

THE F. J. WALLIS CHARITABLE SETTLEMENT

CHARITY NUMBER 279273

**TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS**

YEAR TO 31 MARCH 2022

THE F.J. WALLIS CHARITABLE SETTLEMENT

YEAR TO 31 MARCH 2022

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THE F.J. WALLIS CHARITABLE SETTLEMENT

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2022

The trustees present their report along with the financial statements of the charity for the year to 31 March 2022. The financial statements have been prepared in accordance with accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, 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 published on 16 July 2014.

OBJECTIVES AND ACTIVITIES IN THE PUBLIC INTEREST

The charity has two broad purposes, namely to build up an endowment fund for a significant project or donation to be made in memory Francis John Wallis, the father of the settlor of the trust, and at the same time to make charitable donations to those causes that the trustees consider are in need of assistance.

The Trustees confirm that they paid due regard to the Charity Commission's guidance on public benefit when deciding what activities, the Charity undertook in the year and in planning what activities it should undertake in the future. The grant making policy is set out in the paragraph below and the Trustees confirm that all the grants referred therein were for the benefit of the public.

IMPACT OF COVID-19

As the charity's primary activity is in the form of grant making and it has no employees or pension liabilities the COVID-19 pandemic had an impact on its operations in that it made the level of investment income less predictable. As a precaution in 2021 the Trustees reduced the level of grants made until it was clear how the income of the Trust would be impacted. The Trustees are pleased to report that the impact on investment income was much less than anticipated and so the grant expenditure could increase back to pre- Covid levels.

The Trustees will continue to review the level of grant making to ensure that it is in line with its income.

PROCEDURES AND GRANT-MAKING POLICY

The trustees meet periodically (and are also in regular contact) to consider what grants they will make and to review any feedback they have received relating to past donations. The trustees receive many applications for assistance but are normally minded to help those with a link to the Wallis family.

In the past the trustees classified the causes that they sought to benefit and rotated the different classes of charities that benefited periodically. The Trustees found that the categorisation of the areas to benefit too restrictive, and so they have reverted to making discretionary donations to any global or local charitable purpose that either the trustees or the Wallis family particularly wish to support.

The trust does not actively fundraise and seeks to continue to benefit charities in memory of Francis Wallis Snr through careful stewardship of its existing resources.

This year ten causes were supported in addition to the RNLI which is supported annually.

THE F.J. WALLIS CHARITABLE SETTLEMENT

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2022 (continued)

ACHIEVEMENTS AND PERFORMANCE OF THE TRUST

The trustees received many grant requests in the year, but only causes brought to the trustees by members of the Wallis family are successful.

The trustees made cash grants totalling £40,500 to charitable causes as listed in Note 9 of the accounts. No donation pledges were made during the year.

FINANCIAL REVIEW

The trust is reliant on the income from its investments which, including bank interest, was £55,239 (2021 - £52,377). This income facilitated the charity's activities in the year to 31 March 2022.

INVESTMENT POLICY AND PERFORMANCE

The trustee's investment strategy is to set a balance between income and capital growth, predominantly in UK-based equities which generate high yields in accordance with the investment guidelines set by the Trustees as explained in the Risk Management section of this report. This investment policy is implemented by the charity's investment managers Investec Wealth and Investment in order to protect the value of the capital and income of the charity in real terms over the medium term.

The Trustees note that the investments portfolio had a market value at 31 March 2022 of £2,048,874 against a valuation at the previous year-end of £1,984,054, representing an increase in value of 3% during the year to 31 March 2022.

Overall gains during the year to 31 March 2022 amounted to £58,451 (2021: £393,513), which was represented by unrealised gains on investments of £60,240 and realised losses on disposals of £1,789.

The Trustees continue to keep the selection of investment manager under active consideration. The trustee's aim was originally to maintain cash balances of no less than £50,000 at any one time, which would enable them to respond to any applications for grants that the trustees approve and to ensure that sufficient funds are available to cover support and governance costs. In view of the fact that interest generated by un-invested cash would be under 1% the investment manager has invested part of the portfolio in corporate bonds, which can be realised at very short notice and give a better yield.

RISK MANAGEMENT

The charity's trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks. The trustees consider variability of investment returns on the permanent endowment to constitute the charity's major risk. In order to counter this risk, the trustees have ensured that the mandate that they have given to the stockbrokers is a balance of income and growth to be invested primarily in UK equities. The trustees have stated that no initial investment should exceed 10% of the total value of the fund. The total sum of all equity holdings in excess of 5% must not be equal to or exceed 40% of the fund's value at any time.

Fund based investments which generate diversification, such as the original investment made of £125,000 in the Charities Property Fund can exceed the 5% rule, but cannot exceed 15% of the total value of the portfolio at the time of purchase.

THE F.J. WALLIS CHARITABLE SETTLEMENT

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2022 (continued)

RESERVES

The stockbrokers are very familiar with managing charitable portfolios and seek to maintain a reasonable income yield from the investments made. From this investment objective it is considered by the trustees that they will protect the value of the capital and income in real terms over the medium term. The trustees keep their choice of stockbroker under active consideration. The stockbrokers manage this objective for the charity's portfolio under a discretionary management agreement under powers granted to the charity by the Charity Commissioners in an order sealed on 25 February 1997.

PLANS FOR THE FUTURE

The trustees will continue to examine donation requests carefully and will make donations to those charitable causes which are selected. The trustees will also endeavour to develop the capital of the settlement so that a significant project can be undertaken in memory of the founders of the charity should the trustees so decide.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trust is an unincorporated trust, constituted under a trust deed dated 19 March 1979 and supplemental deed dated 19 December 1979, and is a registered charity number 279273.

The trust was established by an initial gift from Francis John Wallis in memory of his late father, also named Francis John Wallis. The initial donation allowed the trustees to either retain the amount given as capital or spend it. At the time of the original gift, the trustees chose to retain the amount as capital. The trust deed gives the trustees power to apply the funds in such a manner as they think fit to or for the benefit of any charitable object or purpose.

The power to appoint new trustees initially vests with the current trustees, one of whom is a member of the Wallis family and the other two of whom are professional advisers to the Wallis family over many years.

The trust deed does not provide for a minimum or maximum number of trustees. The trustees are appointed for an indefinite period. Mr Francis Wallis Jnr, the settlor of the charity, whilst not a trustee, continues to monitor the progress of the charity.

The trustees keep the skills requirement for themselves under review and, in the event that a trustee permanently retires or it is decided that new trustees are required, the trustees would initially seek applications from the Wallis family and in the final selection of any new trustees the view of Francis Wallis Jnr would be taken into account. However, the ultimate decision on selection is a matter for the existing trustees.

Were there a requirement for new trustees, these would be identified and appointed by the remaining trustees. They would be responsible for the induction of any newly appointed trustee. This would involve ensuring the new trustee received copies of the governing document, administrative procedures, the history and approach of the charity and its investment policies. Any new trustee would also receive copies of trustees' minutes, copies of the last three years of annual reports and accounts, a copy of the governing trust deed and a copy of the Charity Commissioners guidance "The Essential Trustee – What you need to know".

THE F.J. WALLIS CHARITABLE SETTLEMENT

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2022 (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The trust donations and administration is handled by a part time employee of Hughes Collett Ltd. The firm also handles the financial affairs of the charity, including preparation of the accounts. The amount paid for these services was £4,500 (2021 - £3,600)

KEY MANAGEMENT PERSONNEL REMUNERATION

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give freely of their time and no trustee remuneration was paid in the year. Details of trustees' expenses and related party transactions are disclosed in note 2 to the accounts.

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

Rev J J A Archer
F H Hughes
A J Hills

Principal Office

Bridge House
11 Creek Road
East Molesey
Surrey, KT8 9BE

Independent Examiner

G N Birch
Birch Riddle & Co Ltd
6 Orchard Close
West Ewell
Surrey, KT19 9NS

Bankers

NatWest Bank
1 High Street
Weybridge
Surrey, KT13 8AY

Investment Managers

Investec Wealth and Investment
30 Gresham Street
London, EC2V 7QN

THE F.J. WALLIS CHARITABLE SETTLEMENT**TRUSTEES' REPORT****YEAR ENDED 31 MARCH 2022 (continued)****TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

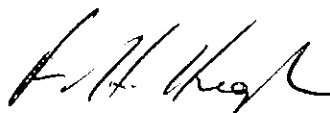
The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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 the financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be 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 in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 12th July 2022
and signed on their behalf by



F H HUGHES (TRUSTEE)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE F J WALLIS CHARITABLE SETTLEMENT
YEAR ENDED 31 MARCH 2022

I report to the trustees on my examination of the accounts of the Trust for the year ended 31 March 2022, which are set out on pages 7 to 14.

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

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.


Birch Riddle & Co. Ltd.

6 Orchard Close
West Ewell
Surrey
KT19 9NS

G N Birch FCA
Birch Riddle & Co Ltd
Chartered Accountants

Date: *12th July* 2022

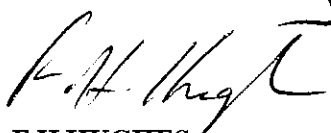
THE F.J. WALLIS CHARITABLE SETTLEMENT
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Income			
Investment income	3	55,239	52,377
Expenditure			
Costs of generating funds			
Investment management costs		11,722	10,347
Expenditure on charitable activities			
Donations to charities and related expenses	4	46,511	16,948
		-----	-----
Total expenditure		58,233	27,295
		-----	-----
Net (expenditure) / income and net movements in funds before gains on investments		(2,994)	25,082
Net gains on investments	5	58,451	393,513
		-----	-----
Net movement in funds		55,457	418,595
Reconciliation of funds			
Total funds brought forward		2,066,448	1,647,853
		-----	-----
Total funds carried forward		2,121,905	2,066,448
		=====	=====

The notes on pages 10 to 14 form part of these financial statements

THE F.J. WALLIS CHARITABLE SETTLEMENT**BALANCE SHEET****AS AT 31 MARCH 2022**

	Notes	£	2022 £	2021 £
Fixed assets				
Investments	5		2,048,874	1,984,054
Current assets				
Debtors	6	963		1,256
Cash at bank		78,068		86,058
Total current assets		79,031		87,314
Creditors – Amounts falling due within one year	7	(6,000)		(4,920)
Net current assets			73,031	82,394
Total net assets			2,121,905	2,066,448
Funds of the charity:				
Unrestricted funds			2,121,905	2,066,448

Approved by the Trustees on *(12th July)* 2022

F H HUGHES

A J HILLS

THE F.J. WALLIS CHARITABLE SETTLEMENT
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Net cash used in operating activities	8	(56,860)	(32,214)
Cash flows from investing activities			
Investment income	3	55,239	52,377
Net purchases of investments	5	(6,369)	(20,138)
Net cash provided by investing activities		48,870	32,239
Change in cash in the year		(7,990)	25
Cash brought forward		86,058	86,033
Cash carried forward		78,068	86,058

The notes on pages 10 to 14 form part of these financial statements

THE F.J. WALLIS CHARITABLE SETTLEMENT
YEAR ENDED 31 MARCH 2022
NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

1.1 Basis of preparation and going concern

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

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With respect to the next reporting period, 2022-23, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information)

1.2 Income recognition

Donations are included in incoming resources when they are receivable, except when the donors specify that they must be used in future accounting periods, or where donor conditions have not been fulfilled, in which case the income is deferred.

Investment income is accounted for when receivable.

1.3 Fund structure

The Charity does not have any restricted funds or designated funds. All the Trustees funds represent General Unrestricted Funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

1.4 Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

THE F.J. WALLIS CHARITABLE SETTLEMENT

YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS – continued

Expenditure recognition (continued)

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

1.5 Allocation of governance costs

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity. They include the costs of preparing the statutory accounts, the cost of the independent examination, and costs linked to the strategic management of the charity. These costs have been allocated to expenditure on charitable activities.

1.6 Cost of raising funds

The costs of generating funds consist of investment management costs.

1.7 Charitable activities

Costs of charitable activities include grants made and governance costs.

1.8 Fixed asset investments

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

The Trust does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.9 Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer or the amount cannot be estimated reliably

THE F.J. WALLIS CHARITABLE SETTLEMENT
YEAR ENDED 31 MARCH 2022
NOTES TO THE FINANCIAL STATEMENTS – continued

2. Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2021: £nil). In the year Hughes Collett, a firm controlled by F.H. Hughes, a trustee, provided accountancy and administration services to the trust in the sum of £4,500 (2021- £3,600).

3. Investment income

	2022	2021
	£	£
Dividends and unit trust distributions	50,957	48,136
Fixed interest income	4,282	4,241
Bank interest	-	-
	<u>55,239</u>	<u>52,377</u>

4. Analysis of expenditure on charitable activities

	2022	2021
	£	£
Donations made in the year (note 9)	40,500	12,000
Governance costs:		
Accountancy & administration	4,500	3,600
Independent examiner's fees	1,500	1,320
Bank charges	11	28
	<u>46,511</u>	<u>16,948</u>

5. Fixed asset investments

Movement in fixed asset listed investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Market value at 1 April 2021	1,984,054	1,570,403
Additions at cost	340,766	267,923
Disposals at carrying value	(336,186)	(234,878)
Net unrealised gains in the year	60,240	380,606
	<u>2,048,874</u>	<u>1,984,054</u>
Market value at 31 March 2022		

Net cash invested in investments in the year:

	2022	2021
	£	£
Disposal proceeds	334,397	247,785
Additions at cost	(340,766)	(267,923)
	<u>(6,369)</u>	<u>(20,138)</u>
Net cash invested		

THE F.J. WALLIS CHARITABLE SETTLEMENT

YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS – continued

5. Fixed asset investments (continued)

Net gains on investments:	2022	2021
	£	£
Net realised (losses)/gains on disposals in the year	(1,789)	12,907
Net unrealised gains in the year	60,240	380,606
	-----	-----
Net gains on investments	58,451	393,513
	=====	=====
 Listed investments	 2022	 2021
	£	£
Stocks and shares	1,917,063	1,834,158
Fixed Interest	131,811	149,896
	-----	-----
	2,048,874	1,984,054
	=====	=====

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

6. Debtors

	2022	2021
	£	£
Accrued investment income	963	1,256
	=====	=====

7. Creditors – Amounts falling due within one year

	2022	2021
	£	£
Accrued donation	-	-
Accrued administrative expenses	6,000	4,920
	-----	-----
	6,000	4,920
	=====	=====

8. Reconciliation of net movement in funds to net cash flow from operating activities

	2022	2021
	£	£
Net movement in funds	55,457	418,595
Deduct investment income	(55,239)	(52,377)
Deduct gains on investments	(58,451)	(393,513)
Decrease in debtors	293	81
Increase/(decrease) in creditors	1,080	(5,000)
	-----	-----
	(56,860)	(32,214)
	=====	=====

THE F.J. WALLIS CHARITABLE SETTLEMENT

YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS – continued

9. Donations

The Trustees have made a number of grants to institutions in the current year, all of which further the objectives of the charity, as follows: -

Donee	Purpose	2022 £	2021 £
Mary's Meals, Haiti Earthquake Appeal	Disaster relief aid	10,000	-
Afghan & Central Asian Association	Support for Afghan refugees	5,000	-
DEC Humanitarian Appeal	Humanitarian Aid	5,000	-
Elmbridge CAN	Community support for refugees	5,000	-
Mary's Meals	Provision of school meals	5,000	1,000
Youth and Families Matter	Support to children, young people and families	5,000	-
RNLI	Maritime rescue	1,500	1,500
Hampshire & Isle of Wight Air Ambulance	Transport for medical emergencies	1,000	1,000
Kent, Surrey, Sussex Air Ambulance	Transport for medical emergencies	1,000	-
Minstead Trust	Support for those with learning difficulties	1,000	2,500
Water Harvest	Funds rainwater storage projects in rural India	1,000	-
Medical Detection Dogs	Early detection of diseases	-	2,500
Prostate Cancer UK	To fund research into prostate cancer and provide support to those affected	-	2,500
Watermill Theatre	Nurturing theatre and the performing arts	-	1,000
		40,500	12,000