

# **SARNIA CHARITABLE TRUST**

**UNAUDITED ANNUAL REPORT  
AND FINANCIAL STATEMENTS**

**YEAR ENDED 5 APRIL 2021**

**CHARITY NO 281417**

# SARNIA CHARITABLE TRUST

## Report and Financial Statements for the year ended 5 April 2021

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<b>Constitution</b>	Sarnia Charitable Trust was established under Deed of Trust dated 25 July 1979, followed by a supplemental Deed dated 23 September 1980.  The registered number of the Charity is 281417.
<b>Trustees</b>	Dr Timothy Nigel Dexter Peet Mrs Christina Vanessa Elizabeth Benfield Mrs Josephine Apsion Miss Catherine Peet Mr Robert Benfield
<b>Trust Administrator</b>	BDO LLP, Two Snowhill, Birmingham, B4 6GA and this is also the registered address of the Trust
<b>Independent Examiners</b>	Mr R MacLaren of Michael Dufty Partnership Limited The Counting House, 61 Charlotte Street, St Paul's Square, Birmingham, P3 1PX
<b>Bankers</b>	Barclays Bank PLC, Edgbaston Branch, 38 Hagley Road, Birmingham, B16 8NY
<b>Investment Advisors</b>	Smith & Williamson Investment Management, 3rd Floor, 9 Colmore Row, Birmingham, B3 2BJ
<b>Solicitors</b>	Shakespeare Martineau LLP, No 1 Colmore Square, Birmingham, B4 6AA

# **SARNIA CHARITABLE TRUST**

## **Report of the Trustees for the year ended 5 April 2021**

The Trustees present their annual report covering the Trust's activities for the year ended 5 April 2021.

Legal and administrative information set out on page 1 forms part of this report.

### **History, objectives and activities of the Trust**

The Trust was established under a Deed of Trust dated 25 July 1979 followed by a supplemental deed dated 23 September 1980.

The objectives are summarised as being for general charitable purpose, with no defined beneficial area.

### **Summary of the activities undertaken for the public benefit**

The grants made to charities in the year enable the charities to meet their objectives and to provide benefit to the public.

The Trustees have confirmed that they have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

### **Management and Governance arrangements**

The names of the Trustees who have acted during the year are set out on page 1.

The Trustees conduct their Trust business by means of telephone, correspondence and computer communications and the Trustees consider that regular Trust meetings are not required.

The Trustees are appointed by the Board of Trustees. New Trustees receive copies of all relevant Trust documents and of the Charity Commission guidance. Appropriate training is organised for the Trustees.

The Trust is administered by an administrator who is not a Trustee but who is acting on behalf of Trustees.

### **Procedures and policy for grant making**

The objectives of the Trust are to support from the income of the Trust by donations and subscriptions Charitable Institutions and objectives at the Trustees' discretion. The Trustees have identified an interest in Guernsey based charitable trusts and in nature and wildlife conservation, and it is in these areas that the main support is given. Generally the Trustees are not interested in regional requests from charities. The Trustees do make donations and subscriptions based on their own continuing interests.

The Trustees are generally not interested in unsolicited applications received for grants which are, therefore, unlikely to be successful. They are, however, considered on a quarterly basis.

### **Achievements and performance of the Trust**

During the year charitable grants and subscriptions were made to 5 different charities totalling £11,000.

The largest grants were:

	£
Norfolk and Norwich Naturalists Society	3,000
Norfolk Wildlife Trust	3,000

## **SARNIA CHARITABLE TRUST**

### **Report of the Trustees (continued) for the year ended 5 April 2021**

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Examination of the Schedule of Grants in Note 3 to the financial statements will show that the Trustees have fulfilled the objectives of the Trust by making grants to charities involved in nature and wildlife conservation and Guernsey based charities of 100% in value of total grants made.

#### **Financial review, investment policy and reserves**

These accounts for the year ended 5 April 2021 have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Accepted Accounting Practice) and comply with the Statement of Recommended Practice (SORP) Accounting and Reporting by charities FRS102 effective from January 2019. The financial statements are prepared under the historic cost convention.

There have not been any significant changes in the Trust's activities or the manner in which these activities have been carried out.

The income for the year was £29,337 which was an decrease of £8,890 on the previous year.

Details of grants made are disclosed on page 2.

Support costs, governance costs and the investment advisor's fee amounted to £9,125 (2020: £8,547) and this left a surplus of £9,212 (2020: £8,280) for the year to add to the unspent amount at the beginning of the year of £61,425. The Trustees therefore have unspent income of £70,637 available at the year end.

The anticipated net income for the year ending 5 April 2021 will be £20,000 to which can be added unspent income of £70,637 from which the charitable grants and subscriptions for the year can be made. This is a total of £90,637.

The value of the investments of the Trust increased by £290,421 (2020: decrease of £218,012) of which £295,033 were unrealised gain (2020: loss £206,104) and £3,362 were realised loss (2020: loss of £12,356). The Trustees intend to retain the investments to produce income for grants and not to use investment revaluations for this purpose. The market value of the investments is reflected in the accounts.

There was an overall surplus for the year of £300,883 (2020: deficit of £210,180) which was added to the reserves brought forward from the previous year.

Under the Deed of Trust the Trustees are empowered to retain any investments for as long as they in their absolute discretion think fit and notwithstanding that by reason of such retention the investments are not sufficiently diversified. The Trustees are also empowered to use the investments in the same manner as income and there is, therefore, no fixed endowment fund and no restricted investments. The investments of the Trust are held in the name of Smith and Williamson Nominees Limited which is the appropriate holding company of the Trust's investment advisors.

Quarterly Trust's investment advisors report in detail on the performance of the investments. The increase in the value of the investments is £290,421, an increase of 29% compared to the market value at 5 April 2020.

#### **General unrestricted funds**

It is the policy of the Trustees, having regard to the specific designated fund referred to below, to maintain the General unrestricted funds, which are the free reserves of the Charity, at a level of circa £10,000. Such funds may be held in order to finance working capital in furtherance of the objectives of the Charity. Free reserves at 5 April 2021 were £71,699.

## SARNIA CHARITABLE TRUST

Annual Report of the Trustees (continued) for the year ended 5 April 2021

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### Designated funds

Designated funds are amounts that have been put aside out of restricted funds at the discretion of the Trustees for particular purposes. The designation is for administration purposes only and does not legally restrict the Trustees discretion to apply the funds. The Trustees have created the following designated fund:

### Investment fund

To provide the income necessary to maintain the Trust's charitable activities, the charity requires a significant capital base and the Trustees have maintained an investment policy in order to provide a degree of stability and certainty in income levels. In the circumstances the Trustees have created a designated Investment fund that represents the listed investments held in the charity's investment portfolio.

Details of movements in the funds are set out on page 11 of the financial statements.

The assets reflected in the Balance Sheet are available and adequate for the Trustees to fulfil the obligations of the Charity.

### Future plans

It is intended to use the funds described above to continue the objectives of the Trust, as earlier described, indefinitely.

This means that the Trustees will be looking to make charitable grants of circa £25,000 on an annual basis out of the net income received and additional grants can be made out of the current unspent income balance carried forward of £70,637.

### Risk management

The Trustees have considered the major risks to which the Charity is exposed and have reviewed those risks and established procedures to manage them.

### Going concern

There are no material uncertainties about the Charity's ability to continue as a going concern.

The trustees for the purposes of charity law who served during the year and up to the date of this report are set out on page 1.

### Statement of Trustees' responsibilities

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year which comply with regulations under that Act.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any

The Law also sets out the Trustees' responsibilities for the preparation and content of the Trustees' Annual Report.

Approved by the Board of Trustees on

26/01/2022

and signed on its behalf by



Dr T N D Peet  
Trustee

# Independent Examiner's Report to the Trustees of the

## SARNIA CHARITABLE TRUST

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We report to the trustees on our examination of the accounts of the Sarnia Charitable Trust for the year ended 5 April 2021.

### Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). We report in respect of our examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out our examination we have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### Independent examiner's statement

We have completed our examination. We confirm that no material matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

We 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.



**Robert MacLaren ACA FCCA**  
Michael Dufty Partnership Limited  
Chartered Certified Accountant  
Independent Examiner  
Birmingham  
B3 1PX

Date: 26/01/2022

# SARNIA CHARITABLE TRUST

## Statement of Financial Activities for the year ended 5 April 2021

		Unrestricted fund 2021		Unrestricted fund 2020	
	<u>Note</u>	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>					
Investments	2		29,337		38,227
Donations and legacies			-		-
<b>TOTAL INCOME</b>			<u>29,337</u>		<u>38,227</u>
<b>EXPENDITURE ON:</b>					
Charitable activities					
Grant making	3	11,000		21,400	
Grant related support costs	4	<u>1,450</u>		<u>1,358</u>	
Cost of grant making			12,450		22,758
Other	4		<u>7,675</u>		<u>7,189</u>
<b>TOTAL EXPENDITURE</b>			<u>20,125</u>		<u>29,947</u>
<b>NET INCOME/(EXPENDITURE)</b>			9,212		8,280
<b>GAINS/(LOSSES) ON INVESTMENT ASSETS</b>					
Unrealised (losses)/gains on investments	5		295,033		(206,104)
Realised (losses)/gains on investment assets	5		<u>(3,362)</u>		<u>(12,356)</u>
<b>NET MOVEMENT IN FUNDS</b>			300,883		(210,180)
Total funds brought forward			<u>1,049,786</u>		<u>1,259,966</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	8		<u>1,350,669</u>		<u>1,049,786</u>

The notes on pages 8 to 11 form part of these accounts.

# SARNIA CHARITABLE TRUST

Balance Sheet as at 5 April 2021

		2021	2020
	<u>Note</u>	£	£
<b>FIXED ASSETS</b>			
Investments	5	1,277,501	987,080
<b>CURRENT ASSETS</b>			
Debtors	6	9,207	3,731
Cash at bank and in hand		<u>65,443</u>	<u>60,643</u>
		74,650	64,374
<b>LIABILITIES</b>			
Creditors - amounts falling due within one year	7	<u>1,482</u>	<u>1,668</u>
<b>NET CURRENT ASSETS</b>		73,168	62,706
<b>NET ASSETS</b>		<u>1,350,669</u>	<u>1,049,786</u>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted funds	8	<u>1,350,669</u>	<u>1,049,786</u>

Approved for issue by the Board of Trustees on

26/01/2022 and signed on its behalf by



DR T N D PEET  
Trustee

The notes on pages 8 to 11 form part of these accounts.

# SARNIA CHARITABLE TRUST

Notes to the financial statements for the year ended 5 April 2021

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## 1. ACCOUNTING POLICIES

These accounts for the year ended 5 April 2021 have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Accepted Accounting Practice) and comply with the Statement of Recommended Practice (SORP) Accounting and Reporting by charities FRS102 effective from January 2019. The financial statements are prepared under the historic cost convention.

### **Fund accounting**

The charity maintains various types of funds as follows:

#### **Unrestricted funds**

**Designated funds** are funds which have been put aside out of unrestricted funds as follows:

**Investment funds** - to provide the income necessary to maintain the Trust's charitable activities, the charity requires a significant capital base and the Trustees have maintained an active investment policy in order to provide a degree of stability and certainty in income levels. In the circumstances the Trustees have created a designated investment fund that represents the government stocks and other listed investments held in the charity's investment portfolio.

**General unrestricted funds** represent unrestricted income, which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

#### **Incoming resources**

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is a reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable.

Investment income is accounted for on an accruals basis. Dividends from quoted securities are accrued when the security is quoted ex-div.

#### **Grants**

Grants made by the Trust are charged against income in the year in which they are made.

#### **Costs of generating funds**

The cost of generating funds consist of investment management fees.

#### **Charitable activities**

Costs of charitable activities include grants made and an apportionment (based on time costs incurred) of overhead and support costs as shown in note 4.

Support costs comprise all costs associated with the general administration of the trust in support of the charitable activities of the charity and are allocated to charitable activities and governance costs on the basis of time costs incurred.

## SARNIA CHARITABLE TRUST

Notes to the financial statements for the year ended 5 April 2021

### 1. ACCOUNTING POLICIES (continued)

#### Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice (based on time costs incurred). These costs include costs relating to statutory independent examiner's report and legal fees.

#### Investments

Listed investments are stated at closing middle market price immediately prior to the end of the financial year. All movements in value are shown in the Statement of Financial Activities. Income from listed investments is recognised as income as received together with any associated recoverable income tax or tax credit.

Realised and unrealised gains are shown separately in the appropriate section of the Statement of Financial Activities.

### 2. INVESTMENT INCOME

	2021 £	2020 £
Dividends	29,319	38,202
Interest - gross	18	25
	<u>29,337</u>	<u>38,227</u>

### 3. GRANTS

	£
Kent Wildlife Trust	1,000
Norfolk and Norwich Naturalists Society	3,000
Norfolk Wildlife Trust	3,000
Ted Ellis Trust	2,000
The Wildlife Trust	2,000
	<u>11,000</u>

All grants made in the year were to institutions. None were made to individuals (2020: none).

Details of grants paid in the corresponding period are available on request from the registered address of the Trust.

## SARNIA CHARITABLE TRUST

Notes to the financial statements for the year ended 5 April 2021

### 4. SUPPORT AND OTHER COSTS

	Basis of apportionment	Charitable activity £	Governance £	Total 2021 £	Total 2020 £
Independent Examiner's fee	0/1	-	420	420	396
Other expenses	1/5	1,450	7,255	8,705	8,151
		<u>1,450</u>	<u>7,675</u>	<u>9,125</u>	<u>8,547</u>

Support costs are apportioned based on time costs incurred.

No Trustee, or person related or connected to them, has received any emoluments or expenses from the charity during the year or the preceding years.

There are no employees (2020 none).

### 5. INVESTMENTS

	2021 £	2020 £
Quoted investments		
Market value 6 April 2020	952,953	1,142,976
Additions	176,073	143,064
Disposals	(187,118)	(114,627)
Net realised investment (losses)/gains	(3,362)	(12,356)
Net unrealised investment (losses)/gains	295,033	(206,104)
Market value 5 April 2021	<u>1,233,579</u>	<u>952,953</u>
Uninvested cash capital	43,922	34,127
	<u>1,277,501</u>	<u>987,080</u>
Historical Cost at 5 April 2021	<u>992,939</u>	<u>1,007,346</u>

There were 16 disposals during the year producing net realised loss of £3,362.

There are 62 investments constituting the Fund (excluding the uninvested cash capital):

	Market value £	%
Fixed interest and stock - 19 holding	384,216	30.1
Equities (all based in the UK) - 30 holding	594,219	46.5
Equities (overseas) - 13 holding	255,144	20.0
Uninvested cash capital	43,922	3.4
	<u>1,277,501</u>	<u>100</u>

## SARNIA CHARITABLE TRUST

Notes to the financial statements for the year ended 5 April 2021

6. DEBTORS	2021 £	2020 £
Dividends	9,207	3,731
	<u>9,207</u>	<u>3,731</u>

7. CREDITORS	2021 £	2020 £
Independent Examiner's fee	420	396
Accountancy Fees	1,062	1,272
	<u>1,482</u>	<u>1,668</u>

### 8. STATEMENT OF MOVEMENTS ON UNRESTRICTED FUNDS

	Balance 5 April 2020 £	Income £	Expenditure gains & losses £	Transfers £	Balance 5 April 2021 £
Investment Fund	987,080	-	-	290,421	1,277,501
General Fund	62,706	29,337	271,546	(290,421)	73,168
Total unrestricted funds	<u>1,049,786</u>	<u>29,337</u>	<u>271,546</u>	<u>-</u>	<u>1,350,669</u>

Transfers were made between the investment fund and the general fund in order to equate the investment fund value with the value of the investment portfolio and amounts incurred in respect of the general fund suffered by the investment fund.

### 9. TAXATION

Sarnia Charitable Trust is a registered charity and, as such, is exempt from tax on income and gains falling within section 532 ITA2007 or Section 256 TCGA92 to the extent that they are applied to its charitable objectives.

### 10. RELATED PARTIES

Aggregate amount of donations, without conditions, received from related parties amounted to £0 (2020 £0).

### 11. CONTROLLING PARTY

Throughout the current and previous period, the charity was not under the control of any single individual or entity.