

CMI CHARITABLE TRUST

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024**

CMI CHARITABLE TRUST

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

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CMI CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION AS AT 24 MAY 2024

| | |
|---|---|
| REGISTERED CHARITY NAME | CMI Charitable Trust |
| REGISTERED NUMBER | Charity number 293283 |
| TRUSTEES | Dr Alexander Von Ziegler Thomas Henry Birch Reynardson Stuart William Hetherington Benoit Goemans Andrew David Taylor Giorgio Berlingieri Paula Bäckdén |
| REGISTERED OFFICE | c/o Birch Reynardson & Co Estate Office Adwell, Thame Oxfordshire OX9 7DQ |
| INVESTMENT MANAGERS AND ADMINISTRATORS | Evelyn Partners Investment Management LLP 45 Gresham Street London EC2V 7BG |
| INDEPENDENT EXAMINER | P W Hill FCA Hillyates, Chartered Accountants Hill House, 27 Meadowford Newport, Saffron Walden Essex CB11 3QL |

CMI CHARITABLE TRUST

TRUSTEES' REPORT

The Trustees present their report and accounts of the Trust for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting policies set out on page 7 of the attached accounts and comply with the Trust's governing document 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 (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Structure, governance and management

- **Constitution**

The Trust was established by Trust Deed on 20 November 1985 and is a registered charity, no. 293283.

- **Organisation**

Article 19 of the Trust Instrument provides that the existing Trustees may from time to time appoint replacement or additional Trustees subject to the consent of the Executive Council of the CMI. The Trustees under the original Trust Instrument were Francesco Berlingieri, Sir John Donaldson, William Birch Reynardson, Henri Voet and Niall McGovern. Since that date all of these Trustees have been replaced from time to time with new Trustees appointed by the continuing and outgoing Trustees to fill gaps created. On each occasion when a new Trustee has been appointed this had been done by way of Deed of Appointment and Retirement of Trustees.

Reference should be made to the Trust Instrument which sets out in considerable detail the powers and duties of the Trustees and the charitable purposes for which the Trust was set up. Restrictions are placed upon the ways in which the Trustees may exercise their powers. Specifically, the Trustees may not apply any part of the Trust Fund to non-charitable objects or purposes.

The current Trustees are listed in the accounts and whilst two live and work in the UK, the other four reside in Australia, Belgium, Malta, and Switzerland. Meetings take place at times and in places where the Trustees happen to be gathered for other CMI business. Typically, meetings are held in association with meetings of the CMI Executive Council.

The agenda for each meeting is produced formally prior to the meeting and minutes of meetings are then prepared, circulated and approved by the Trustees.

- **Trustees**

The Trustees who served during the year were:

Dr Alexander Von Ziegler
Thomas Henry Birch Reynardson
Stuart William Hetherington
Benoit Goemans
Andrew David Taylor
Giorgio Berlingieri
Paula Bäckdén (appointed 14 June 2023)

- **Trustees' responsibilities statement**

Charity law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable it to ensure that the accounts comply with the Charities Act, 2011. It is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

- **Risk management**

The principal risk to which the Charity is exposed is that unauthorised amounts might be drawn from the Trust Funds and wrongly applied. In this context the Trustees have complete faith in the Trust's systems of control.

CMI CHARITABLE TRUST

TRUSTEES' REPORT

Structure, governance and management – continued

- **Investment Policy**

The investment policy of the Trustees is to invest the Trust's funds through Evelyn Partners Investment Management LLP, in a balanced portfolio of equities and fixed – interest securities designed to produce an annual income of £15,000 while protecting the capital in order to ensure that sufficient income can be generated each year to meet planned expenses.

Objectives and activities

The Trust fund and the income thereof is to be applied for the advancement and promotion of the following charitable objects or purposes:

- The advancement of legal education for the public benefit.
- The advancement and promotion of research and study in the fields of comparative law and international marine and commercial law and the publication of the results of such research.

In the process of advancing the objects above, the Trustees have the power to apply the trust fund and its income in or towards the following:

- Publishing and disseminating the results of study and research.
- Sponsoring or conducting seminars or conferences from all parts of the world for the discussion of any aspects of the purposes mentioned above.
- Granting monies to the persons or bodies engaged in such research or study as mentioned above.

In planning activities for the year and for the future, the Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Achievements and performance

In pursuit of the objectives named above, the Trustees, in the year ended 31 March 2024, made provision to cover the cost of travel and accommodation for CMI lecturers to teach at the International Maritime Law Institute in Malta. This organisation, set up under the auspices of the International Maritime Organisation, offers to graduate students from developing countries the opportunity to study the international aspects of maritime law with particular reference to international conventions and their implementation.

In recent years the Trustees were not able to use funds to sponsor a prize for an IMLI student in the form of the gift of a book, paying for travel expenses to a CMI Conference or Seminar and an allowance for attendance at the CMI event. The £400 paid during the year represents an allowance for a prize winner attending the June 2023 conference in Montreal. The £7,888 paid during the year ended 31 March 2023 represents awards covering four students and the four year period ended 31 March 2023.

Financial review

- **Results for the year**

The net movement in funds for the year amounted to a surplus of £34,937 (2023 – deficit of £44,715) as detailed on page 5. The Trustees consider the result for the year and the position at the yearend to be satisfactory and that the Trust has sufficient assets to fulfil its obligations.

- **Reserves and financial position**

Much of the Trust's expenditure is recurrent from year to year but the demand for funds to support other projects, in particular CMI publications and research, depends on the existence of material deemed worthy of publication or topics worthy of research. Therefore, the Trustees' policy is to prepare a budget which not only covers recurrent expenditure but allows for additional funds to cover anticipated non-recurrent items whilst protecting the capital base from which funds are generated.

Plans for the future

The Trustees have agreed to continue to provide support for the travel and accommodation expenses of CMI lecturers visiting the IMO International Maritime Institute in Malta and to the sponsoring of prizes for IMLI students.

Approved by the Trustees on 24 May 2024 and signed on their behalf by:

Thomas Henry Birch Reynardson
Trustee

**CMI CHARITABLE TRUST
INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2024
TO THE TRUSTEES OF THE CMI CHARITABLE TRUST**

I report to the trustees on my examination of the accounts of the CMI Charitable Trust ('the charity') for the year ended 31 March 2024 which comprise the statement of Financial Activities, the Balance Sheet and related notes on pages 5 to 9.

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- 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.

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 financial statements to be reached.

Hillyates, Chartered Accountants
Hill House, 27 Meadowford
Newport, Saffron Waldon
Essex, CB11 3QL
28 May 2024

Peter William Hill, FCA
Independent Examiner

CMI CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

| | Notes | 2024 £ | 2023 £ |
|---|-------|-----------------|-----------------|
| Income and endowments from: | | | |
| Investment income | 2 | 25,662 | 25,628 |
| Total income and endowments | | 25,662 | 25,628 |
| Expenditure on: | | | |
| Investment management costs | | 4,603 | 4,727 |
| Expenditure on charitable activities | | | |
| Travel and accommodation costs relating to CMI lecturers: | | | |
| Provision for year ended 31 March 2024 | 6 | 2,110 | - |
| Previous years under provisions | 6 | 533 | - |
| IMLI library donations – balance for year ended 31 March 2024 | | 2,890 | - |
| IMLI library donations – adjustment to previous year | 6 | (533) | 5,000 |
| CMI IMLI prize costs | 6 | 400 | 7,888 |
| Bank and other charges | | 70 | 142 |
| Independent examiners fees | | 1,170 | 1,050 |
| Other legal and professional fees | | - | 360 |
| Total expenditure | | (11,243) | (19,167) |
| Net income before net gains/(losses) on investments | | 14,419 | 6,461 |
| Net gains/(losses) on investments | | | |
| Realised (losses) | | (1,407) | (7,539) |
| Unrealised gain/(losses) | 4 | 21,925 | (43,637) |
| | | 20,518 | (51,176) |
| Net income/(expenditure) and net movement in funds | | 34,937 | (44,715) |
| Reconciliation of funds | | | |
| Total unrestricted funds brought forward | | 653,837 | 698,552 |
| Total unrestricted funds carried forward | | 688,774 | 653,837 |

All of the Trust's activities were derived from continuing operations during the above two financial years.

All recognised gains are included in the above statement of financial activities.

CMI CHARITABLE TRUST

BALANCE SHEET AT 31 MARCH 2024

| | Notes | 2024 £ | £ | 2023 £ | £ |
|---|-------|----------------|-------------------|----------------|-------------------|
| Fixed Assets | | | | | |
| Investments | 4 | 694,665 | | 659,966 | |
| Current Assets | | | | | |
| Debtors – accrued bond income and interest | | 259 | | 263 | |
| Evelyn Partners income account | | 1,180 | | 1,173 | |
| | | <u>1,439</u> | | <u>1,436</u> | |
| Creditors: amounts falling due within one year | 5 | <u>(7,330)</u> | | <u>(7,565)</u> | |
| Net Current (Liabilities) | | | <u>(5,891)</u> | | <u>(6,129)</u> |
| Total Assets less Current Liabilities | | | <u>688,774</u> | | <u>653,837</u> |
| Total Funds | | | | | |
| Unrestricted funds | | | <u>688,774</u> | | <u>653,837</u> |
| | | | <u> </u> | | <u> </u> |

The accounts were approved by the Trustees on 24 May 2024 and signed on their behalf by:

.....
Thomas Henry Birch Reynardson
Trustee

The notes on pages 7 to 9 form part of these accounts

CMI CHARITABLE TRUST

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction values unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), issued on 16 July 2014, Update Bulletin 1 issued on 2 February 2016, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The accounts are presented in sterling and are rounded to the nearest pound.

CMI Charitable Trust constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of these accounts requires the Trustees to make significant judgements and estimates. The trustees have concluded that there are no critical accounting estimates to be made and the critical area of judgement required in these accounts is the assessment of going concern referred to below.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements and have made this assessment in respect to a period of one year from the date of approval of these financial statements. Worldwide events continue to have a major impact on the UK and overseas stock markets and particularly recent events in Gaza, the ongoing conflict in Eastern Europe and inflation issues in the UK have also had an impact on the UK and overseas stock markets. All of these events have created a major challenge and uncertainty for many, but the trustees continue to have every expectation that the charity has adequate resources to continue in operation for the next twelve months in meeting its liabilities as they fall due and that the going concern basis of accounting remains appropriate.

Income recognition

Income is recognised in the Statement of Financial Activities when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to the main categories of income:

- Donations are included when receivable.
- Income from investments (bond interest) is included on an accruals basis.
- Interest on client money deposit and income accounts is included on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the trust to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable expenditure, which includes irrecoverable VAT, comprises those costs incurred by the Trust in the delivery of its activities and services for its beneficiaries. Charitable activities expenditure now relates to the Trust's contribution to the cost of travel and accommodation for CMI lecturers to teach at the International Maritime Law Institute in Malta, the sponsoring of an annual prize for an IMLI student.

Investments

Investments held as fixed assets are stated at market value less any provision for permanent diminution in value. Realised and unrealised gains and losses are taken to the Statement of Financial Activities either on the disposal of investments or in the movement of market values from one year to another.

Foreign currency translation

Assets and liabilities in foreign currencies have been converted at rates ruling at balance sheet date. Profits and losses arising from the settlement of transactions during the year are taken to the Statement of Financial Activity.

Accumulated funds

The funds held by the Trust are unrestricted general funds which can be used in accordance with the charitable objectives at the discretion of the Trustees.

Cash flow

The accounts do not include a cash flow statement because the Trust is exempt from the requirement to prepare such a statement under the Charities SORP (FRS 102) Update Bulletin 1.

Taxation

The trust is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

CMI CHARITABLE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

1. INVESTMENT INCOME

| | 2024 £ | 2023 £ |
|---|---------------|---------------|
| Dividends and bond interest from listed investments | 24,891 | 25,420 |
| Evelyn Partners Investment Management LLP client money deposit account interest | 771 | 208 |
| | <u>25,662</u> | <u>25,628</u> |

2. TRUSTEES FEES

No Trustee is or has been entitled to any fee or salary (2023 – Nil).

3. EMPLOYEES

There were no employees during the year.

4. FIXED ASSET INVESTMENTS

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Listed investments: | | |
| Market value at 1 April 2023 | 601,947 | 666,556 |
| Additions at cost | 114,576 | 32,666 |
| Disposals at opening market value or cost if acquired after 1 April 2023 | (91,531) | (53,638) |
| Unrealised net gains/(losses) | 21,925 | (43,637) |
| Market value at 31 March 2024 | <u>646,917</u> | <u>601,947</u> |
| Cash held with investment manager | <u>47,748</u> | <u>58,019</u> |
| | <u>694,665</u> | <u>659,966</u> |

Analysis of listed investments:

| | | |
|------------------------------|----------------|----------------|
| Bonds | 115,789 | 115,979 |
| Alternatives and multi-asset | 74,193 | 82,521 |
| UK equities | 191,694 | 156,484 |
| Overseas | 265,241 | 246,963 |
| | <u>646,917</u> | <u>601,947</u> |

Historical cost of listed investments

| | |
|----------------|----------------|
| <u>485,666</u> | <u>484,491</u> |
|----------------|----------------|

5. CREDITORS: amounts falling due within one year

| | 2024 £ | 2023 £ |
|--|--------------|--------------|
| Provisions for travel and accommodation relating to CMI lecturers (note 6) | 5,000 | - |
| IMLI library donations | - | 5,000 |
| Other creditors and accruals | 2,330 | 2,565 |
| | <u>7,330</u> | <u>7,565</u> |

CMI CHARITABLE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

6. INTENTIONS AND PROVISIONS

In pursuit of its objectives the Trust has an annual commitment of up to £5,000 in supporting the cost of travel and accommodation for CMI lecturers to teach at the International Maritime Law Institute in Malta. In recent years the Trustees have agreed to donate any underspends on these commitments to the IMLI library.

IMLI prize costs are treated on a paid basis, and the £400 paid during the year ended 31 March 2024 represents costs covering one student for attendance at the June 2023 meeting in Montreal.

7. POST BALANCE SHEET EVENTS

At the date of approval of these accounts, there are no reportable adjusting or non-adjusting events relating to these accounts.