

THE STOCK EXCHANGE CLERKS FUND

Registered Charity No: 286055

TRUSTEES' REPORT and FINANCIAL STATEMENTS

31 December 2021

THE STOCK EXCHANGE CLERKS FUND

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THE STOCK EXCHANGE CLERKS FUND

Honorary Trustees:	Mr W D Eason Mr L Ponsonby Mr D Malpas
Trustees:	Mrs J Mayhew (Chair) Mr M D Willmott (Deputy Chair) Mr R Adams (Treasurer) Mr I J Baines Mr J Culliford – deceased 18 January 2021 Mr J Dust Mrs K L George Mr A J Hackling Ms Melissa Hooper Mr K Norman Mr J D Paulson-Ellis Mr M Ripsher Mr S F C Tame
Website:	www.secfund.org.uk
Address:	1 Earl Street London EC2A 2AL
Secretary:	Mrs Jennie Hendrick
Telephone No:	07958 209367
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Charity Liaison Officer:	Mrs Deana Ball
Telephone No:	01708 732458
E-mail:	deanaball44@gmail.com
Auditors:	Pocknells LLP 46 Hullbridge Road South Woodham Ferrers Essex CM3 5NG
Bankers:	Barclays Bank plc 155 Bishopsgate London EC2M 3XA
Investment Managers:	Quilter Cheviot Investment Management. 90 Long Acre London WC2E 9RA

TRUSTEES' REPORT

INTRODUCTION

In accordance with the Trust Deed dated 19 March 2008 the Trustees present their report and financial statements for the year ended 31 December 2021.

OBJECTS AND ACTIVITIES

The principal activity of The Stock Exchange Clerks Fund ('SECF') is to provide financial assistance for persons in necessitous circumstances, such persons being any one or more of the following; former employees of the London Stock Exchange or Member Firms of the London Stock Exchange or the Fund or the widow or child or children (whether infants or not) of any such person. The Trustees take due care and diligence to uphold the principal activity of the Fund.

GRANTS AND ASSISTANCE

The Fund has helped 50 recipients (2020 – 47 recipients) with monthly, casual and special grants over the twelve-month period covered by this report. The Fund continues to help recipients with monthly grants towards the costs of running a household, 'one off' payments towards special needs cases for such items as surgical appliances, mobility costs, household goods, and funeral expenses. Most persons who received help during the year received a Christmas monetary gift, those with special dietary needs received shopping vouchers. The Fund has continued to be diligent in its housekeeping and investment decisions. The grants being paid by the Fund increased in the year covered by these accounts.

The Trustees review all recipients' financial status and needs once a year and decide, on an individual's circumstances, the level of help the Fund is able to give. When an application is received for the first time, the individual receives a visit from the Fund's Liaison Officer and her report is submitted to the Trustees. Depending on the individual's circumstances the level of help to be given is then decided. If any person already being helped by the Fund has a change in personal circumstances, then the same procedure is followed. The Trustees are very aware of the need for personal contact and as in previous years the Liaison Officer, sometimes accompanied by a Trustee or the Secretary, visited most of the Fund's recipients in their homes. The visits are of a casual nature to offer friendly support and advice when needed.

The Trustees would appreciate receiving information concerning any person formerly employed in the industry, or their dependants, who may be in financial distress and thus qualify for assistance; such information may be conveyed in complete confidence to the Secretary, Jennie Hendrick, the Liaison Officer, Deana Ball, or any of the Trustees at the address given on page two of this report. Information and how to apply is available on the Fund website – www.secfund.org.uk.

DONATIONS

The Trustees would like to thank those companies who have allowed members of their staff to act as Trustees of the Fund and individual Trustees who have continued their support of the Fund. We are a charity for the Securities Industry and therefore any help received from Member Firms helps us to help former colleagues who are experiencing difficult times. The Trustees would also once again like to thank the Stock Exchange Benevolent Fund for their quarterly donation of £25,000. Donations were also received from the Stock Exchange Centralised Pension Fund of £3,923.90, and Luke Ponsonby of £1,000.

TRUSTEES

John Culliford a Trustee for more than 30 years died on 18 January 2021. The Trustees acknowledge that this is a sad loss for the Fund. The Liaison Officer represented the Fund at John's funeral and advised that two donations of £100 had been made to charity in his name. One to the Essex & Herts Air Ambulance and another to Havens Hospice.

Historically Trustees and consultants who visit recipients of the Stock Exchange Clerks Fund have been checked by the Criminal Records Bureau. Those that have been checked have clean records. A Trustee or consultants will be checked by the Disclosure and Barring Service before they visit a recipient unaccompanied.

Honorary Trustees advise the Trustees in relation to the SECF investment programme but are not authorised to make decisions on the use of the investments and its income.

TRUSTEES' REPORT (Cont'd)

TRUSTEES (Cont'd)

Trustees have control of the Charity and its property and funds; they have sole discretion as to making payments and assessing help to be given in accordance with the Funds Trust Deed (25 November 1982) and Supplemental Deeds (12 July 1993 and 23 August 2006).

Trustees and Honorary Trustees are appointed by invitation from the Trustees then in office. A new Trustee is made aware of his duties and obligations to the Fund and its recipients and receives copies of the Fund's Trust Deed and Rules, previous year's Annual Report and Financial Statements and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need To Know'. No new Trustees were appointed during the year under review. Meetings of the Trustees are held on a quarterly basis.

All decisions are put to a vote and if there is not a majority decision then the Chair has the casting vote. The Secretary of the Fund, who is appointed by the Trustees, takes minutes of the Trustee meetings and implements any decisions made at those meetings. The Secretary reports to the Trustees all actions they, or anyone under their direction, has taken.

INVESTMENTS AND RESERVES

The Trustees reviewed and signed its Statement of Investment Policy on 30 July 2021.

2021 was a strong year for risk assets with several markets closing at or near all-time highs. Global equities returned over 20% and the US almost 30%. While the UK (+19%) lagged, the most significant outliers were Asia and emerging markets where a 7% appreciation in the dollar proved challenging. Sterling closed 1% lower at \$1.35. Central banks continued their monetary and fiscal support measures enabling economic activity to rebound towards the underlying growth trend. However, there was a marked contrast between goods and services, with an increased demand for goods, combined with supply chain disruptions, resulted in a sharp rise in inflation towards the year-end. While vaccine availability helped limit COVID mortality, new strains and recurrent waves of infection accompanied by movement restrictions impacted services - particularly hospitality and travel.

Global GDP rose 5.7% after the previous year's 3.5% fall. Advanced economies grew 5.2% and emerging economies 6.4% boosted by growth of almost 8% in China albeit this had slowed by Q4. Low-income developing countries lagged significantly reflecting lack of access to vaccines and limited policy support. Two unexpected pandemic outcomes were the extent and duration of the global supply chain disruption and the reluctance of employees in the developed world – predominately those in contact sensitive sectors - to return to work. These contributed to a sharp uptick in inflationary pressures late in the year and increasing concern that the impact would be less transitory than anticipated.

Higher energy and transport costs accounted for much of the CPI increase. Oil production cuts agreed in mid-2020 meant less supply to meet the rapid rebound in demand and resulted in Brent appreciating 50% at \$79. Natural gas prices also rose sharply triggered initially by a change in China's policy on coal usage. This coincided with depleted reserves in Europe as Russia cut flows to Germany prompting an energy crisis which saw a near ten-fold increase in EU gas prices. By the year-end, inflation had surged to nearly 7% in the US, 5% in the UK and Eurozone but only 0.6% in Japan. With companies reporting skilled labour shortages, average earnings in the US and UK increased around 5% year on year to November and unemployment fell towards 4%.

A main driver of the global recovery was accommodative monetary policy as central banks kept interest rates close to zero (negative in the Eurozone) and expanded their balance sheets to facilitate asset purchases. On the assumption that inflation would be transitory, central banks maintained their accommodative policy for most of the year before pivoting to a hawkish stance in Q4 as CPI continued to rise. After rising sharply in Q1 as economic activity accelerated, bond yields followed a roller coaster trajectory correlated more to lockdown restrictions than CPI. By year-end, US 10-year yields were 50bp higher at 1.5% while gilt yields rose 70bps to 1%. Index-linked performed well as breakeven rates rose to near record highs.

TRUSTEES' REPORT (Cont'd)

INVESTMENTS AND RESERVES (Cont'd)

After falling 11% in 2020, global corporate earnings rose just over 50% and significantly exceeded expectations at the start of the year. Earnings from companies sensitive to the economic cycle saw the highest rebound - notably industrials (+90%), consumer discretionary (+70%) and financials (+50%).

The rate of global economic growth in 2022 is expected to moderate towards 4% which will still be above the long-term trend. While another surge in COVID infections may dent sentiment at the start of the year, policy error could be a more serious threat to GDP growth. Having pivoted from their transitory approach, central banks are now focused on withdrawing monetary stimulus and normalising interest rates to prevent inflation spreading from asset prices to the real economy. At this stage, we are assuming that economic activity and earnings will support equities and other risk assets, but investors should expect more modest gains and increased volatility. The consensus estimate of 7% global corporate earnings growth is modest by historical standards. A forward valuation of 18x for global equities appears extended compared to the 13x long-term average although there are still regions, sectors and companies offering value.

FUTURE PLANS

It is the intention of the Trustees to continue to administer the Fund under its current system (page 3), to continue to decide on the level of help to be given to individuals (page 3), and to continue its investment policy (page 4).

FURTHER INFORMATION

As from 1 January 2006 the Fund agreed to pay paid administration fees directly to its administration consultants, the Secretary to the Trustees and Accounts Manager, and the Charity Liaison Officer. It was unanimously agreed by the Trustees at their meeting of 4 February 2010 "to increase fees in line with RPI, with a minimum of a 3% increase and a maximum of 5%. To use the RPI figure for September of the previous year".

At the meeting on 12 May 2016 it was agreed that the Charity Liaison Officer would receive a guaranteed annual increase of 3%, and that the Secretary would receive increases as agreed by the Trustees. At the meeting on 22 February 2018 it was agreed that the Secretary would also receive a guaranteed annual increase of 3%.

The Secretary and the Charity Liaison Officer received an increase of 3% on 1 January 2021.

OFFICES

The SECF continues to have the use of offices at 1 Earl Street, London, EC2A 2AL owned by the London Stock Exchange and the Trustees would like to put on record their appreciation for the continued support of the charity by the Board of the London Stock Exchange in donating the office space and rooms for the Trustees meetings. The Trustees do not consider it is appropriate to record such an arrangement in the accounts as it is deemed to be immaterial in the context of these accounts.

WEBSITE

The Trustees have set up a website – www.secfund.org.uk This includes information about the Fund and how to apply for assistance.

BANKERS AND CUSTODIANS

The Bankers to the Fund, Barclays Bank plc. remain unchanged. Quilter Cheviot Investment Management are the Funds only custodians. Quilter Cheviot Investment Management were acquired by Old Mutual Wealth investment company and were rebranded to Quilter in 2018. The Quilter Cheviot team who look after the SECF portfolio will remain the same.

AUDITORS

A resolution to re-appoint Pocknells LLP as auditors was passed at the Annual General Meeting of the Fund held on 5 May 2021. The appointment of auditors for 2022 will be proposed at the Annual General Meeting.

TRUSTEES' REPORT (Cont'd)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees of The Stock Exchange Clerks Fund are responsible for preparing the Trustees' Annual 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 apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102)
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will be able to continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CHARITY GOVERNANCE CODE

The SECF seeks to use the principles of leadership, integrity, decision-making, board effectiveness, diversity, openness and accountability as included in the Charity Governance Code to ensure high standards of governance and to support continuous improvement. This was reviewed by the Trustees following the February 2021 meeting.

GDPR

The Trustees' Privacy Policy can be viewed on the website at www.secfund.org.uk/privacy-policy


SAFEGUARDING POLICY

The Trustees maintain a Safeguarding Policy. This was updated to reflect COVID requirements and was circulated to Trustees following the September 2021 meeting.

PUBLIC BENEFIT REQUIREMENT

The Trustees believe that this report fulfils the requirements of their legal duty in summarising the objects, main activities and achievements of the charity in the year under review in accordance with section 17 of the Charities Act 2011.

On behalf of the Trustees


J Mayhew
Chair 25/7/ 2022

M Willmott
Trustee


2022

INDEPENDENT AUDITORS REPORT
TO THE TRUSTEES OF THE STOCK EXCHANGE CLERKS FUND

Opinion

We have audited the financial statements of The Stock Exchange Clerks Fund for the year ended 31 December 2021 which comprise the Statements of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021 and of its incoming resources and application of resources in the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS REPORT (Con't)
TO THE TRUSTEES OF THE STOCK EXCHANGE CLERKS FUND

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the 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.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our discussions with the charity's management and the Trustees, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Pocknells LLP

Chartered Accountants and Statutory Auditors

29/07/2022

Pocknells LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

46 Hullbridge Road
South Woodham Ferrers
Essex, CM3 5NG

**STOCK EXCHANGE CLERKS FUND
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**


	2021	2020
	£	£
Incoming Resources		
Donations and legacies (note 1k)	105,524	100,000
Investment Income (note 5)	29,834	28,302
Total Incoming Resources	<u>135,358</u>	<u>128,302</u>
Resources Expended:		
Charitable activities (note 2)		
Grants payable in furtherance of the Charity's objectives (note 8)	196,979	187,072
Visits to grants recipients	3,138	4,430
Audit Fee	3,030	2,940
Investment Expenses	3,975	6,281
Total Resources Expended	<u>207,122</u>	200,723
Net gains / (losses) on investment assets (note 5)	159,189	146,896
	<u>159,189</u>	<u>146,896</u>
Net Incoming / (Outgoing) Resources	87,425	74,475
Other recognised gains and losses	-	-
Net movement in Fund	87,425	74,475
Reconciliation of Funds		
Total funds brought forward	1,358,588	1,284,113
Total funds carried forward	<u>1,446,013</u>	<u>1,358,588</u>

The net movement in general fund derives wholly from continuing operations.

**STOCK EXCHANGE CLERKS FUND
BALANCE SHEET
AS AT 31 DECEMBER 2021**

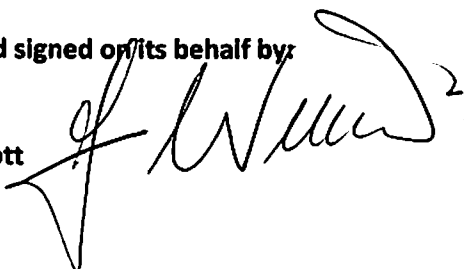
	2021	2020
£	£	£
General Fund	<u>1,446,013</u>	<u>1,358,588</u>
Represented by:		
Fixed Assets		
Tangible Fixed Assets		
Computer Equipment (Note 4)	-	-
Investments at Market Value (Note 5)		
Fixed Interest (Bonds)	138,031	230,701
Investment Trusts	762,187	736,489
Ordinary Stocks & Shares	506,105	306,296
	<u>1,406,323</u>	<u>1,273,486</u>
	1,406,323	1,273,486
Current Assets		
Debtors:		
Prepayments	-	-
Deposit Loan	1,900	1,900
Cash at bank and in hand:		
Current Account	8,491	7,025
Cheviot Short-term Account	32,312	79,100
Cash in hand	<u>17</u>	<u>17</u>
	40,820	86,142
	<u>42,720</u>	<u>88,042</u>
Current Liabilities		
Creditors: Amounts falling due within one year		
Audit fee accrual	3,030	2,940
Sundry creditors	<u>-</u>	<u>-</u>
	3,030	2,940
Net Current Assets	<u>39,690</u>	<u>85,102</u>
Net Assets	<u>1,446,013</u>	<u>1,358,588</u>

Approved on behalf of the Trustees on


J Mayhew
Chair

2022 and signed on its behalf by

M Willmott
Trustee



NOTES TO THE ACCOUNTS - 31 DECEMBER 2021

8. Accounting policies

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

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 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) issued 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 principal accounting policies are:

- (a) **Basis of Accounting**
The Accounts are prepared in accordance with the historical cost convention modified by the valuation of investments.
- (b) **Investments are stated at market value.**
Quoted securities have been valued at the middle market price at the close of business at the year-end. The market value of unit trusts is taken as the average of the bid and offer prices at the accounting date as stated by Quilter Cheviot Investment Management. Realised gains and losses on investments disposed of during the year are accounted for in the year of disposal. Unrealised gains and losses are accounted for in the year in which they arise.
- (c) **Dividends and interest on securities are accounted for when receivable. Interest on bank deposits is accounted for as earned. Income from investments and interest are shown net of tax deducted.**
- (d) **Grants payable are accounted for when authorised by the Board of Trustees.**
- (e) **Cash flow statement**
Under FRS102 no Statement of Cash Flows is required.
- (f) **All funds are unrestricted**
- (g) **All expenditure is accounted for on an accruals basis and includes irrecoverable VAT related to the category.**
- (h) **Support costs have been allocated across the charitable activities on the basis of expenditure on those activities where they cannot be directly attributed to the activities. (See Note 2)**
- (i) **Governance costs form part of support costs.**
- (j) **Fixed assets comprise computer equipment. Computer equipment is capitalised at cost and depreciated on a straight-line basis over its estimated useful economic life of 3 years.**
- (k) **Two Special Donations were received during the year, £1,000 from Luke Ponsonby, and £3,923.90 from Stock Exchange Centralised Pension Fund. A regular quarterly donation of £25,000 is now being received from the Stock Exchange Benevolent Fund.**

NOTES TO THE ACCOUNTS - 31 DECEMBER 2021 (Cont'd)

2. Charitable Activities

	Direct Costs £	Support Costs £	2021 Total £	2020 Total £
Grants Payable	157,106	39,092	196,198	187,072
Visits to Recipients	<u>3,138</u>	<u>781</u>	<u>3,919</u>	<u>4,430</u>
	<u>160,244</u>	<u>39,873</u>	<u>200,117</u>	<u>191,502</u>

3. Support Costs

Support costs allocated on the basis of expenditure:

	Grants Payable £	Visits to Recipients £	2021 Total £	2020 Total £
Support Costs				
Postage and Administration	1,742	35	1,777	2,172
Printing and Stationery	89	2	91	79
Computer Expenses	128	2	130	90
Consultancy Fees	36,287	725	37,012	35,934
Consultancy Expenses	<u>846</u>	<u>17</u>	<u>863</u>	<u>978</u>
	<u>39,092</u>	<u>781</u>	<u>39,873</u>	<u>39,253</u>

4. Tangible Fixed Assets - Computer Equipment

	2021 £	2020 £
Cost		
Brought forward as at 1 January	-	606
Additions during the year	-	-
Cost as at 31 December	-	-
Depreciation		
Brought forward as at 1 January	-	606
Provided during the year	-	-
Accumulated depreciations as at 31 December	-	-
Net book value as at 31 December	=	=

NOTES TO THE ACCOUNTS - 31 DECEMBER 2021 (Cont'd)

5. Investments

Investment Income	2021 £	2020 £
Fixed Interest (Bonds)	2,935	4,790
Investment Trusts	4,485	7,647
U K Equities	<u>22,414</u>	<u>15,817</u>
	29,834	28,254
Interest on cash deposits	<u>-</u>	<u>48</u>
	29,834	28,302

	2021		2020	
	Cost £	Market Value £	Cost £	Market Value £
Fixed Interest (Bonds)	116,995	138,031	191,031	230,701
Investment Trusts	233,060	762,187	116,160	736,489
U K Equities	<u>256,959</u>	<u>506,105</u>	<u>129,818</u>	<u>306,296</u>
	<u>607,014</u>	<u>1,406,323</u>	<u>437,009</u>	<u>1,273,486</u>

	MV at January 2021 £	Purchases at cost £	Sales proceeds £	Change in Market Value £	MV at December 2021 £
Fixed Interest (Bonds)	230,701	-	91,770	(900)	138,031
Unit Trusts	-	-	-	-	-
Investment Trusts	736,489	143,730	205,452	87,420	762,187
Charitable Trust	-	-	-	-	-
UK Equities	<u>306,296</u>	<u>127,140</u>	<u>-</u>	<u>72,669</u>	<u>506,105</u>
	<u>1,273,486</u>	<u>270,870</u>	<u>297,222</u>	<u>159,189</u>	<u>1,406,323</u>

NOTES TO THE ACCOUNTS - 31 DECEMBER 2021 (Cont'd)

The following Investments are Overseas Investments at Market Value: -

	2021 £	2020 £
Investment Trusts		
Baillie Gifford European Inv. Ord	92,938	89,375
Baillie Gifford Japanese Income	44,467	-
JP Morgan American Inv Trust	191,750	144,250
Prusik IM Asia Equity	42,962	41,507

The following Investments represent more than 5% of the Portfolio at Market Value: -

	2021	2020
Investment Trusts		
Diageo	80,720	57,560
Scottish Mortgage Trust	200,625	257,975
JP Morgan American Inv Trust	191,750	144,250
Baillie Gifford European Inv Trust	92,938	89,375
Fixed Interest		
M & G Optimal Securities	95,001	113,962

6. Transactions with Trustees

The Trustees do not receive any remuneration but may be paid expenses for visits and meetings.

7. Related Party Transactions

The Secretary, Mrs Jennie Hendrick received £16,883 (2020: £16,391) and the Charity Liaison Officer, Mrs Deana Ball received £20,129 (2020: £19,543) for consultancy services for the year.

8. Grants

The charity has made grants to 50 individuals in 2021 compared to 47 for the previous year.

9. Average number of Employees

Average number of employees, including Trustees, during the year was: nil (2020:nil)