

Stonyhurst Charitable Fund

REPORT AND ACCOUNTS

For the year ended

31 August 2020

Stonyhurst Charitable Fund

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Stonyhurst Charitable Fund

INFORMATION

TRUSTEE

Sole Corporate Trustee – Stonyhurst: a company limited by guarantee. Registered in England, Company No. 06632303. Registered Charity No. 1127929

SECRETARY

S P Marsden

AUDITORS

RSM UK Audit LLP
3 Hardman Street
Manchester
M3 3HF

BANKERS

HSBC Plc
69 Pall Mall
London
SW1Y 5EY

ADDRESS

The Stonyhurst Charitable Fund
Stonyhurst
Clitheroe
Lancashire
BB7 9PZ

Charity Number 265478

Stonyhurst Charitable Fund

TRUSTEE'S REPORT

for the year ended 31 August 2020

The Trustee has pleasure in presenting its report together with the audited accounts for the year ended 31 August 2020. The financial statements have been prepared in accordance with the accounting policies set out on pages 10 and 11 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and the Charities SORP (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Fund is an unincorporated charity, constituted under a trust deed dated 6 March 1973 and is a registered charity, number 265478. The Trustee, principal address and particulars of the Fund's advisors are given on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

With effect from 1st September 2009 Stonyhurst, a company limited by guarantee and a registered charity, was appointed as the sole Corporate Trustee. The investments are monitored by an investment sub-committee of 'Stonyhurst' who report directly to the Finance Governors of 'Stonyhurst'.

At the Finance meetings, the Governors agree the broad strategy and areas of activity for the Fund, including consideration of grant making, investment, reserves, risk management, policies and performance. The investment managers are invited regularly to the meetings. The day to day administration of the fund is delegated to the Secretary (per page 1), acting in consultation with the Chairman of Governors of Stonyhurst.

All Governors give their time freely and no trustee remuneration was paid in the year. The Stonyhurst Governors are provided with induction training by the Head, Bursar and staff and a wider programme of training events is organised by Stonyhurst College. The Details of Governor expenses and related party transactions are disclosed in note 12 to the accounts.

RISK MANAGEMENT

The Trustee has considered the major risks to which the charity is exposed and has reviewed those risks and established systems and procedures to manage those risks and is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

The objects of the Fund are the promotion of the charitable work carried on or promoted or supported by the Society of Jesus wheresoever and whatsoever with priority for the maintenance and support of "Stonyhurst", Lancashire, so long as it exists as an independent Roman Catholic school.

The aims of the Fund are to provide bursary funds for the benefit of pupils attending Stonyhurst College and its preparatory school, St Mary's Hall and the provision of funds for buildings on the Stonyhurst campus.

For the year ended 31 August 2020, the value of grants made to "Stonyhurst" out of funds was £11,725,600 (2019: £246,245). The Trustees agreed that all investments are now under the stewardship of Stonyhurst and are unrestricted. The Fund continues to exist under its current aims and objectives, with investments of £5,580 as at 31st August 2020.

Grant making policy

The charity provides grants to Stonyhurst under the Governance of the Stonyhurst Trustees.

Statement on Public Benefit

The Trustee has considered whether the Fund meets the public benefit requirements as set out in Charity Commission guidance. As the Fund only makes grants to the College, the opinion of Trustee was that if the College is deemed to be meeting the Charity Commission's public benefit tests then the Fund would also be deemed to be meeting its obligations. Through its fundraising activities, particularly for the support of bursaries, the Fund is assisting the College to provide additional funding support for parents unable to afford the fees.

Stonyhurst Charitable Fund

TRUSTEE'S REPORT

for the year ended 31 August 2020

REVIEW OF THE ACHIEVEMENTS AND FINANCIAL PERFORMANCE

The main achievement of the year was the transfer of grants to "Stonyhurst" totalling £11,725,600 (2019: £246,245). In making such grants, the fund is reliant on the income from its investments in securities. This income was supplemented by £Nil (2019: £Nil) from donations in the accounting period. It is the Trustee's intention to maintain the level of investments at the 31st August 20 year end value.

There was a net loss on investments of £556,209 (2019: £428,884). Investments have been transferred to Stonyhurst during the year.

The accounts show a net decrease in funds of £12,102,582 (2019: 544,551). The retained funds have been transferred over to Stonyhurst as approved by the sole corporate Trustee, Stonyhurst.

Principal funding sources

The principal funding sources include dividend income and donations.

Reserves policy

Details of the charity's funds are shown in note 9, including an analysis of the net assets between the funds within note 8. The charity's assets are available and adequate to fulfil its obligations.

Due to the nature of the charity's objects, there is little requirement to maintain 'free' reserves.

Investment policy and performance

The investment powers of the Trustee are unrestricted. The investment portfolio is managed by independent fund managers who are required under the terms of their appointments to submit quarterly reports to the Trustee.

The Trustee has considered the most appropriate policy for investing funds commensurate with an acceptable level of risk and have decided to allow the fund managers to identify the best investment opportunities in order to generate both income and capital growth. The trustee considers the return on investments to be reasonable considering the state of the stock market over the year.

PLANS FOR FUTURE PERIODS

As included in Note 13, post year end, the majority of investment assets of the charity were transferred to the parent company and sole Trustee, Stonyhurst College. A nominal sum of £5k has been retained within investments of the charity.

The Trustee who was in office on the date of approval of these financial statements has confirmed, as far as he is aware, that there is no relevant audit information of which the auditors are unaware. The Trustee has confirmed that he has taken all the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITORS

The Trustee seeks to re-appoint RSM UK Audit LLP as auditor at the meeting at which the accounts were approved.

Signed on behalf of the Trustee



Mr A Chitnis
Chairman of Trustees
Stonyhurst
Clitheroe
Lancashire BB7 9PZ

Date: 23 August 2021

Stonyhurst Charitable Fund

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

for the year ended 31 August 2020

The Trustee is responsible for preparing the Trustee's 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 Trustee 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 Trustee is required to:

- select suitable accounting policies, and apply those policies consistently;
- observe the methods and principles in the Charities SORP;
- make adjustments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and:
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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.

The Trustee is responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Stonyhurst Charitable Fund

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF STONYHURST CHARITABLE FUND

for the year ended 31 August 2020

Opinion

We have audited the financial statements of Stonyhurst Charitable Fund (the 'charity') for the year ended 31 August 2020 which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), 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, including FRS 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 August 2020 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 have been appointed as auditors under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's 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, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Stonyhurst Charitable Fund

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF STONYHURST CHARITABLE FUND

for the year ended 31 August 2020

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 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 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 4, the trustee is 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 trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 trustee as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

Date: 24 August 2021

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Stonyhurst Charitable Fund

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 August 2020

		Unrestricted Funds year ended 31 August 2020	Unrestricted Funds year ended 31 August 2019
	Note	£	£
<i>INCOME AND ENDOWMENTS</i>			
<i>INVESTMENT INCOME</i>			
Dividend income	(1)	211,232	423,222
TOTAL INCOME		<u>211,232</u>	<u>423,222</u>
<i>EXPENDITURE</i>			
<i>COST OF RAISING FUNDS</i>			
Investment management fees	(3)	(32,005)	(61,310)
		<u>(32,005)</u>	<u>(61,310)</u>
<i>CHARITABLE ACTIVITIES</i>			
Grants to Stonyhurst College	(2)	(12,270,151)	(246,245)
TOTAL EXPENDITURE	(4)	<u>(12,090,924)</u>	<u>(307,555)</u>
Net gains on investment assets	(5)	<u>(556,209)</u>	<u>428,884</u>
NET MOVEMENT IN FUNDS		(12,647,133)	544,551
<i>RECONCILIATION OF FUNDS</i>			
Total funds brought forward	(9)	12,652,713	12,108,162
TOTAL FUNDS CARRIED FORWARD	(9)	<u><u>5,580</u></u>	<u><u>12,652,713</u></u>

The net movement in funds results from the charity's continuing activities.

The accounting policies and notes on pages 10 to 14 form part of these accounts.

Stonyhurst Charitable Fund

BALANCE SHEET

As at 31 August 2020

		31 August 2020	31 August 2019
	Note	£	£
INVESTMENTS			
Quoted investments	(6)	5,580	12,482,475
Short-term deposits	(7)	-	170,238
		<hr/>	<hr/>
		5,580	12,652,713
		<hr/>	<hr/>
FUNDS			
Unrestricted funds	(9)	5,580	12,652,713
		<hr/>	<hr/>

These accounts were approved on behalf of the Trustee and authorised for issue on 23rd August 2021 and signed on its behalf by



Mr A Chitnis
Chairman of Trustees



Mr S P Marsden
Bursar and Clerk to the Trustees

The accounting policies and notes on pages 10 to 14 form part of these accounts.

Stonyhurst Charitable Fund

CASH FLOW STATEMENT

for the year ended 31 August 2020

	£	2020 £	£	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES (note 10)		(12,302,156)		(307,555)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net (purchases)/receipts from sales of investments	12,090,924		(224,978)	
		12,090,924		(224,978)
NET CASH FROM/USED IN INVESTING ACTIVITIES				
CASH FLOWS FROM FINANCING ACTIVITIES				
Unrestricted dividends received	211,232		423,222	
NET CASH USED IN FINANCING ACTIVITIES		211,232		423,222
MANAGEMENT OF LIQUID RESOURCES				
Increase in short-term deposits		-		109,311
MOVEMENT IN CASH		-		-
Cash and cash equivalents at the beginning of the year		-		-
Cash and cash equivalents at the end of the year		-		-
Represented by:				
Cash at bank and at hand		-		-

Further details are given in Note 10.

The accounting policies and notes on pages 10 to 14 form part of these accounts.

Stonyhurst Charitable Fund

ACCOUNTING POLICIES

Year ended 31 August 2020

BASIS OF ACCOUNTING

The accounts are prepared under the Charities Act 2011 on the historical cost convention as modified by the adoption of fair value for investment assets and in accordance with applicable accounting standards. The accounts (financial statements) have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities SORP (FRS102), the Charities Act 2011 and UK Generally Accepted Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS 102.

GOING CONCERN

After the year end, the investments of the charity were transferred to the parent company and sole Trustee, Stonyhurst College. A nominal sum of £5k was retained within investments of the charity.

Notwithstanding, the Trustee has considered the likely level of income and expenditure for the foreseeable future. Grants are awarded to Stonyhurst College only when sufficient funds are available. The Trustee is satisfied that the charity can meet its obligations as and when they fall due.

Accordingly, the going concern basis of preparation is appropriate for these financial statements.

INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

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. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

INCOME

- Interest and Dividends are credited gross to the Statement of Financial Activities when received.
- Subscriptions to the Appeals are credited to the Statement of Financial Activities when received.
- Income Tax deducted from subscriptions to Appeals made under deed of covenant is credited to the Statement of Financial Activities on an accruals basis.
- Interest on cash and bank balances is credited to the Statement of Financial Activities on an accruals basis.

DONATIONS, LEGACIES AND BEQUESTS

Donation, legacies and bequests are credited to the Statement of Financial Activities when received.

EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure on charitable activities represents grants payable to Stonyhurst. Costs of generating funds represent investment manager fees and bank interest charges. These are recognised on an accruals basis as the liability is incurred.

Stonyhurst Charitable Fund

ACCOUNTING POLICIES

Year ended 31 August 2020

GRANTS PAYABLE

Grants paid during the year have been to Stonyhurst College.

FUND ACCOUNTING

The Fund has unrestricted funds only, which may be used for the general purposes of the charity.

LIABILITIES

Provisions for liabilities are recognised when the charity has a present legal or constructive obligation as a result of a past event and it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Stonyhurst Charitable Fund

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

1	DIVIDEND INCOME	2020 £	2019 £
	From Quoted Investments:		
	United Kingdom	211,232	423,222
	Overseas	-	-
		<u>211,232</u>	<u>423,222</u>

2	DIRECT CHARITABLE EXPENDITURE	2020 £	2019 £
	Grants to Stonyhurst College:		
	Bursaries	-	246,245
	Transfer of SCF to Stonyhurst	12,270,151	-
		<u>12,270,151</u>	<u>246,245</u>

All grants have been paid to Stonyhurst College from separate individual funds as detailed above.

3	INVESTMENT MANAGEMENT FEES	2020 £	2019 £
	Investment management fees	32,005	61,310

4	TOTAL RESOURCES EXPENDED	Staff Costs £	Depreciation £	Other £	Total 2020 £
	Costs of raising funds				
	Investment management	-	-	32,005	32,005
	Bank interest payable and charges	-	-	-	-
		<u>-</u>	<u>-</u>	<u>32,005</u>	<u>32,005</u>
	Charitable activities				
	Direct charitable expenditure	-	-	12,270,151	12,270,151
		<u>-</u>	<u>-</u>	<u>12,302,156</u>	<u>12,302,156</u>

The average number employed during the year was nil (2019: nil). The Stonyhurst College finance office prepares the statutory and management accounts for the Stonyhurst Charitable Fund. The audit fees are borne by Stonyhurst on behalf of Stonyhurst Charitable Fund and amount to £3,000 (2019: £3,925).

Travel, mileage and accommodation expenses are reimbursed to all the Governors as incurred. The total amount reimbursed in the year was £nil (2019: £nil).

Neither the Trustee, nor any person connected with them have received any remuneration (2019: £nil).

Stonyhurst Charitable Fund

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

5	VALUE OF INVESTMENTS	2020 £	2019 £
	Total gains/(loss) on quoted investments	(556,209)	428,884
	Total increase in market value	<u>(556,209)</u>	<u>428,884</u>

6 QUOTED INVESTMENTS

All listed investments relate to direct investment in listed securities. No single listed investment asset value in excess of 5% of the total portfolio

	Listed investments £
Market value at 1 September 2019	12,652,713
Net investment gains (note 5)	(556,209)
Cash drawdown	-
Net Transfer To Stonyhurst	(12,090,924)
Market value at 31 August 2020	<u>5,580</u>
Unrestricted	<u>5,580</u>

Investments are represented by:

	2020 £	2019 £
UK listed investments	5,580	11,472,608
Overseas listed investments	-	1,180,105
	<u>5,580</u>	<u>12,652,713</u>

All investments are indirectly held.

7	SHORT-TERM DEPOSITS	2020 £	2019 £
	Short term cash deposits	-	170,238

All short-term deposits are UK investments.

Stonyhurst Charitable Fund

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

8 ANALYSIS OF NET ASSETS BETWEEN FUNDS

31 August 2020:

	Tangible fixed assets £	Investments £	Net current assets £	Total £
Unrestricted and total funds	-	5,580	-	5,580

31 August 2019:

	Tangible fixed assets £	Investments £	Net current assets/(liabilities) £	Total £
Unrestricted and total funds	-	12,652,713	-	12,652,713

9 FUNDS

	Balance 1 September 2019 £	Incoming resources £	Resources expended £	Transfer between Charity £	Investment gains £	Balance 31 August 2020 £
Unrestricted	12,652,713	211,232	(32,005)	(12,)	(556,209)	5,580

10 CASH FLOWS

	2020 £	2019 £
i) Reconciliation of cash flows from operating activities		
Net movement in funds	(12,647,133)	544,551
Less: gain on investments	556,209	(428,884)
Less: dividends received	(211,232)	(423,222)
	(12,302,156)	(307,555)
Net cash used in operating activities	(12,302,156)	(307,555)

11 ULTIMATE CONTROLLING PARTY

The controlling party is the Governing Body of Stonyhurst, a company limited by guarantee and a registered charity.

12 RELATED PARTY TRANSACTIONS

Related parties consist of Stonyhurst (charity no 1127929, company no 06632303) who is the corporate trustee of the Stonyhurst Charitable Fund.

The Stonyhurst Charitable Fund provided grants to Stonyhurst of £12,270,151 (2019: 246,245). The Stonyhurst Charitable Fund received a grant from Stonyhurst of £nil(2019: £nil). No amounts were outstanding at the 31st August