 5,000 | 5,000 |
| Speakers School | 5,000 | - |
| All Saints Church, Newtown | 5,000 | - |
| Y Neuadd Les | 10,000 | - |
| Amazing Grace | 10,000 | - |
| Community Foundation | 50,000 | - |
| Arddleen & District | 5,000 | - |
| Autistic Minds | 5,000 | - |
| Pembroke Frame | 5,000 | - |
| Mold Choir | 5,000 | - |
| Gellideg Foundation Group | 9,800 | - |
| Jon Egging Trust | 5,000 | - |
| | 331,794 | 231,285 |

Margaret Davies Charity

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

5. TRUSTEES' REMUNERATION AND BENEFITS

The trustees all give freely of their time and expertise without any form of remuneration or other benefits in kind or cash (2022: £nil).

Trustees' expenses

| | 5.4.23 | 5.4.22 |
|--------------------|------------|------------|
| | £ | £ |
| Trustees' expenses | <u>285</u> | <u>260</u> |

4 trustees were reimbursed for travel expenses in 2023 (2022 -3).

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

| | 5.4.23 | 5.4.22 |
|-----------|----------|----------|
| | | |
| Secretary | <u>1</u> | <u>1</u> |

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund £ |
|-------------------------------------|------------------------|
| INCOME AND ENDOWMENTS FROM | |
| Investment income | 220,719 |
| Other income | 123 |
| Total | <u>220,842</u> |
| EXPENDITURE ON | |
| Raising funds | |
| Investment management costs | 44,167 |
| | <u>44,167</u> |
| Charitable activities | |
| Awarding Grants | 266,425 |
| Education of the public in the Arts | 123 |
| Total | <u>310,715</u> |
| Net gains on investments | <u>683,355</u> |
| NET INCOME | 593,482 |
| RECONCILIATION OF FUNDS | |
| Total funds brought forward | 9,786,871 |

Margaret Davies Charity

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
fund
£

TOTAL FUNDS CARRIED FORWARD

10,380,353

8. TANGIBLE FIXED ASSETS

Computer
equipment
£

COST

At 6 April 2022 and 5 April 2023

1,809

DEPRECIATION

At 6 April 2022

452

Charge for year

452

At 5 April 2023

904

NET BOOK VALUE

At 5 April 2023

905

At 5 April 2022

1,357

9. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£

COST LESS IMPAIRMENT

At 6 April 2022

86,622

Impairments

(115)

At 5 April 2023

86,507

NET BOOK VALUE

At 5 April 2023

86,507

At 5 April 2022

86,622

There were no investment assets outside the UK.

Margaret Davies Charity
Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

10. STOCKS

| | 5.4.23 | 5.4.22 |
|--------|--------------|--------------|
| | £ | £ |
| Stocks | <u>1,525</u> | <u>1,640</u> |

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 5.4.23 | 5.4.22 |
|---------------|--------------|----------------|
| | £ | £ |
| Other debtors | <u>6,836</u> | <u>105,502</u> |

12. CURRENT ASSET INVESTMENTS

| | 5.4.23 | 5.4.22 |
|--------------------------------|------------------|------------------|
| | £ | £ |
| Investments | | |
| Cost or Market value at 6.4.22 | 9,738,672 | 8,360,593 |
| Additions | 3,362,934 | 6,361,696 |
| Disposals | (3,165,506) | (5,686,562) |
| Unrealised losses/gains | (890,328) | 702,945 |
| | <u>9,045,772</u> | <u>9,738,672</u> |
| Cost or Market value at 5.4.23 | | |
| | <u>9,045,772</u> | <u>9,738,672</u> |
| Historical cost | <u>9,357,294</u> | <u>9,525,472</u> |

Unlisted investments are recorded at cost because the Trustees' believe that obtaining a professional valuation of the shares would outweigh the benefit to the user of these accounts.

Analysis of investments at 5th April between funds

| | 5.4.23 | 5.4.22 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Listed investments | 6,815,368 | 8,737,811 |
| Unlisted investments | 911 | 911 |
| Fixed interest securities | 2,229,493 | 999,950 |
| | <u>9,045,772</u> | <u>9,738,672</u> |

Included in the above, investments held outside the United Kingdom for the Charity £3,466,523 (2022 £4,633,104)

Margaret Davies Charity

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 5.4.23 £ | 5.4.22 £ |
|-----------------|---------------|---------------|
| Other creditors | <u>70,654</u> | <u>73,808</u> |

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 5.4.23 £ | 5.4.22 £ |
|-----------------|-------------|---------------|
| Other creditors | <u>-</u> | <u>30,000</u> |

15. MOVEMENT IN FUNDS

| | At 6.4.22 £ | Net movement in funds £ | At 5.4.23 £ |
|---------------------------|-------------------|----------------------------------|-------------------|
| Unrestricted funds | | | |
| General fund | 10,380,353 | (1,100,949) | 9,279,404 |
| TOTAL FUNDS | <u>10,380,353</u> | <u>(1,100,949)</u> | <u>9,279,404</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 258,346 | (419,421) | (939,874) | (1,100,949) |
| TOTAL FUNDS | <u>258,346</u> | <u>(419,421)</u> | <u>(939,874)</u> | <u>(1,100,949)</u> |

Comparatives for movement in funds

| | At 6.4.21 £ | Net movement in funds £ | At 5.4.22 £ |
|---------------------------|------------------|----------------------------------|-------------------|
| Unrestricted funds | | | |
| General fund | 9,786,871 | 593,482 | 10,380,353 |
| TOTAL FUNDS | <u>9,786,871</u> | <u>593,482</u> | <u>10,380,353</u> |

Margaret Davies Charity

Notes to the Financial Statements - continued
for the Year Ended 5 April 2023

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 220,842 | (310,715) | 683,355 | 593,482 |
| TOTAL FUNDS | <u>220,842</u> | <u>(310,715)</u> | <u>683,355</u> | <u>593,482</u> |

16. RELATED PARTY DISCLOSURES

The trustees have interests in the following charities who have benefited from grants in the year.

| Organisation | Connection | 5.4.23 £ | 5.4.22 £ |
|--------------|------------------------|-------------|-------------|
| MCRA | Dr J D Lewis - trustee | 2,000 | 5,000 |

During the year the charity paid rent to MCRA amounting to £2,542 (2022 £2,542). No amount was outstanding at the year end (2022 nil).

Margaret Davies Charity
Detailed Statement of Financial Activities
for the Year Ended 5 April 2023

| | 5.4.23 £ | 5.4.22 £ |
|---|----------------|----------------|
| INCOME AND ENDOWMENTS | | |
| Investment income | | |
| Deposit account interest | 6,287 | 247 |
| Listed investments | 250,626 | 219,154 |
| Other investments | 1,318 | 1,318 |
| | <u>258,231</u> | <u>220,719</u> |
| Other income | | |
| Royalties | 115 | 123 |
| Total incoming resources | <u>258,346</u> | <u>220,842</u> |
| EXPENDITURE | | |
| Investment management costs | | |
| Portfolio management | 54,715 | 43,995 |
| Impairment losses for tangible fixed assets | 115 | 172 |
| | <u>54,830</u> | <u>44,167</u> |
| Charitable activities | | |
| Wages | 19,500 | 22,119 |
| Pensions | 540 | 315 |
| Other operating leases | 2,542 | 2,542 |
| Office costs | 2,101 | 2,985 |
| Book costs | 115 | 123 |
| Depreciation of tangible fixed assets | 452 | 452 |
| Grants to institutions | 331,794 | 231,285 |
| | <u>357,044</u> | <u>259,821</u> |
| Support costs | | |
| Management | | |
| Marketing | 1,149 | - |
| Finance | | |
| Bank charges | 90 | 20 |
| Governance costs | | |
| Trustees' expenses | 285 | 260 |
| Auditors' remuneration | 3,960 | 4,560 |
| Insurance | 1,167 | 978 |
| Accountancy and legal fees | 156 | 161 |
| Costs of meetings | 740 | 748 |
| | <u>6,308</u> | <u>6,707</u> |

This page does not form part of the statutory financial statements

Margaret Davies Charity
Detailed Statement of Financial Activities
for the Year Ended 5 April 2023

| | 5.4.23 £ | 5.4.22 £ |
|--|-------------------------|-------------------------|
| Total resources expended | <u>419,421</u> | <u>310,715</u> |
| Net expenditure before gains and losses | (161,075) | (89,873) |
| Realised recognised gains and losses | | |
| Realised gains/(losses) on investment assets | <u>(49,546)</u> | <u>(19,590)</u> |
| Net expenditure | <u>(210,621)</u> | <u>(109,463)</u> |

This page does not form part of the statutory financial statements