

DOUGHTY CHARITY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

DOUGHTY CHARITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr G B Halibard Mrs M Halibard
Charity number	274977
Principal address	22 Ravenscroft Avenue London NW11 0RY
Auditor	Goldblatts 4th Floor 4 Tabernacle Street London EC2A 4LU

DOUGHTY CHARITY TRUST

CONTENTS

	Page
Trustees' report	1
Statement of trustees' responsibilities	2
Independent auditor's report	3 - 6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9 - 13

DOUGHTY CHARITY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts 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 preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects are to promote the relief of poverty and the advancement of religion and religious education.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Distributed £706,586 to charities who were considered to be worthy charity recipients. A full list of donations made can be obtained from the trustees at the charity's address. The charity is fully committed to its present list of donee charities and therefore regretfully cannot entertain requests from other charities.

Financial review

The trustees are satisfied with the financial position of the charity at the 31 December 2020.

Policy on Reserves

To retain sufficient reserves to deal with reductions to income.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed on 12 September 1977

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr G B Halibard

Mrs M Halibard

Trustees are appointed by the Trustees

The trustees' report was approved by the Board of Trustees.

Mr G B Halibard

Trustee

Dated: 17 February 2022

DOUGHTY CHARITY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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 and 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 year.

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 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; and
- 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 sufficient accounting records that 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.

DOUGHTY CHARITY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DOUGHTY CHARITY TRUST

Opinion

We have audited the financial statements of Doughty Charity Trust (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the 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 Financial Reporting Standard 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 December 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

DOUGHTY CHARITY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DOUGHTY CHARITY TRUST

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

- the engagement partner ensured the engagement team had the appropriate competence, capabilities and skills to identify or recognise possible non-compliance with applicable laws and regulations.
- we identify significant laws and regulations applicable to the charity through discussions with the trustees, along with our knowledge and experience of the charitable sector in which our client operates.
- we focused on specific laws and regulations which we consider may have a material effect on the financial statements or operations of the charity, including the Charities Act 2011, taxation legislation and data protection.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

DOUGHTY CHARITY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DOUGHTY CHARITY TRUST

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

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

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

- have performed analytical procedures to identify any unusual variances
- reviewed and tested journal entries and other adjustments to identify any unusual transactions
- assessed judgements and assumptions used in determining the accounting estimates which could indicate any potential bias
- investigated the rationale behind significant or unusual transactions.

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

- reviewing disclosures in the financial statements and testing to supporting documentation.
- reviewing meeting minutes where available
- discussions with management regarding actual or potential litigations and / or claims.
- reviewing correspondence with the Charities Commission and other relevant regulators

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared 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 (FRS 102)" (as amended) 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 now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

DOUGHTY CHARITY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DOUGHTY CHARITY TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Goldblatts

17 February 2022

**Chartered Accountants
Statutory Auditor**

4th Floor
4 Tabernacle Street
London
EC2A 4LU

Goldblatts is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

DOUGHTY CHARITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
<u>Income and endowments from:</u>			
Donations and legacies	2	964,980	353,900
Investments	3	22,215	9,880
Other income	4	-	87,684
		<hr/>	<hr/>
Total income		987,195	451,464
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	5	711,287	559,727
		<hr/>	<hr/>
Net gains on investments	10	(7,989)	36,368
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		267,919	(71,895)
Fund balances at 1 January 2020		626,150	698,045
		<hr/>	<hr/>
Fund balances at 31 December 2020		894,069	626,150
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DOUGHTY CHARITY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investment properties	12	813,000		581,667	
Investments	13	45,000		35,000	
		<u>858,000</u>		<u>616,667</u>	
Current assets					
Debtors	14	151,276		115,525	
Cash at bank and in hand		603,079		300,358	
		<u>754,355</u>		<u>415,883</u>	
Creditors: amounts falling due within one year	15	<u>(718,286)</u>		<u>(406,400)</u>	
Net current assets			36,069		9,483
Total assets less current liabilities			<u>894,069</u>		<u>626,150</u>
Income funds					
Unrestricted funds			894,069		626,150
			<u>894,069</u>		<u>626,150</u>

The financial statements were approved by the Trustees on 17 February 2022

Mr G B Halibard
Trustee

DOUGHTY CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Doughty Charity Trust is a charity governed by a trust deed dated 12th September 1977. The charity is registered with the charities commission in England and Wales with a charity registration number of 274977.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Grants paid out are recognised when the payment is made.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

DOUGHTY CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	964,980	353,900

3 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Rental income	22,012	9,623
Interest receivable	203	257
	22,215	9,880

4 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Other income	-	87,684

DOUGHTY CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	Donations made for charitable purposes 2020 £	Donations made for charitable purposes 2019 £
Grant funding of activities (see note 6)	706,586	547,058
Share of governance costs (see note 7)	4,701	12,669
	<u>711,287</u>	<u>559,727</u>

6 Grants payable

The Charity made two donations of over £50,000 during the year. The first was £231,800 to Achisomoch Aid. The second was £65,000 to String of Pearls.

7 Support costs

	Support costs £	Governance costs £	2020 £	2019 £	Basis of allocation
Audit fees	-	2,400	2,400	2,400	Governance
Legal and professional	-	-	-	7,977	Governance
Postage and stationery	-	593	593	598	Governance
Sundry expenses	-	1,521	1,521	1,476	Governance
Bank charges	-	187	187	218	Governance
	<u>-</u>	<u>4,701</u>	<u>4,701</u>	<u>12,669</u>	
Analysed between Charitable activities	-	4,701	4,701	12,669	

Governance costs includes payments to the auditors of £2,400 (2019- £2,400) for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

DOUGHTY CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	-	-

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Gain/(loss) on sale of investment properties	(7,989)	36,368

11 Taxation

The Trust has not provided for taxation as it has charitable status.

12 Investment property

	2020 £
Fair value	
At 1 January 2020	581,667
Additions through external acquisition	605,000
Disposals	(373,667)
At 31 December 2020	813,000

Investment property comprises freehold and leasehold property. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 December 2020 by the Trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

DOUGHTY CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Fixed asset investments

	Other investments
Cost or valuation	
At 1 January 2020	35,000
Additions	10,000
	<hr/>
At 31 December 2020	45,000
	<hr/>
Carrying amount	
At 31 December 2020	45,000
	<hr/> <hr/>
At 31 December 2019	35,000
	<hr/> <hr/>

	2020 £	2019 £
Other investments comprise:		
Loans	45,000	35,000
	<hr/> <hr/>	<hr/> <hr/>

14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	150,401	114,650
Prepayments and accrued income	875	875
	<hr/>	<hr/>
	151,276	115,525
	<hr/> <hr/>	<hr/> <hr/>

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Other creditors	713,486	404,000
Accruals and deferred income	4,800	2,400
	<hr/>	<hr/>
	718,286	406,400
	<hr/> <hr/>	<hr/> <hr/>

16 Related party transactions

Donations were received from the trustees and their family in the year of £959,400 (2019- £338,900). There are no conditions attached to the donations.