

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

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THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	D J Banister E D Banister E M Banister E F Cairns L P Glaister
Charity registered number	00275487
Principal office	Stanley Tee LLP 95 London Road Bishop's Stortford Hertfordshire CM23 3GW
Independent auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Solicitors	Tees Law Tees House 95 London Road Bishop's Stortford Hertfordshire CM23 3GW

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements for the 1 January 2022 to 31 December 2022.

CONSTITUTION

The unincorporated charitable trust is governed by the trust deed dated 19 December 1977. The objects of the trust are widely charitable, although the Trustees have determined to utilise the income and capital of the trust fund towards the relief of poverty, supporting educational projects and the promotion of peace.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The Trustees named below were appointed by the trust deed dated 19 December 1977 or by deeds of appointment dated 27 August 1998, 12 May 2009, 21 February 2013, 29 April 2015 and 30 June 2019.

David John Banister
Elizabeth Banister
Letitia Pamela Campbell Glaister
Eleanor Marianne Banister
Edmund Frederick Cairns

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The appointment of any new trustee is by invitation of the existing trustees.

New trustees would be provided with a copy of the trust deed and have a meeting with the existing trustees to explain the aims and objectives of the trust.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Allan & Nesta Ferguson Charitable Trust is managed by the Trustees, who have delegated day to day administration to Tees (solicitors), of Tees House 95 London Road, Bishop's Stortford, Hertfordshire.

The Trustees have appointed Price Bailey LLP of Causeway House, 1 Dane Street, Bishop's Stortford, Hertfordshire as auditors.

The Trustees receive investment advice on a portfolio review basis from Ravenscroft (UK) Limited of Tees House, 95 London Road, Bishop's Stortford, Hertfordshire.

The Trustees have a bank account with Barclays Bank, 1 Churchill Place, Canary Wharf, London, E14 5HP.

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. The trustees are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Trustees are bound by the governing deed and operate in accordance with the trust's conflict of interest policy.

The trust operates in accordance with its risk management policy which is currently being updated and its safeguarding policy which was most recently updated on 1 August 2022.

The Trustees have identified the following key risks to the charity:

Misuse of the trust funds by recipients – The Trustees seek to limit exposure through funding policies, the trust will not provide funding to educational institutes based outside the UK or any charitable organisation not registered with the Charity Commission in England and Wales, Scotland or Northern Ireland. The trustees will not make payments direct to an individual.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Misuse of funds by trustees/advisors – The trust is controlled by the five trustees and is reliant on services provided by Tees & Ravenscroft for day-to-day administration. The process of majority decision making, regular accounting checks, multiple approvals for grant payments, reviews and annual external audit minimises the trust's exposure to risk.

Exposure to Informa plc – The trustees are conscious the trust continues to have significant financial exposure to Informa plc with the trust's holding in Informa representing a large proportion of the assets within the trust. The trustees have a continued policy of reducing the trust's exposure to fluctuations in Informa's stock price through sales and further diversification of the investments as and when they feel markets allow.

September 2022 mini-budget – The "mini-budget" in September 2022 resulted in the markets briefly losing confidence which impacted the valuation metrics applied to UK stocks when compared to their overseas peers. These lower valuation metrics combined with ongoing fears of a hard recession impacted the broader equity markets and closed ended companies (Investment Trusts) which saw discounts to Net Asset Values (NAV) expand as confidence in the capital markets weakened. The trust's main portfolio had a high exposure to many such Investment Trusts and saw some relative under-performance as a result of these declines to NAV. Many of these Investment Trusts have since been sold from the portfolio as discounts have subsequently recovered, and the portfolio ended the tax year with significantly less exposure to them. However there are some securities with more persistent discounts, but the trustees are advised that with patience these too can be sold at reasonable valuations.

POLICIES, OBJECTIVES AND THE PUBLIC BENEFIT

The trust is a grant making charitable trust and intends to achieve its constitutional aims set out above, by making grants targeting the trust's key themes of education, development and the promotion of peace.

The charitable trust fulfils its objectives through making grants to other charitable bodies registered with a UK charity regulator as well as UK universities. The Trustees aim to promote the value and opportunity of education, peace and reconciliation. They seek to have a positive impact through funding projects and scholarships which go on to have a wider impact in their communities for years to come.

GRANT MAKING POLICY

The trustees accept applications online through the trust's website.

The trustees sometimes invite applications from UK universities to fund scholarships that support the key principles of the trust, providing access to education for those otherwise unable to access the opportunities that education provides for the improvement of society as a whole. The trustees also occasionally invite applications from UK charities engaging in projects supporting the promotion of peace and reconciliation through understanding and education.

The trust's grant making policy is focused on achieving its objectives for the public benefit by concentrating its resources on the following purposes:

- The support of education in the UK & overseas
- The promotion of peace through international friendship and understanding
- To support further sustainable progress in the developing world

To achieve these objectives the Trustees accept applications for funding from the following applicants:

- UK registered charities undertaking projects in the UK and abroad. Candidates are required to demonstrate that they have a minimum of 30% matching funding in place for the trustees to give consideration to their application.
- UK universities to fund scholarships that support the key principles of the trust, providing access to education for those otherwise unable to access the opportunities that education provides.

It is the trustee's policy to only provide support to charitable projects in line with the Trust's objectives that are run by charities registered with the Charity Commission of England & Wales, Scotland or Northern Ireland. This is to ensure the recipient charity is required, by law, to comply with the requirements set out by one of those

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

bodies. The trustees apply this restriction to protect the funds granted and ensure, as far as possible, the funds provided are applied to further the charitable objectives of the charity.

It is the trustees' policy to pay grants concerning any individual directly to the educational institution or charity to ensure they are used to achieve the trustees' objectives of supporting education, peace and support of the developing world.

For any grant awarded equal to or in excess of £150,000 the trustees require the recipient of the grant to enter into a gift agreement confirming the purpose of the award and setting out the reporting requirements.

THE PUBLIC BENEFIT

In setting their grant making policy the trustees confirm that they have had regard to the guidance provided by the charity commission on public benefit.

The trustees are conscious, as a grant making charity, that they have no direct control over the success or failure of the individual projects to which they provide funds. The trustees do, however, seek to measure the success of grants to ensure that the funds are used to further the objectives of the trust. The trustees only make grants where the motivation of a project clearly aligns with the target themes of the trust and success is measured in a number of different ways depending on the circumstances of each grant.

- For university scholarships, success is measured by the successful completion of the course by the student(s) who otherwise would not have had the funds necessary to complete their studies.
- For other educational, overseas development, peace and reconciliation grants the trustees require the recipient charity to provide them with a report after 12 months to illustrate the progress of the project. Success is determined based on the expectations of the project outlined in the initial application made to the trustees.

The trustees look to support projects that have positive impacts on the communities in which they operate over the longer term.

The Trust awarded £40,000 to Médecins Sans Frontières (UK) in April 2022, in support of their Leadership Education Academic Partnership ("LEAP") programme which, in partnership with the University of Manchester's Humanitarian Conflict & Response Institute and the Liverpool School of Tropical Medicine, is offering an academic programme to MSF's personnel to enhance their skills and strengthen operations and leadership in the field.

In October 2022, the Trust awarded Freedom from Torture a grant of £10,000 to support their Survivors Speak Out network which promotes peace and reconciliation on a national and global level. The work undertaken by the group raises awareness of survivors' experiences to help create positive change in UK and international policy.

STRATEGIES FOR ACHIEVING OBJECTIVES

The trustees review, on a monthly basis, applications to the trust as well as meeting bi-annually to discuss non-routine applications.

All applications are assessed by the trustees against the trust's objectives and policies to ensure the project is in line with the trust's stated objectives. The trustees review the size of the grant requested, other funding in place and the value for money offered by the project. Value for money is assessed based on the impact of the project, i.e. how many people are reached, any lasting benefit of the project and any future opportunities provided to the individuals reached and their communities as a result of the project/funding.

In determining whether to offer a grant to an applicant the Trustees will also consider the time a charitable applicant has had charitable status, their level of fundraising activity and the charity's annual turnover when making decisions on funding.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

ACTIVITIES FOR ACHIEVING OBJECTIVES

The trustees continue to meet regularly to discuss grant applications and ensure the trust's funds are used to achieve its objectives.

The trustees require charitable organisations who have received grants to provide reports on how the funds have been used to complete or advance the objectives of the project funded and by default the trustees' objectives.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity 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.

REVIEW OF ACTIVITIES

During the year to 31 December 2022 the trustees awarded grants totalling £1,905,452 (2021 - £2,347,180) to various individuals and organisations, as detailed in note 4. This represented 466% (2021 - 663%) of the incoming revenue generated from the assets.

Grants made are applied to a number of organisations in support of their goals and in line with those of the trustees, to encourage and support the provision of education, understanding and peace.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising any powers or duties to which the guidance is relevant.

RESERVES POLICY

Money held in reserve by the Trustees is there to meet the ongoing demand for grants awarded on a monthly basis. In addition, the Trustees ensure they have sufficient reserves ahead of the autumn to meet their annual commitment to scholarship funding of approximately £610,000. Further, the Trustees have agreed to continue on strategy to move a greater proportion of the portfolio to ethical investments. A proportion of the reserves held are to be reinvested in the ethical market.

The trust held total funds of £25,235,444 (2021 - £29,324,954) at the end of the reporting period all of which was held in unrestricted reserves. The charitable trust is a grant making charity, the trustees are able to adjust the level of grants made were there to be a drastic change in income or capital returns in a year if appropriate. As such the trustees policy is to make grants as appropriate with no particular requirement to maintain a certain level of reserves. Where there are reserves these will be spent when appropriate grant making opportunities arise.

INVESTMENT POLICY AND PERFORMANCE

The Trust deed authorises the Trustees to make and hold investments as if they were absolute beneficial owners.

The Trustees' holding of Informa Plc shares continues to reduce over time when market conditions allow, providing a rising cash weighting within the investment portfolio and which may be used to fund donations by the Trust. Continuing advice regarding the investment profile of other investments held as well as a general balance of asset class weightings is provided by Ravenscroft (UK) Limited.

The Trust funds are invested with a medium-term view of 5-10 years and are benchmarked against the ARC GBP Equity Risk PCI. There are no geographical constraints on the investments made at present, but the Trustees have provided an increasing emphasis in wishing to develop a clear policy of ethical restrictions towards the Trust investments managed by Ravenscroft (UK) Limited. This policy will apply to all future investments made in the main portfolio. The trust continues to have a significant holding in Informa and the trustees are pleased to note that the company scores very highly in the ethical screenings applied to its

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

investments. Nevertheless the trustees seek to diversify when opportunity allows to ensure the continued resilience of the trust.

At the end of 2022 the Aggregate Performance (net of fees) for the calendar year was -7.12% against the ARC Equity Risk benchmark of -11.4%.

The trustees and investment managers agree that the transition to a more ethically focused portfolio should continue over the medium/long term and the process is underway with all new investments meeting ESG criteria. The trustees will continue to seek advice on the opportune moments to further this goal.

MATERIAL INVESTMENTS POLICY

Funds under the control of the Trustees have been invested in a broker-managed portfolio. The initial assets of the trust were shares in Taylor & Francis Limited and proportion of investment remains in that company, which has since floated on the London Stock Exchange and has subsequently been merged to form Informa Plc. The Trustees will continue to diversify the portfolio as the opportunity arises.

FUTURE DEVELOPMENTS

The trustees will continue to make grants, in line with the constitution and policies of the trust, to suitable causes or projects until they have invested all of the funds at their disposal.

AUDIT

Insofar as the Trustees are aware:

- There is no relevant audit information of which the Auditor is unaware; and
- Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

TRUSTEE'S 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 principals in the Charities SORP 2019;
- 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 provision 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 and signed on their behalf by:


L Glaister (Oct 16, 2023,
10:14am)
L P Glaister
Trustee

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

Opinion

We have audited the financial statements of The Allan and Nesta Ferguson Charitable Trust (the 'charity') for the year ended 31 December 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 2022 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' 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, except to the extent otherwise explicitly stated in our report, 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.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST (CONTINUED)

Matters on which we are required to report by exception

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; 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 Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 Auditors' 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:

- Enquiry of management regarding laws and regulations applicable to the charity, actual and potential litigation and claims, and any known instances of non-compliance;
- Review of minutes of Trustee meetings;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness; and
- Assessing management bias in relation to the accounting policies adopted and in determining significant accounting estimates including the valuation of investments

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST (CONTINUED)

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

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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Price Bailey LLP
Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date: 16 October 2023

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	2	31,376	31,376	-
Investments	3	408,883	408,883	371,052
Total income		<u>440,259</u>	<u>440,259</u>	<u>371,052</u>
Expenditure on:				
Raising funds - investment management fees	4	127,790	127,790	131,217
Charitable activities	5	2,029,820	2,029,820	2,470,163
Total expenditure		<u>2,157,610</u>	<u>2,157,610</u>	<u>2,601,380</u>
Net expenditure before net (losses)/gains on investments		<u>(1,717,351)</u>	<u>(1,717,351)</u>	<u>(2,230,328)</u>
Net (losses)/gains on investments		(2,372,159)	(2,372,159)	2,483,864
Net movement in funds		<u>(4,089,510)</u>	<u>(4,089,510)</u>	<u>253,536</u>
Reconciliation of funds:				
Total funds brought forward		29,324,954	29,324,954	29,071,418
Net movement in funds		(4,089,510)	(4,089,510)	253,536
Total funds carried forward		<u>25,235,444</u>	<u>25,235,444</u>	<u>29,324,954</u>

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

The notes on pages 14 to 23 form part of these financial statements.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Investments	9	24,751,726	28,592,981
Current assets			
Debtors	10	1,237,281	1,676,256
Cash at bank and in hand	14	432,541	375,970
		<u>1,669,822</u>	<u>2,052,226</u>
Creditors: amounts falling due within one year	11	(649,443)	(729,631)
Net current assets		<u>1,020,379</u>	<u>1,322,595</u>
Total assets less current liabilities		<u>25,772,105</u>	<u>29,915,576</u>
Creditors: amounts falling due after more than one year	12	(536,661)	(590,622)
Total net assets		<u><u>25,235,444</u></u>	<u><u>29,324,954</u></u>
Charity funds			
Unrestricted funds		<u>25,235,444</u>	<u>29,324,954</u>
Total funds		<u><u>25,235,444</u></u>	<u><u>29,324,954</u></u>

The financial statements were approved and authorised for issue by the Trustees on 16 Oct 2023 and signed on their behalf by:

LPC Glaister
L Glaister (Oct 16, 2023,
10:14am)
L P Glaister

The notes on pages 14 to 23 form part of these financial statements.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities (see note 13)	(2,443,074)	(1,664,114)
Cash flows from investing activities		
Dividends, interests and rents from investments	408,883	371,052
Proceeds from sale of investments	7,449,352	6,067,454
Purchase of investments	(5,358,590)	(5,043,336)
Net cash provided by investing activities	2,499,645	1,395,170
Change in cash and cash equivalents in the year	56,571	(268,944)
Cash and cash equivalents at the beginning of the year	375,970	644,914
Cash and cash equivalents at the end of the year	432,541	375,970

The notes on pages 14 to 23 form part of these financial statements

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Allan and Nesta Ferguson Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The functional and presentational currency is Pounds Sterling (£).

1.2 Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. As such, they continue to adopt the going concern basis of accounts in the financial statements, which assumes the charity will continue in operational existence for the foreseeable future. The Trustees have given due consideration to the working capital and cash flow requirements of the charity for at least 12 months from the date of signature of the accounts.

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.

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. Expenditure is classified by activity. Support and governance costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of raising funds are investment management fee costs incurred in generating income from investments.

Charitable activities and Governance costs are costs incurred on the charity's overseas and educational 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.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.6 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 the 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 presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 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.

1.9 Liabilities and provisions

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.

1.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value. Investments are recorded at the bid value at the year-end date and all other assets and liabilities are recorded at cost which is their fair value. For details of the unrealised gains see note 9.

1.11 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.

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	31,376	31,376	-

3. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
UK listed investments	346,439	346,439	333,570
Foreign listed investments	62,444	62,444	37,482
	<u>408,883</u>	<u>408,883</u>	<u>371,052</u>
Total 2021	<u>371,052</u>	<u>371,052</u>	

4. Raising funds - investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees	127,790	127,790	131,217
	<u>131,217</u>	<u>131,217</u>	
Total 2021	<u>131,217</u>	<u>131,217</u>	

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS
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5. Charitable activities

	Institutional grants £	Support costs £	Total 2022 £
Grants made:			
Educational projects	787,743	46,074	833,817
Educational projects encompassing world peace	55,040	3,360	58,400
Overseas education	1,062,669	74,934	1,137,603
	<u>1,905,452</u>	<u>124,368</u>	<u>2,029,820</u>

During the year there were no grants made to institutions to distribute to individuals (2021 - 2 grants totalling £160,000).

Charitable activities (comparatives)

	Institutional grants £	Grants to individuals £	Support costs £	Total 2021 £
Grants made:				
Educational projects	853,961	160,000	55,430	1,069,391
Educational projects encompassing world peace	190,000	-	9,627	199,627
Overseas education	1,143,219	-	57,926	1,201,145
	<u>2,187,180</u>	<u>160,000</u>	<u>122,983</u>	<u>2,470,163</u>

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

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Grants to institutions

	2022 £	2021 £
Educational bodies		
Loughborough University	-	150,000
Awards for Young Musicians	-	28,000
Amnesty International	-	17,000
Sidney Sussex College- Cambridge	-	50,000
Glasgow School of Art	-	15,000
University of Sheffield	-	150,000
Manchester University	-	199,983
Royal Shakespeare Community	-	80,000
University of East Anglia	-	150,000
Action for Kids Trust	15,000	-
Birmingham City University	134,000	-
Kings College London	150,000	-
Manchester Metropolitan University	48,000	-
Médecins Sans Frontières	40,000	-
Oxford University - St Anne's College	150,000	-
Royal Horticultural Society	50,000	-
Royal National Theatre	15,000	-
Royal Northern College of Music	60,000	-
University of London	84,000	-
Other	41,743	13,978
	<u>787,743</u>	<u>853,961</u>
	2022 £	2021 £

Educational projects encompassing the promotion of world peace

International Alert	-	150,000
Cord Global	-	25,000
Peace Direct	15,000	-
Other	40,040	15,000
	<u>55,040</u>	<u>190,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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	2022 £	2021 £
Overseas Education		
Teacher Aid	-	15,000
Cecily's Fund	-	15,000
Starfish Asia	-	20,000
Water Aid	-	125,000
Angellite	-	18,000
Bishop Simeon Trust	-	20,000
Ethiopiaid	-	15,000
Children of the Mekong	-	15,000
Canon Collins Educational and Legal Assistance Trust	-	19,668
Sense International	-	23,954
Save the Children UK	-	50,000
The Lunchbowl Network	-	20,000
The Mango Tree Orphan Support Programme	-	20,000
Railway Children	-	15,000
Able Child Africa	-	20,000
APT Action on Poverty	-	15,000
Hello World	-	20,000
Chance for Childhood	-	15,000
Pratham UK	-	15,000
StreetInvest	-	20,000
Mines Advisory Group	-	50,000
Hands Around the World	-	15,000
Sabre Education	-	25,000
Cherie Blair Foundation for Women	-	16,000
Network for Africa	-	15,000
Cambodian's Children's Fund	-	15,000
Mondo Challenge Foundation	-	25,000
SERVE	-	20,000
Plant your Future	-	17,500
Starfosh Greathearts Foundation	-	20,000
Windle Trust International	-	15,000
CARE International UK	-	30,000
Disability Africa	-	15,000
The Citizens Foundation	-	15,000
Action on Disability & Development	25,000	-
Awamu	15,000	-
Build It International	25,000	-
ChildHope UK	17,500	-
Christian Aid	50,000	-
Christian Engineers in Development	25,000	-
Church Mission Society	15,000	-
Concern Worldwide	35,000	-

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David Rattray Foundation	15,000	-
Dhaka Ahsania Mission	15,000	-
Educate for Life	15,000	-
Footsteps International	15,000	-
Haileybury Youth Trust	25,000	-
Health & Hope UK	20,000	-
Hope International	15,000	-
Irise International	15,000	-
Legacy of War Foundation	15,000	-
Medair UK	20,000	-
Pipal Tree	17,100	-
Renewable World	20,000	-
Ripple Effect International	25,000	-
Stay at School	20,000	-
Street Child	60,000	-
Tackle Africa	15,000	-
The Karuna Trust	20,000	-
The Toybox Charity	30,000	-
Theatre for Change	20,000	-
Together We Learn	20,000	-
Tushinde Children's Trust	16,000	-
UNICEF	75,000	-
Women for Women International	20,000	-
UK Bangladesh Educational Trust	15,000	-
Other grants	312,069	353,097
	<u>1,062,669</u>	<u>1,143,219</u>

6. Support costs

	Governance	Support costs	Total funds	Total funds 2021
	£	£	£	£
Legal and administration charges	20,196	92,004	112,200	113,220
Website development	-	690	690	348
Auditors fees for audit services	11,280	-	11,280	9,300
Other charges	-	198	198	115
	<u>31,476</u>	<u>92,892</u>	<u>124,368</u>	<u>122,983</u>
Total 2021	<u>120,020</u>	<u>463</u>	<u>120,483</u>	

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

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Support costs (comparative)

	Governance 2021 £	Support costs 2021 £	Total funds 2021 £
Legal and administration charges	113,220	-	113,220
Website development	-	348	348
Auditors fees for audit services	9,300	-	9,300
Other charges	-	115	115
	<u>122,520</u>	<u>463</u>	<u>122,983</u>

7. Auditors' remuneration

	2022 £	2021 £
Auditors' remuneration	<u>11,280</u>	<u>9,300</u>

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

9. Fixed asset investments

	Listed investments £	Cash deposits £	Total funds £	Total funds 2021 £
At 1 January 2022	28,356,471	-	28,356,471	26,896,725
Additions	5,358,590	-	5,358,590	5,043,336
Disposals	(7,449,352)	-	(7,449,352)	(6,067,454)
Revaluations	(2,372,159)	-	(2,372,159)	2,483,864
Cash balance	-	858,176	858,176	236,510
Total 2022	<u>23,893,550</u>	<u>858,176</u>	<u>24,751,726</u>	<u>28,592,981</u>

THE ALLAN AND NESTA FERGUSON CHARITABLE TRUST

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The market value of investments individually constituting more than 5% of the total portfolio are as follows:

	31 December 2022	31 December 2021
Informa plc	7,281,475	6,071,225

This shareholding represents 0.2% (2021 - 0.2%) of the company's issued ordinary share capital.

The trustees wish to diversify the funds invested in Informa Plc and will do so when practical opportunities arise.

10. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	1,237,281	1,676,256

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	34,482	36,520
Grants accrued - institutional	614,961	693,111
	649,443	729,631

12. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Accrued grants payable to institutions	536,661	590,622

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(4,089,510)	253,536
Adjustments for:		
(Gains)/losses on investments	2,372,159	(2,483,864)
Dividends received	(408,883)	(371,052)
(Increase)/decrease in cash investments	(621,666)	607,745
(Increase)/decrease in debtors	470,351	1,697
Increase/(decrease) in creditors	(134,149)	327,824
Net cash used in operating activities	(2,411,698)	(1,664,114)

14. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	432,541	375,970
Total cash and cash equivalents	432,541	375,970

15. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	375,970	56,571	432,541
	375,970	56,571	432,541

16. Related party transactions

During the year the Trust received a donation of £31,376 (2021 - £NIL) from the Idwen Banister Will Trust which was a Trust of a close relative connected to D Banister. At the year end a balance of £61,000 (2021 - £1,629,624) was owed to the Trust in relation to this transaction.

Apart from the above there were no other related party transactions during the year.