

SARNIA CHARITABLE TRUST

**UNAUDITED ANNUAL REPORT
AND FINANCIAL STATEMENTS**

YEAR ENDED 5 APRIL 2023

CHARITY NO 281417

SARNIA CHARITABLE TRUST

Report and Financial Statements for the year ended 5 April 2023

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Constitution	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.
Trustees	Dr Timothy Nigel Dexter Peet Mrs Christina Vanessa Elizabeth Benfield Mrs Josephine Apsion Miss Catherine Peet Mr Robert Benfield
Trust Administrator	BDO LLP, Two Snowhill, Birmingham, B4 6GA and this is also the registered address of the Trust
Independent Examiners	Mr R MacLaren of Michael Dufty Partnership Limited The Counting House, 61 Charlotte Street, St Paul's Square, Birmingham, P3 1PX
Bankers	Barclays Bank PLC, Edgbaston Branch, 38 Hagley Road, Birmingham, B16 8NY
Investment Advisors	Evelyn Partners, 14th Floor, 103 Colmore Row, Birmingham, B3 3AJ
Solicitors	Shakespeare Martineau LLP, No 1 Colmore Square, Birmingham, B4 6AA

SARNIA CHARITABLE TRUST

Report of the Trustees for the year ended 5 April 2023

The Trustees present their annual report covering the Trust's activities for the year ended 5 April 2023.

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, a charitable grant was made to 1 charity totalling £5,000.

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.

SARNIA CHARITABLE TRUST

Report of the Trustees (continued) for the year ended 5 April 2023

Financial review, investment policy and reserves

These accounts for the year ended 5 April 2023 have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and comply with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities FRS102 effective from January 2015. 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 £43,557 which was an increase of £7,239 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 £14,136 (2022: £13,917) and this left a surplus of £24,421 (2022: deficit of £4,099) for the year to add to the unspent amount at the beginning of the year of £66,538. The Trustees therefore have unspent income of £90,959 available at the year end.

The anticipated net income for the year ending 5 April 2024 will be £41,000 to which can be added unspent income of £90,959 from which the charitable grants and subscriptions for the year can be made. This is a total of £131,959.

The value of the investments of the Trust decreased by £98,565 (2022: £70,333) of which £127,231 were unrealised losses (2022: £64,470 unrealised gains) and £30,184 were realised gains (2022: £9,739). 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 deficit for the year of £72,626 (2022: surplus of £70,110) which was deducted from 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 decrease in the value of the investments is £98,565, a decrease of 7% compared to the market value at 5 April 2022.

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 2023 were £98,884.

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:

SARNIA CHARITABLE TRUST

Report of the Trustees (continued) for the year ended 5 April 2023

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 £90,959.

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 time the financial position of the Charity. 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.

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

Approved by the Board of Trustees and signed on its behalf by

Tim Peet

Dr T N D Peet

Trustee

Date: 9/1/2024

Independent Examiner's Report to the Trustees of the

SARNIA CHARITABLE TRUST

We report to the trustees on our examination of the accounts of the Sarnia Charitable Trust for the year ended 5 April 2023.

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.

Michael Duffy Partnership Ltd

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

Date: *4th January 2024*

SARNIA CHARITABLE TRUST

Statement of Financial Activities for the year ended 5 April 2023

		Unrestricted fund 2023		Unrestricted fund 2022	
	<u>Note</u>	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Investments	2		<u>43,557</u>		<u>36,318</u>
EXPENDITURE ON:					
Charitable activities					
Grant making	3	5,000		26,500	
Grant related support costs	4	<u>2,272</u>		<u>2,240</u>	
Cost of grant making			7,272		28,740
Other	4		<u>11,864</u>		<u>11,677</u>
TOTAL EXPENDITURE			<u>19,136</u>		<u>40,417</u>
NET INCOME/(EXPENDITURE)			24,421		(4,099)
GAINS/(LOSSES) ON INVESTMENT ASSETS					
Unrealised (losses)/gains on investments	5		(127,231)		64,470
Realised (losses)/gains on investment assets	5		<u>30,184</u>		<u>9,739</u>
NET MOVEMENT IN FUNDS			(72,626)		70,110
Total funds brought forward			<u>1,420,779</u>		<u>1,350,669</u>
TOTAL FUNDS CARRIED FORWARD	8		<u>1,348,153</u>		<u>1,420,779</u>

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

SARNIA CHARITABLE TRUST

Balance Sheet as at 5 April 2023

		2023		2022	
	<u>Note</u>	£	£	£	£
FIXED ASSETS					
Investments	5		1,249,269		1,347,834
CURRENT ASSETS					
Debtors	6	2,190		1,922	
Cash at bank and in hand		<u>100,531</u>		<u>73,094</u>	
		102,721		75,016	
LIABILITIES					
Creditors: amounts falling due within one year	7	<u>3,837</u>		<u>2,071</u>	
NET CURRENT ASSETS			<u>98,884</u>		<u>72,945</u>
NET ASSETS			<u>1,348,153</u>		<u>1,420,779</u>
THE FUNDS OF THE CHARITY					
Unrestricted funds	8		<u>1,348,153</u>		<u>1,420,779</u>

Approved for issue by the Board of Trustees and signed on its behalf by

Tim Peet

DR T N D PEET

Trustee

Date: 9/1/2024

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 2023

1. ACCOUNTING POLICIES

These accounts for the year ended 5 April 2023 have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally 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 2023

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

	2023 £	2022 £
Dividends	43,088	36,311
Interest - gross	469	7
	<u>43,557</u>	<u>36,318</u>

3. GRANTS

	2023 £	2022 £
Forest Parish Church	5,000	-
Friends of KGV	-	500
Great Western Society	-	2,000
Guernsey Aid	-	5,000
Norfolk and Norwich Naturalists Society	-	5,000
Norfolk Wildlife Trust	-	3,000
Rotary club of Guernsey	-	6,000
The Suffolk Wildlife Trust	-	3,000
The Wildlife Trust	-	2,000
	<u>5,000</u>	<u>26,500</u>

All grants made in the year were to institutions. None were made to individuals (2022: 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 2023

4. SUPPORT AND OTHER COSTS

	Basis of apportionment	Charitable activity £	Governance £	Total 2023 £	Total 2022 £
Independent Examiner's fee	0/1	-	504	504	474
Other expenses	1/5	2,272	11,360	13,632	13,443
		<u>2,272</u>	<u>11,864</u>	<u>14,136</u>	<u>13,917</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 (2022: none).

5. INVESTMENTS

	2023 £	2022 £
Quoted investments:		
Market value 6 April 2022	1,293,733	1,233,579
Additions	159,186	70,671
Disposals	(153,056)	(84,726)
Net realised investment (losses)/gains	30,184	9,739
Net unrealised investment (losses)/gains	(127,231)	64,470
Market value 5 April 2023	<u>1,202,816</u>	<u>1,293,733</u>
Uninvested cash capital	46,453	54,101
	<u>1,249,269</u>	<u>1,347,834</u>
Historical Cost at 5 April 2023	<u>1,024,937</u>	<u>988,623</u>

There were 9 disposals during the year producing net realised gain of £30,184.

There are 58 investments constituting the Fund (excluding the uninvested cash capital):

	Market value £	%
Fixed interest and stock - 18 holding	349,664	28.0
Equities (all based in the UK) - 19 holding	334,360	26.8
Equities (overseas) - 21 holding	518,792	41.5
Uninvested cash capital	46,453	3.7
	<u>1,249,269</u>	<u>100</u>

SARNIA CHARITABLE TRUST

Notes to the Financial Statements for the year ended 5 April 2023

6. DEBTORS	2023 £	2022 £
Dividends	<u>2,190</u>	<u>1,922</u>
7. CREDITORS	2023 £	2022 £
Independent Examiner's Fee	1,008	978
Investment Management Fees	1,065	1,093
Accountancy Fees	<u>1,764</u>	<u>-</u>
	<u>3,837</u>	<u>2,071</u>

8. STATEMENT OF MOVEMENTS ON UNRESTRICTED FUNDS

	Balance 5 April 2022 £	Income £	Expenditure gains & losses £	Transfers £	Balance 5 April 2023 £
Investment Fund	1,347,834	-	-	(98,565)	1,249,269
General Fund	<u>72,945</u>	<u>43,557</u>	<u>(116,183)</u>	<u>98,565</u>	<u>98,884</u>
Total unrestricted funds	<u>1,420,779</u>	<u>43,557</u>	<u>(116,183)</u>	<u>-</u>	<u>1,348,153</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 £Nil (2022: £Nil).

11. CONTROLLING PARTY

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