

CONSTANCE PATERSON CHARITABLE FOUNDATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

CONSTANCE PATERSON CHARITABLE FOUNDATION

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CONSTANCE PATERSON CHARITABLE FOUNDATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 5 APRIL 2022

The Trustee presents its annual report and financial statements of the charity for the year ended 5 April 2022. The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (effective 1 January 2019) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) - (Charities SORP(FRS102)(Second Edition)).

Reference and Administrative Details

Constitution	Constance Paterson Charitable Foundation is a registered charity governed by a Settlement Deed dated 3 August 1966 Charity Number: 249556
Registered Office	The Administrator 5th Floor, 8 St James's Square, London SW1Y 4JU
Banker	SG Kleinwort Hambros Trust Company (UK) Limited One Bank Street, Canary Wharf, London E14 4SG
Bankers and Investment Managers	Sarasin & Partners Juxon House, 100 St. Paul's Churchyard, London EC4M 8BU
Independent Examiners	Kreston Reeves LLP Samantha Rouse FCCA DChA, 37 St Margaret's Street, Canterbury, Kent CT1 2TU
Trustee Directors	SG Kleinwort Hambros Trust Company (UK) Limited Rachel Iles George Ryan David Bromley Delyth Richards

Structure, Governance and Management

The objects of the charity are to promote and support such charitable purpose or purposes, and such charitable organisation or organisations (being purposes and organisations which are exclusively charitable according to the law of England) as the Trustee shall from time to time in its discretion decide.

The foundation was established by Miss Constance Anna Paterson by a Deed of Trust dated 3rd August 1996. Upon the death of the settlor in 1986 the assets of her estate passed to the foundation. The Trust fund is held to benefit such charitable purposes as the Trustee in its absolute discretion think fit, although during her lifetime Miss Paterson gave the Trustee guidelines as to how she would like to see such discretion exercised. The Trustee seeks to make these distributions once a year.

Grant making policy

The Trustee's current policy is to consider all written appeals received, but only successful applicants are notified of the Trustee's decision. The Trust fund is held to benefit such charitable purposes as the Trustee in its absolute discretion think fit, with particular emphasis on charities in South East Scotland, the aged particularly those housing vulnerable older people, children, health, health in developing countries and animal welfare. The Trustee's will make donations once a year. Applications will not be acknowledged.

CONSTANCE PATERSON CHARITABLE FOUNDATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 5 APRIL 2022

The Trustee's review the selected charities, and consider new appeals received at their annual Trustee meeting, normally held in July.

Appointment of Trustee's and charity organisation

The charity is managed and administered by the corporate Trustee, SG Kleinwort Hambros Trust Company (UK) Limited, which was appointed under the terms of the Trust Deed.

Financial review and investment policy

The financial statements cover all the activities of the charity during the year. Gross income totalled £48,733.08 (£52,733.02 in 2021). Under the governing document, there are no restrictions on the charity's power to invest. The overall investment policy is to achieve long term capital growth in real terms. The unrestricted funds at 5 April 2022 was £1,799,922.74 (£1,764,832.36 in 2021).

The financial statements show the investments at market value. In the year ended 5 April 2022 the unrealised gain amounted to £44,437.00 (Gain of £340,532.40 in 2021).

Review of the activities and future developments

The Trustee is satisfied with the financial position of the charity and confirms that it has adequate assets available to fulfil its obligations. There are no plans to alter the charity's activities next year.

Charity's public benefit

The Trustee has ensured that all activities throughout the period have been for the public benefit. This is evidenced by the contributions made to individuals and institutions totalling £48,000.00 (£87,500.00 in 2021).

The Trustee confirms that it has 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.

Reserves policy

It is the Trustee's intention to maintain an unrestricted fund at least equivalent to the historic cost of investments, together with a small cash balance of income, partly to offset any fluctuation in investment income in future periods and to enable them to continue their policy of responding quickly to appeals for significant support where appropriate, the timing of which is unpredictable.

All funds are held on an unrestricted basis. It is the policy of the Trustee to donate all income to further the objects of the trust.

Risk Management

The Trustee's are aware of the major strategic, business and operational risks to which the charity is exposed and these are reviewed regularly. The Trustee is satisfied that adequate procedures are in place to mitigate exposure to these risks, although it is recognised that systems can only provide reasonable, not absolute, assurance. They have identified the following risks:

Risk identified

- Investments will drop in value
- Donations will not be spent as the Trustee would like

Action taken to mitigate the risk

- Trustee has appointed a professional firm to manage the investments.
- Trustee actively reviews the donations and ask for updates and reports

CONSTANCE PATERSON CHARITABLE FOUNDATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 5 APRIL 2022

Going Concern

The Trustee is of the opinion that the charity has adequate resources to continue in operational existence for the foreseeable future.

Fundraising

The Trust does not undertake any fundraising activities.


Trustee's responsibilities in relation to the financial statements

The Trustee is responsible for preparing a Trustee's Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


It is a requirement for the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust as at the balance sheet date and of its income and expenditure for the financial year. In preparing those financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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



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Scott RICE
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SG Kleinwort Hambros Trust Company (UK) Limited

Date

CONSTANCE PATERSON CHARITABLE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

I report on the financial statements of the charity for the year ended 5 April 2022 which are set out on pages 5 to 11.

Respective responsibilities of Trustee and Examiner

The Trustee is responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act").

I report in respect of my examination of the Trust's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

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

- 1) accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Samantha Rouse FCCA DChA
Chartered Certified Accountant

Date 31 January 2023

KRESTON REEVES LLP
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

CONSTANCE PATERSON CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2022

	Note	2022 Unrestricted Fund £	2021 Unrestricted Fund £
Income from:			
Investment Income	2	48,733.08	52,733.02
Total Income		£48,733.08	£52,733.02
Expenditure on:			
Charitable Activities	3	48,000.00	87,500.00
Governance costs	4	10,079.70	6,957.66
Total Expenditure		£58,079.70	£94,457.66
Net Expenditure Before Gains and Losses on Investments		(£9,346.62)	(£41,724.64)
Net (Losses)/Gains on Investments	5		
Realised		-	-
Unrealised		44,437.00	340,532.40
		<u>44,437.00</u>	<u>340,532.40</u>
Net Movement in Funds in the Year		£35,090.38	£298,807.76
Funds			
At 5 April 2021		1,764,832.36	1,466,024.60
Net Movement of Resources in the Year		<u>35,090.38</u>	<u>298,807.76</u>
At 5 April 2022		<u>£1,799,922.74</u>	<u>£1,764,832.36</u>

CONSTANCE PATERSON CHARITABLE FOUNDATION

BALANCE SHEET AS AT 5 APRIL 2022

	Note	£	2022 £	£	2021 £
Fixed Assets					
Investments	5		1,805,714.00		1,761,277.00
Current Assets					
Cash		54,457.74		96,278.36	
		<u>54,457.74</u>		<u>96,278.36</u>	
Current Liabilities					
Creditors, amounts falling due within one year	6	60,249.00		92,723.00	
		<u>60,249.00</u>		<u>92,723.00</u>	
Net Current Assets			(5,791.26)		3,555.36
Assets less Current Liabilities			<u>£1,799,922.74</u>		<u>£1,764,832.36</u>
Funds					
Unrestricted Fund	7		<u>£1,799,922.74</u>		<u>£1,764,832.36</u>

The financial statements were approved by the Trustee on 2023

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SG Kleinwort Hambros Trust Company (UK) Limited

CONSTANCE PATERSON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

1 Accounting Policies

These financial statements have been prepared in accordance with the particular accounting policies described below.

Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (effective 1 January 2019) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP(FRS102) (Second Edition)).

The Constance Paterson Charitable Foundation meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The presentation currency of these financial statements is Pounds Sterling.

Going Concern

The Trustee is of the opinion that the charity has adequate resources to continue in operational existence for the foreseeable future.

Basis of Accounting

Income recognition

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income tax recoverable in relation to investment income is recognised at the time investment income is receivable.

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

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Fund Structure

Income funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

CONSTANCE PATERSON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

Investments

Listed investments are included in the financial statements at mid-market value at the balance sheet date. Unlisted investments are included in the balance sheet at their historical cost less any amounts written off. Investments include cash held for investment purposes.

Debtors

Other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash and cash equivalents

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

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Exchange gains and losses arising on transactions in the year are recognised in the Statement of Financial Activities.

Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the Trustee's best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The Trustee does not consider there to be any material estimates and judgements.

Creditors and provisions

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

CONSTANCE PATERSON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

2 Investment Income	2022	2021
	£	£
Income from UK Listed Securities	48,732.03	52,731.32
Interest Received	1.05	1.70
	<u>£48,733.08</u>	<u>£52,733.02</u>
3 Charitable Activities	2022	2021
	£	£
Age UK	4,000.00	2,500.00
Amelia-Mae Foundation	-	2,500.00
Barnardos	4,000.00	-
Bliss	-	2,500.00
British Tinnitus Association	-	2,500.00
Cobalt	-	2,500.00
Cats Protection	4,000.00	2,500.00
Children's Adventure Farm	-	2,500.00
Deptford Park School	-	2,500.00
Douglas Bader Fund	-	2,500.00
Ellenor Hospice	4,000.00	-
Freedom from Torture	-	2,500.00
Friends of Ashton	4,000.00	-
Friends of the Elderly	4,000.00	2,500.00
Grandparents Plus	-	2,500.00
Guide Dogs	-	2,500.00
Heart & Minds	-	2,500.00
Hourglass	-	2,500.00
KIDS	-	2,500.00
Leukaemia & Myeloma Research UK	-	2,500.00
Lothian Centre of Inclusive Living	4,000.00	-
Lupus UK	-	2,500.00
MACS	-	2,500.00
Motorneurone Disease	-	2,500.00
MS Therapy Centre Lothian	-	2,500.00
Muscular Dystrophy UK	-	2,500.00
Music in Hospital & Care	-	2,500.00
Noahs Ark Childrens Hospice	-	2,500.00
Orchid Fighting Male Cancer	-	2,500.00
Ovacome	-	2,500.00
Oxfam	4,000.00	-
Carried Forward	<u>32,000.00</u>	<u>65,000.00</u>

CONSTANCE PATERSON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

Brought Forward	32,000.00	65,000.00
PBC Foundation	-	2,500.00
PDSA	-	2,500.00
Prevent Breast Cancer	-	2,500.00
RSPCA	4,000.00	2,500.00
RVC Animal Care Trust	-	2,500.00
Save the Children	4,000.00	-
Siblings Together	-	2,500.00
St Clare Hospice	4,000.00	-
Stirling Carers Centre	-	2,500.00
Support Dogs	-	2,500.00
The Teapot Trust	-	2,500.00
Unicef	4,000.00	-
Governance Costs (Note 4)	10,079.70	6,957.66
	<u>£58,079.70</u>	<u>£94,457.66</u>

4 Governance Costs	2022	2021
	£	£
SG Kleinwort Hambros Trust Company (UK) Limited Fees	8,267.70	5,799.66
Independent Examiner's Fees	1,800.00	1,158.00
Prior Year Independent Examiner's Fee Adjustment	12.00	-
	<u>£10,079.70</u>	<u>£6,957.66</u>

5 Investments listed on a recognised Stock Exchange	2022	2021
	£	£
Market Value Brought Forward	1,761,167.10	1,420,634.70
Unrealised Gain	44,437.00	340,532.40
Market Value	1,805,604.10	1,761,167.10
Cash on:		
Sarasins	109.90	109.90
Total Investments	<u>£1,805,714.00</u>	<u>£1,761,277.00</u>

CONSTANCE PATERSON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

6 Creditors, amounts falling due within one year	2022	2021
	£	£
SG Kleinwort Hambros Trust Company (UK) Limited Fees	2,949.00	2,949.00
Independent Examiner's Fees	1,800.00	2,274.00
Grants Payable	55,500.00	87,500.00
	<hr/>	<hr/>
	£60,249.00	£92,723.00
	<hr/>	<hr/>
The grants payable:		
Grants payable brought forward	87,500.00	-
Grants agreed in the year	48,000.00	87,500.00
Grants paid	(80,000.00)	-
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Grants payable carried forward	55,500.00	87,500.00
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7 Unrestricted Funds

The income funds of the charity will be allocated by the Trustee towards charities and charitable activities, as set out in the Trustee's Report attached to these financial statements.

8 Related party transactions and trustees' expenses and remuneration

Remuneration of £8,267.70 (£5,799.66 in 2021) was paid to SG Kleinwort Hambros Trust Company (UK) Limited for its services as corporate Trustee.

There were no other related party transactions during the year.