

THE WHINFELL CHARITABLE FUND

**UNAUDITED
FINANCIAL STATEMENTS**

for the year ended

31 JANUARY 2022

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THE WHINFELL CHARITABLE FUND

REFERENCE AND ADMINISTRATIVE DETAILS

The Trust was created and continues to be governed by a trust deed dated 3 December 1973. The Trust is a registered charity, number 267333 and is also subject to the regulations of the Charity Commission.

Trustees

J L Mitchell
K A L Duff
S E Clifford Bowles

Address

35 Westgate
Huddersfield
HD1 1PA

Investment Advisors and Custodian

UBS AG
5 Broadgate
London
EC2M 2AN

Bankers

National Westminster Bank Plc
24 Deansgate
Bolton
BL1 1BN

Accountants

Wheawill & Sudworth Limited
Chartered Accountants
35 Westgate
Huddersfield
HD1 1PA

THE WHINFELL CHARITABLE FUND

TRUSTEES' ANNUAL REPORT

The Trustees present their report and the financial statements of the charity for the year ended 31 January 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the Annual Report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published October 2019 (Second Edition).

Objectives and activities

The principal activity of the charity during the year has been to support other charities, particularly in the fields of local and global social impact.

Public benefit statement

The Trustees have considered the general guidance on public benefit issued by the Charity Commission in carrying out its objectives and activities and are satisfied that the objectives fall under the provisions of the Charities Act 2011. The Trust furthers its charitable purposes for the public benefit through its grant-making policy.

Review of the financial year / achievements and performance

There have been no changes in the organisational structure of the charity during the year.

Income and expenditure:

The Trust received income for the year totalling £99,245 (2021: £85,081). Expenditure totalled £114,213, £80,000 of which relates to distributions made by the Trustees, at their discretion, to beneficiaries (2021: total expenditure £89,582 of which £70,000 related to distributions). Distributions have been made to seven charitable organisations (2021: eight). During this current financial year there has been a deficit of income over expenditure, before net gains/losses on investments, of £14,968 (2021: £4,501).

Investments:

At the start of the year the Trust's quoted investments were valued at £5,864,102 and by the end of the year the value had increased to £6,398,232.

Investment Managers report

Equity markets rose over 2021 and Q4 despite a weaker November, during which fears over rising cases of the Omicron variant of Covid-19 and the speed of the Federal Reserve's asset tapering had weighed. By year-end, these worries had largely subsided, while data continued to indicate that the economy overall remains stable and corporate earnings are robust.

Global sovereign bond yields were also little changed in the quarter with the UST 10y yield closing at 1.51%. It reached 1.7% in October amid elevated inflation and expectations of policy tightening, then a low of 1.36% in early December amid fears over the Omicron variant. Fed rhetoric turned increasingly hawkish in November. Chair Jay Powell and other members of the policy committee suggested tapering could be accelerated, which it was in December, and that they may stop referring to inflation as "transitory".

THE WHINFELL CHARITABLE FUND

TRUSTEES' ANNUAL REPORT (continued)

Review of the financial year (continued)

However, in 2022, we face a transition from an environment of high growth and high inflation to one of more moderate growth and inflation. Now, uncertainty about whether the Federal Reserve can still steer us to a soft landing has driven market volatility to its highest level in more than a year. Since omicron cases spiked in December, fears of slower growth and higher inflation have weighed on Equities. Tensions between Russia and Ukraine are worsening these concerns.

This was reflected in the markets. After entering the year close to record highs, Equities came under pressure in January as investors adjusted to a more hawkish stance from the US Federal Reserve. At the same time, yields rose for both US and European Government Bonds and credit spreads widened.

The portfolio holds an overweight in Equities against Bonds. In Fixed Income, we are underweight Multilateral Development Bank Bonds. We expect rates to slowly move higher and maintain the highest rated Bonds as least preferred. We prefer select Equities and overweight ESG leaders Equities. Valuations of Eurozone equities are relatively attractive and robust economic growth should continue to support earnings. Our outlook for Global Equities remains positive, although we expect continued volatility in the shorter term.

Performance (to end of Jan 2022):

In the same vein as stock markets across the globe, the portfolio has delivered strong performance in 2021. Despite a difficult start in 2022, over the preceding 12 months, the portfolio was +11%, which was pleasingly some way ahead of the benchmarks ARC £ Growth (+6%) over the same period.

With the vaccinated rates continuing to rise, growth data and companies' earnings standing firm, Equities have been able to look through inflation dynamics and perform well through 2021. Against this backdrop, the portfolio performed positively on an absolute basis and security selection within Equities meant the portfolio outperformed the benchmark during the period. The strategy's quality bias helped together with a positive contribution through overweights in financials, consumer staples and consumer discretionary names

As of the end of January 2022, the annualised net performance since December 2007 is now +6.1%. The Fund withdraws the investment income and as a result this does not compound within the returns.

Trustees

The Trustees who served during the year were as follows:

J L Mitchell
K A L Duff
S E Clifford Bowles

The Trustees meet at least once a year to review the regular distributions out of trust income, normally made in January. They meet as necessary at other times to review which charities will benefit from income which remains to be allocated.

Investment policy

The Trustees review annually their policy for investment objective and management of the investments.

THE WHINFELL CHARITABLE FUND

TRUSTEES' ANNUAL REPORT (continued)

Investment policy (continued)

UBS AG continue as investment advisers on a discretionary basis and are instructed to hold the charity's investments as nominees.

The investment objective is for income to increase but the capital should, if possible, maintain its value in line with inflation. This is to be achieved by a balanced portfolio of equities with a risk profile not greater than medium.

Statement of Trustees' responsibilities

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

The law applicable to charities in England & 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 Charities SORP (FRS102) (Second Edition – October 2019);
- ~ make judgements and estimates that are reasonable and prudent;
- ~ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ~ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for maintaining 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.

Reserves policy

The Trustees consider that the level of reserves held at 31 January 2022 to be satisfactory taking into account the future needs and objectives of the charity. The Trustees review at regular intervals the amount of income received by the charity alongside the requests for donations to beneficiaries.

Risk management

The Trustees have identified the risks to which the charity is exposed and assessed their consequential impact on the financial activity of the charity. The level of risk assessed has not changed since the previous year. The Trustees are satisfied that the necessary systems are in place to mitigate the charity's exposure to those risks.

On behalf of the Trustees



K A L Duff
28 June 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE WHINFELL CHARITABLE FUND

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 January 2022 which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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 Act.

Independent examiner's statement

Your attention is drawn to the fact the charity has prepared the financial statements 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 (FRS102) 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 since been withdrawn.

I have completed my examination. I confirm that no material 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 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.



DAVID BUTTERWORTH FCA
for and on behalf of Wheawill & Sudworth Limited

35 Westgate
Huddersfield
HD1 1PA
28 June 2022

THE WHINFELL CHARITABLE FUND

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended

31 JANUARY 2022

		2022	2021
	Note	Unrestricted Funds £	Unrestricted Funds £
Income and endowments from:			
Investments	3	99,245	83,281
Donations		-	1,800
Total income and endowments		<u>99,245</u>	<u>85,081</u>
Expenditure on:			
Raising funds	4	(30,313)	(14,782)
Charitable activities	5	(83,900)	(74,800)
Total expenditure		<u>(114,213)</u>	<u>(89,582)</u>
Net (deficit) for the year		<u>(14,968)</u>	<u>(4,501)</u>
Net gains on Investments	7	<u>556,420</u>	<u>369,006</u>
Net income and net movement in funds		<u>541,452</u>	<u>364,505</u>
Reconciliation of funds:			
Total funds brought forward	10	5,883,419	5,518,914
Total funds carried forward	10	<u><u>6,424,871</u></u>	<u><u>5,883,419</u></u>

All income and expenditure derive from continuing activities.

The notes on pages 9 to 13 form part of these financial statements.

THE WHINFELL CHARITABLE FUND

BALANCE SHEET

31 JANUARY 2022

Notes	2022	2021
	£	£
Fixed asset investments		
7 Quoted	6,398,232	5,864,102
Current assets		
8 Debtors	27,870	19,645
Cash at bank	780	1,683
	<u>28,650</u>	<u>21,328</u>
Creditors: amounts falling due within one year	<u>(2,011)</u>	<u>(2,011)</u>
Net current assets	26,639	19,317
Total net assets	<u>6,424,871</u>	<u>5,883,419</u>
Charity Funds		
10 Unrestricted funds	6,424,871	5,883,419
Total charity funds	<u>6,424,871</u>	<u>5,883,419</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf on 28 June 2022:

K. Duff

K A L Duff
Trustee

The notes on pages 9 to 13 form part of these financial statements.

THE WHINFELL CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS

31 JANUARY 2022

1 General information

The Trust was created and continues to be governed by a trust deed dated 3 December 1973. The Trust is a registered charity, number 267333 and is also subject to the regulations of the Charity Commission. The address of the Trust is 35 Westgate, Huddersfield, HD1 1PA.

2 Summary of significant accounting policies

General information and basis of preparation

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) Second edition issued October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity has applied the Statement of Recommended Practice (FRS102), Second Edition, issued October 2019, and does not include a cashflow statement on the grounds that it is applying FRS102 1A.

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements 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 financial statements are prepared on a going concern basis under the historic cost convention modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity, and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Funds

Unrestricted funds 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.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

THE WHINFELL CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS

31 JANUARY 2022

2 Accounting policies (continued)

Investment income is earned through holding assets for investment purposes such as shares and bonds. It includes dividends and interest. It is included when the amount can be measured reliably. Interest and dividend income is recognised as the charity's right to receive payment is established.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes investment costs;
- Expenditure on charitable activities is the payment of grants to the charity's beneficiaries.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, these are recognised as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance the grant is recognised to the extent that the recipient has satisfied the performance conditions set out in the grant agreement at the balance sheet date.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011.

THE WHINFELL CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS

31 JANUARY 2022

2 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

3	Income from investments	2022	2021
		£	£
	Income from quoted investments	99,240	83,260
	Bank and other interest	5	21
		<u>99,245</u>	<u>83,281</u>
4	Expenditure on raising funds	2022	2021
		£	£
	Investment management costs	30,313	14,782
		<u>30,313</u>	<u>14,782</u>
5	Expenditure on charitable activities	2022	2021
		£	£
	Independent examination fees	3,300	3,000
	Administrative expenses	600	1,800
	Distributions to charities	80,000	70,000
		<u>83,900</u>	<u>74,800</u>

Details of distributions to charities are set out on page 22.

6 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2021: £ Nil).

The trustees did not have any expenses reimbursed during the year (2021 : £ Nil).

THE WHINFELL CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS

31 JANUARY 2022

7	Fixed asset investments	2022	2021
		£	£
	Movement in fixed asset investments		
	Market value at 1 February 2021	5,864,102	5,505,370
	Additions to investments at cost	2,422,728	4,960,656
	Disposals at carrying value	(2,351,055)	(5,151,195)
	Unrealised gains on investments	462,457	549,271
		<u>6,398,232</u>	<u>5,864,102</u>
	Market value at 31 January 2022		
	All fixed asset investments are listed.		
	Net gains on investments are made up of:		
	Realised gains / (losses) on disposals of investments	93,963	(180,265)
	Unrealised gains on investments	462,457	549,271
		<u>556,420</u>	<u>369,006</u>
8	Debtors	2022	2021
		£	£
	Investment capital held by stockbrokers at the year end	<u>27,870</u>	<u>19,645</u>
9	Creditors	2022	2021
		£	£
	Accruals	<u>2,011</u>	<u>2,011</u>

THE WHINFELL CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS

31 JANUARY 2022

10 Fund reconciliation

Unrestricted funds

	Balance at 1 February 2021 £	Income £	Expenditure £	Gains on investments £	Balance at 31 January 2022 £
Unrestricted funds	5,883,419	99,245	(114,213)	556,420	6,424,871

Fund descriptions

Unrestricted funds

The general funds of the charity are available to be distributed at the discretion of the trustees in furtherance of the objects of the charity.

11 Related party transactions

There were no related party transactions in the year or the prior year.