

DEVONPORT CHARITABLE TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

DEVONPORT CHARITABLE TRUST

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DEVONPORT CHARITABLE TRUST

**TRUSTEES
FOR THE YEAR ENDED 5 APRIL 2021**

Trustees

The Rt Hon Terence Third Viscount Devonport
Mr David Andrew Gray
The Rt Hon Doctor Meiyi Pu Viscountess Devonport

DEVONPORT CHARITABLE TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY AND ADVISERS
FOR THE YEAR ENDED 5 APRIL 2021**

Charity registered number

252848

Principal office

Ray Estate
Lynnheads Barn
West Woodburn
Hexham
Northumberland
NE48 2TU

Accountant

Ryecroft Glenton
Chartered Accountants
32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

Investment managers

Smith & Williamson Investment Management
25 Moorgate
London
EC2R 6AY

DEVONPORT CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their annual report together with the financial statements of the Devenport Charitable Trust for the year ended 5 April 2021.

Objectives and Activities

● POLICIES AND OBJECTIVES

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities.

The principal object of the charity is to make gifts for such charitable objects or purposes as the Trustees or a majority of them shall from time to time in their absolute discretion determine.

● GRANT MAKING POLICIES

Grants are awarded from time to time at the absolute discretion of the trustees.

● MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

The main activity is to make discretionary grant payments from time to time to institutions which will benefit the general public in due course.

Achievements and performance

● KEY FINANCIAL PERFORMANCE INDICATORS

The key financial performance indicator is to increase the capital base of the investments and generate sufficient income to make discretionary grant payments from time to time.

● REVIEW OF ACTIVITIES

The Trustees have made donations totalling £7,920 (17 grants) during the year (2020: £1,980 (4 grants)).

The charity has made a surplus for the year of £27,343 before investment gains (2020: surplus of £91,793). After accounting for investment gains of £63,099 (2020: investment losses of £34,311) a surplus of £90,442 (2020: surplus of £57,482) was made in the year.

● INVESTMENT POLICY AND PERFORMANCE

The Trustees have agreed a policy for investing funds enabling them to maintain a strategic reserve of funds while providing funding for the expenditure of the charity and have given investment managers discretion to manage the portfolio within an agreed risk profile.

DEVONPORT CHARITABLE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 5 APRIL 2021

Financial review

- **GOING CONCERN**

After making appropriate enquiries and considering the possible consequences of the COVID-19 pandemic as it might affect the charitable company the Trustees have concluded that they have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

- **RESERVES POLICY**

The Trustees believe that sufficient reserves must be held to enable larger donations to be made available as and when they are requested and, because the charity receives income from donations which are not received evenly throughout and between years, look to make donations out of income previously received. The charity aim to hold sufficient reserves to enable them to pay grants for the forthcoming 12 months.

Structure, governance and management

- **CONSTITUTION**

The charity was created by a trust deed dated 16 March 1967.

- **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The trust deed provided that the Trustees were appointed by the founder during his lifetime. New Trustees are now appointed by the existing Trustees.

- **POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

There are no formal procedures for the induction and training of Trustees. Senior Trustees ensure, on an informal basis, that new Trustees are given adequate information to ensure that they have knowledge of the charity and their role.

- **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Trustees have absolute discretion for dealing in and disposing of investments as they think fit to the extent that the Trustees shall have the same unrestricted powers of investing, varying and transposing investments as if they were the beneficial owners of the monies in the charity.

- **RISK MANAGEMENT**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate any exposure to the major risks.

DEVONPORT CHARITABLE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 5 APRIL 2021

● PRINCIPAL ACTIVITIES

The charity is a grant making organisation with income derived from investment income and donations received.

TRUSTEES' RESPONSIBILITIES STATEMENT

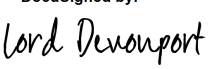
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & 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 accounting 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 operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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.

This report was approved by the Trustees, on 20 December 2021 and signed on their behalf by:

DocuSigned by:

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**The Rt Hon Terence Third Viscount Devonport
Trustee**

DEVONPORT CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 5 APRIL 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF DEVONPORT CHARITABLE TRUST (the 'charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 5 April 2021.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the charity you are 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 charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the 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.

Signed:



Dated: 20 December 2021

Simon Whiteside FCA

Ryecroft Glenton
32 Portland Terrace
Newcastle Upon Tyne, NE2 1QP

DEVONPORT CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2021

	Note	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	-	36,000	160	36,160	94,571
Investments	3	-	-	4,138	4,138	3,728
Other income	4	-	-	-	-	50
TOTAL INCOME AND ENDOWMENTS		-	36,000	4,298	40,298	98,349
EXPENDITURE ON:						
Charitable activities	6	3,027	-	9,928	12,955	6,556
TOTAL EXPENDITURE	5	3,027	-	9,928	12,955	6,556
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)						
		(3,027)	36,000	(5,630)	27,343	91,793
Net gains/(losses) on investments	8	63,099	-	-	63,099	(34,311)
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		60,072	36,000	(5,630)	90,442	57,482
NET MOVEMENT IN FUNDS		60,072	36,000	(5,630)	90,442	57,482
RECONCILIATION OF FUNDS:						
Total funds brought forward		112,762	-	100,809	213,571	156,089
TOTAL FUNDS CARRIED FORWARD		172,834	36,000	95,179	304,013	213,571

The notes on pages 9 to 16 form part of these financial statements.

DEVONPORT CHARITABLE TRUST

**BALANCE SHEET
AS AT 5 APRIL 2021**

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Investments	8		259,832		199,093
CURRENT ASSETS					
Debtors	9	2,646		2,646	
Cash at bank and in hand		46,914		14,370	
			49,560	17,016	
CREDITORS: amounts falling due within one year	10	(5,379)		(2,538)	
NET CURRENT ASSETS			44,181		14,478
NET ASSETS			304,013		213,571
CHARITY FUNDS					
Endowment funds	11		172,834		112,762
Restricted funds	11		36,000		-
Unrestricted funds	11		95,179		100,809
TOTAL FUNDS			304,013		213,571

The financial statements were approved by the Trustees on 20 December 2021 and signed on their behalf, by:

DocuSigned by:

Lord Devonport

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The Rt Hon Terence Third Viscount Devonport

The notes on pages 9 to 16 form part of these financial statements.

DEVONPORT CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with 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 (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Devonport Charitable Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.3 Income

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

DEVONPORT CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

1. ACCOUNTING POLICIES (continued)**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

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.

All expenditure is inclusive of irrecoverable VAT.

1.5 Fund accounting

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

Investment income, gains and losses are allocated to the appropriate fund.

1.6 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Interest 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.

1.8 Debtors

Other debtors are recognised at the settlement amount.

1.9 Cash at Bank and in hand

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 account.

DEVONPORT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donation - restricted	36,000	-	36,000	-
Donation - unrestricted	-	160	160	-
Distribution from Devonport Pensions Trust	-	-	-	91,925
Tax repayable	-	-	-	2,646
Total donations and legacies	36,000	160	36,160	94,571
Total 2020	-	94,571	94,571	

3. INVESTMENT INCOME

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other interest	-	2	2	24
Property income distributions	-	357	357	338
UK dividends	-	2,062	2,062	1,779
Fixed interest	-	9	9	8
Unit trust interest	-	561	561	453
Overseas income	-	1,147	1,147	1,126
	-	4,138	4,138	3,728
Total 2020	-	3,728	3,728	

4. OTHER INCOMING RESOURCES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Miscellaneous income	-	-	-	50
	-	-	-	50
Total 2020	-	50	50	

DEVONPORT CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Other costs 2021 £	Total 2021 £	Total 2020 £
Grants payable	7,920	7,920	1,980
Support costs - governance	5,035	5,035	4,576
	<u>12,955</u>	<u>12,955</u>	<u>6,556</u>
<i>Total 2020</i>	<u>6,556</u>	<u>6,556</u>	

Grants paid

	2021 £	2020 £
3H Fund	500	-
British Forces Foundation	500	-
Countryside Alliance Foundation	320	-
County Durham Community Fund	500	-
Crisis	500	-
Design for Disabled People	500	-
Guide Dogs Association	200	-
Gurka Welfare Trust	300	-
Lennox Children's Cancer Fund	500	-
Martin House	500	-
Myaware	500	-
Song Birds Survival	500	-
Speak Suicide Prevention	500	-
St Catherine's Hospice Limited	100	-
The Suicide Prevention Charity	500	-
World Cancer Research Fund	500	-
ZANE	1,000	-
Interact Stroke Support	-	480
Northumberland Wildlife Trust	-	500
Royal Forestry Society	-	500
Worldwide Cancer Research	-	500
Total	<u>7,920</u>	<u>1,980</u>

DEVONPORT CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

6. SUPPORT COSTS - GOVERNANCE

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Accountancy	1,310	-	1,310	2,620	2,730
Investment management fees	1,535	-	511	2,046	1,769
LEI fees	72	-	-	72	72
Bank charges	-	-	76	76	5
Accountancy under- provision	20	-	21	41	-
RG - Additional accountancy work	90	-	90	180	-
	<u>3,027</u>	<u>-</u>	<u>2,008</u>	<u>5,035</u>	<u>4,576</u>

7. NET INCOME/(EXPENDITURE)

During the year, no Trustees received any remuneration (2020 - £NIL).

During the year, no Trustees received any benefits in kind (2020 - £NIL).

During the year, no Trustees received reimbursement of expenses (2020 - £Nil).

8. FIXED ASSET INVESTMENTS

	Listed securities £
Market value	
At 6 April 2020	199,093
Additions	21,382
Disposals	(23,742)
Revaluations	63,099
	<u>259,832</u>
At 5 April 2021	<u>259,832</u>
Historical cost	<u>201,229</u>

Investments at market value comprise:

	2021 £	2020 £
Listed investments	<u>259,832</u>	<u>199,093</u>

All the fixed asset investments are held in the UK

DEVONPORT CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

8. FIXED ASSET INVESTMENTS (continued)
Material investments - representing more than 5% of the portfolio valuation

	5 April 2021 £	5 April 2020 £
Vanguard S & P 500	17,842	12,539
Fundsmith Equity income	17,794	19,189
Franklin Templeton	16,382	-
Sanlam Artificial Intelligence	15,124	-
JPM UK Equity Core	14,595	11,143
Blackrock Corporate Bonds	-	11,869
Artemis Corporate Bond	-	11,468
Polar Capital Technology Trust	-	11,055
	81,737	77,263

9. DEBTORS

	2021 £	2020 £
Tax repayable	2,646	2,646

10. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Accountancy	5,379	2,538

DEVONPORT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

11. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
Unrestricted funds					
General Funds	100,809	4,298	(9,928)	-	95,179
Endowment funds					
Endowment Funds	112,762	-	(3,027)	63,099	172,834
Restricted funds					
Restricted Funds	-	36,000	-	-	36,000
Total of funds	213,571	40,298	(12,955)	63,099	304,013

The restricted funds relate to a donation received from Millhouse Pension Scheme with the funds strictly to be used for the purpose of the Elizabeth Landmark Project.

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 6 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2020 £
General Funds	6,252	98,349	(3,792)	-	100,809
Endowment Funds	149,837	-	(2,764)	(34,311)	112,762
Restricted funds					
Total of funds	156,089	98,349	(6,556)	(34,311)	213,571

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
General funds	100,809	4,298	(9,928)	-	95,179
Endowment funds	112,762	-	(3,027)	63,099	172,834
Restricted funds	-	36,000	-	-	36,000
	213,571	40,298	(12,955)	63,099	304,013

DEVONPORT CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

11. STATEMENT OF FUNDS (continued)
SUMMARY OF FUNDS - PRIOR YEAR

	<i>Balance at 6 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 5 April 2020</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
General funds	6,252	98,349	(3,792)	-	100,809
Endowment funds	149,837	-	(2,764)	(34,311)	112,762
	<u>156,089</u>	<u>98,349</u>	<u>(6,556)</u>	<u>(34,311)</u>	<u>213,571</u>

12. RELATED PARTY TRANSACTIONS

There are no related party transactions to disclose.