

**The Economist Charitable Trust**

**Trustees' report and financial statements**

**For the year ended March 31st 2021**

**Registered with the Charity Commission: 293709**

**The Economist Charitable Trust  
Trustees' annual report**

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**The Economist Charitable Trust  
Trustees' annual report**

**Trustees' report**

The trustees present their annual report and financial statements for the year ended March 31st 2021. The Trust is governed by a Trust Deed set up on 20 January 1986.

**Principal Activity of the Trust and a review of activities during the year**

The principal activity of the Trust is the disbursement of monies received from The Economist Newspaper Limited to various charities. 60-70% of the Trust's donations go to charities in the fields of communication, education, literacy and re-training for individuals and groups who are disadvantaged in some way. Approximately 30-40% of funds are used to match donations made by employees of The Economist Group. Remaining funds are utilised to make small donations to small and local charities.

The average donation in the year was £1,324 (2020: £860). The Trust also receives smaller amounts from various other sources, which are disbursed. At March 31st 2021 the Trust had a surplus of £0 (2020: £9,450). The policy of the Trust is to maintain sufficient reserves to meet its liabilities. Donations recognised by the Trust from The Economist Newspaper Limited during the period were £111,950 (2020: £104,000).

**Organisational structure**

The Economist Newspaper Limited has set up an advisory panel of Trustees who determines how 60-70% of the funds are donated, based on projects nominated by the staff. The trustees also track donations which are made via matching to employee donations.

**Connected transactions**

The Trust receives the majority of its income from The Economist Newspaper Limited, which also pays some administration costs on the trustees' behalf. With this exception, it has had no transactions with persons connected to the Trust.

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**Unpaid volunteers**

The Trust places no reliance on unpaid volunteers other than one of the trustees who performs certain administrative responsibilities and who is reimbursed expenses by The Economist Group. The members of the advisory panel are employees of The Economist Group and receive remuneration as employees of The Economist Group.

**Public benefits**

The trustees are aware of the charity commission guidance on public benefits reporting. They believe the charity has achieved a public benefit by disbursing donations to various good causes.

**Achievements and performance**

2020/21 was a year marked by the covid-19 pandemic and a shift to entirely remote working for all staff across The Economist Group. The trustees worked to ensure that the Charitable Trust remained visible within the Group during this period, although with so much change happening across the business it was a challenge to raise the profile of the trust.

This period of change resulted in a decrease in staff one-off donations. During 20/21 £11,601 of staff donations were matched, compared to £27,199 the previous year. This was despite internal efforts to increase participation, noticeable a double-matching scheme that was put in place to support the Red Cross after the Beirut explosion, and to help the WHO when the covid-19 pandemic first started. This decrease was offset slightly by an increase in GAYE donations from UK staff, which reached £19,105 (up from £17,103 the year before).

The reduction in one-off donation matching resulted in a larger amount available for the project grants, and we were pleased to see high levels of engagement with this process from staff across the regions. The total donated to projects was £82,147. A total of 13 charities were nominated by the staff, which was reduced to a shortlist of 6 by the trustees based on which charities best reflected the mission of The Economist Group. All 6 charities received a grant from the Trust, with the total amount donated based on a staff vote. Those charities were: Indigo Children's Fund (£18,000), Room to Read (£16,378), Yes Futures (£8,138), Village Enterprise (£13,200), One Acre Fund (£18,000), Build on Belief (£8,906).

For 20/21 the planned activity and strategy remains very similar, but with several trustees terms coming to an end, as well as a gradual return to the office for staff, we are hoping for a reinvigorated focus on donation matching.

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**Reserves policy**

The Trust's charitable donations and activities are funded by The Economist Newspaper Limited. The policy of the Trust is to maintain sufficient reserves to cover any liquidity issues caused by timing differences between receipt of income and payment of donations or other liabilities. There is a limited need to hold reserves since other than donations payable, there are minimal liabilities. The timing of making charitable donations is at the discretion of the trustees and decisions taken on the timing of payments are based on the availability of funds.

**Financial review**

The Trust finished the year with no surplus. All of the funds are unrestricted and will be used in line with the Trust's reserves policy

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**Administrative information**

**Professional and financial advisors**

The Trust holds a current and deposit bank account with Barclays Bank PLC, 1 Churchill Place, LONDON, E14 5HP.

A Epton has carried out an independent examination of the accounts. His address is Goldwins Chartered Accountants, 75 Maygrove Road, West Hampstead, London, NW6 2EG.

**Registered address**

The registered address of the Trust is The Adelphi, 1-11 John Adam Street, London, WC2N 6HT.

**Trustees**

The trustees who served during the year and at the date the annual report was signed are set out below:

<b>Trustee</b>	<b>Start date</b>	<b>Current term end date</b>
Jamie Credland (Chair)	1 March 2018	31 March 2022
Ursula Esling	1 March 2018	31 March 2022
Agathe Demarais	1 January 2019	31 January 2023
Nidhi Kohli	1 January 2019	31 January 2023
Farheen Chinoy	1 January 2019	31 January 2023

None of the trustees received remuneration or expenses from the Trust.

**Trustees' responsibilities**

The trustees are responsible for the preparation of financial statements for each financial year, which give a true and fair view of the Charitable Trust's incoming resources and application of resources during the year and of its state of affairs at the end of the year.

In preparing those financial statements they are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice 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 presume that the Charitable Trust will continue in operation



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Their responsibilities as trustees include keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Trust and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

Approved by the trustees and signed on their behalf by:

J. Credland  
Trustee

Date: 3 December 2021



## **Independent Examiner's Report To the Trustees of The Economist Charitable Trust**

I report on the Financial Statements of The Economist Charitable Trust for the year ended 31 March 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').

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 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 2011 Act.

### **Independent examiner's statement**

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

*Anthony Epton*

**Anthony Epton BA, FCA, CTA, FCIE**  
**Goldwins**  
**Chartered Accountants**  
**75 Maygrove Road**  
**West Hampstead**  
**London NW6 2EG**

Date: 9 December 2021



**The Economist Charitable Trust**  
**Statement of financial activities**  
**For the year ended March 31st 2021**

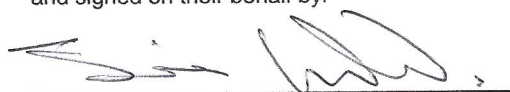
	Note	Unrestricted £	Restricted £	2021 Total £	2020 Total £
<b>Income from:</b>					
Donations	3	111,950	-	111,950	104,000
<b>Total income</b>		<b>111,950</b>	<b>-</b>	<b>111,950</b>	<b>104,000</b>
<b>Expenditure on:</b>					
Charitable activities	4	121,400	-	121,400	95,505
<b>Total expenditure</b>		<b>121,400</b>	<b>-</b>	<b>121,400</b>	<b>95,505</b>
<b>Net movement in funds</b>		<b>(9,450)</b>	<b>-</b>	<b>(9,450)</b>	<b>8,495</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	9	9,450	-	9,450	955
<b>Total funds carried forward</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>9,450</b>

All of the above results are derived from continuing activities.  
There were no other recognised gains or losses other than those stated above.  
The attached notes form part of these financial statements.

**The Economist Charitable Trust**  
**Balance sheet**  
**As at March 31st 2021**

	Note	2021 £	2021 £	2020 £	2020 £
<b>Current assets:</b>					
Debtors	7	90,115		62,925	
Cash at bank and in hand	11	12,038		6,629	
		<u>102,153</u>		<u>69,554</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	8	<u>(102,153)</u>		<u>(60,104)</u>	
<b>Total net assets</b>			<u>-</u>		<u>9,450</u>
<b>Funds</b>	9				
Restricted funds			-		-
Unrestricted funds:					
General funds		-		9,450	
Total unrestricted funds		<u>-</u>	<u>-</u>	<u>9,450</u>	<u>9,450</u>
<b>Total funds</b>			<u>-</u>		<u>9,450</u>

The financial statements were approved and authorised for issue by the Trustees on 4 Dec. 2021  
and signed on their behalf by:

  
**J P Credland**  
**Trustee**

The attached notes form part of the financial statements.

**The Economist Charitable Trust**  
**Statement of cash flows**  
**For the year ended March 31st 2021**

	Note	2021 £	2021 £	2020 £	2020 £
<b>Cash flows from operating activities:</b>					
Net cash used in operating activities	10		5,409		1,042
			<hr/>		<hr/>
<b>Change in cash and cash equivalents in the year</b>			<b>5,409</b>		<b>1,042</b>
Cash and cash equivalents at the beginning of the year			6,629		5,587
			<hr/>		<hr/>
<b>Cash and cash equivalents at the end of the year</b>	11		<b>12,038</b>		<b>6,629</b>
			<hr/> <hr/>		<hr/> <hr/>

**The Economist Charitable Trust**  
**Notes to the financial statements**  
**For the year ended March 31st 2021**

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**1 Accounting policies**

**a) Basis of preparation**

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 - effective 1 January 2015) - (Charities SORP FRS 102).

The Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

**b) Going concern**

The Trustees consider that there are no material uncertainties about the Charitable Trust's ability to continue as a going concern. The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**c) Income**

Income is recognised when the Charitable Trust has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

**d) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charitable Trust; this is normally upon notification of the interest paid or payable by the

**e) Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the Charitable Trust.

**f) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprises of costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services to further the purposes of the Charitable Trust and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**g) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**The Economist Charitable Trust**  
**Notes to the financial statements**  
**For the year ended March 31st 2021**

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**1 Accounting policies (continued)**

**h) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**i) Creditors and provisions**

Creditors and provisions are recognised where the Charitable trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**The Economist Charitable Trust**  
**Notes to the financial statements**  
**For the year ended March 31st 2021**

**2 Detailed comparatives for the statement of financial activities**

	2020 Unrestricted £	2020 Restricted £	2020 Total £
<b>Income from:</b>			
Donations	104,000	-	104,000
Investments	-	-	-
<b>Total income</b>	<b>104,000</b>	<b>-</b>	<b>104,000</b>
<b>Expenditure on:</b>			
Charitable activities	95,505	-	95,505
<b>Total expenditure</b>	<b>95,505</b>	<b>-</b>	<b>95,505</b>
<b>Net movement in funds</b>	<b>8,495</b>	<b>-</b>	<b>8,495</b>
Total funds brought forward	955	-	955
<b>Total funds carried forward</b>	<b>9,450</b>	<b>-</b>	<b>9,450</b>

**3 Income from donations**

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Donations from The Economist Newspaper Ltd	111,950	-	111,950	104,000
	<b>111,950</b>	<b>-</b>	<b>111,950</b>	<b>104,000</b>



**The Economist Charitable Trust**  
**Notes to the financial statements**  
**For the year ended March 31st 2021**

**4 Analysis of expenditure**

		<b>Charitable Activities</b>			
	<b>Basis of allocation</b>	<b>Donations made to Institutions £</b>	<b>Governance costs £</b>	<b>2021 Total £</b>	<b>2020 Total £</b>
Indigo Children's Fund	Direct	17,524	-	17,524	-
Room to Read	Direct	16,378	-	16,378	-
Yes, Futures	Direct	8,138	-	8,138	-
Village Enterprise	Direct	13,200	-	13,200	-
One Acre Fund	Direct	18,000	-	18,000	-
Build on Belief	Direct	8,907	-	8,907	-
Staff Matching	Direct	19,201	-	19,201	-
Others (including GAYE)	Direct	20,007	45	20,052	-
Donations and Project Grants - various		-	-	-	95,505
		<b>121,355</b>	<b>45</b>	<b>121,400</b>	<b>95,505</b>
<b>Governance cost</b>		<b>45</b>	<b>(45)</b>	<b>-</b>	<b>-</b>
<b>Total expenditure</b>		<b>121,400</b>	<b>-</b>	<b>121,400</b>	<b>95,505</b>

All expenditure was unrestricted (2020: all unrestricted).

## THE ECONOMIST CHARITABLE TRUST

### Notes to the financial statements for the year ended March 31<sup>st</sup> 2021

#### Purpose of the Projects

##### Indigo Children's Fund

The Trust supported Indigo Children's Fund with a donation of £18,000. This money will be used to build a new school in Mae Sot, a town in north west Thailand on the border with Myanmar. It will support child migrants and refugees in the area who have crossed the border from Myanmar.

##### Room to Read

Room to Read is a charity supporting girls' education in Bangladesh. Their education programme focuses on ensuring girls complete secondary school with the relevant knowledge, life skills, and capacity to negotiate key life decisions. The Trust's donation of £16,378 allowed the charity to support more than 77 girls for an entire school year.

##### Yes Futures

The Trust donated £8,138 to Yes Futures, a UK-based charity that empowers young people to believe in themselves and discover their personal potential. The money will be used to recruit and train 175 volunteer coaches, who will go on to provide support for 700 young people.

##### Village Enterprise

Village Enterprise works in rural East Africa to serve the extreme poor who have very limited numeracy and literacy, and who also lack access to capital, formal banking, and markets. Their community-based, participatory program reflects a bottom-up approach to microenterprise development. The Trust donated £13,200 to support these efforts, which would enable the charity to scale their work in Uganda, training 75 new entrepreneurs (60 women), creating 3 business savings groups, and creating a pathway out of poverty for more than 500 people.

##### One Acre Fund

The Trust supported One Acre Fund with a donation of £18,000. This charity provides farm families in East Africa with services including financing and agricultural training. The donation will support the charity's project in Rwanda, serving over 2,000 farm families during the 2021 season.

##### Build on Belief

Build on Belief designs and runs socially-based services in the UK for people who are struggling with, or in recovery from, substance use – whether drugs or alcohol. The Trust gave a grant of £8,906 to the charity to provide online activities and courses given that face-to-face support was not possible during the Covid-19 pandemic. This supported a programme of 40 workshops running 7 days a week from the charity.

**The Economist Charitable Trust**  
**Notes to the financial statements**  
**For the year ended March 31st 2021**

**5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

The charity trustees were not paid or received any other benefits from employment with the Charitable Trust or its subsidiary in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

**Staff numbers**

The Charitable Trust employed no employees during the year.

**6 Taxation**

The Charitable Trust is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**7 Debtors**

	2021	2020
	£	£
Accrued income	90,115	62,925
	<u>90,115</u>	<u>62,925</u>

**8 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Accruals	102,153	60,104
	<u>102,153</u>	<u>60,104</u>

**9 Movements in funds**

	At the start of the year	Incoming resources & gains	Outgoing resources & losses	At the end of the year
	£	£	£	£
<b>Unrestricted funds:</b>				
General funds	9,450	111,950	(121,400)	-
<b>Total unrestricted funds</b>	<u>9,450</u>	<u>111,950</u>	<u>(121,400)</u>	<u>-</u>
<b>Total funds</b>	<u>9,450</u>	<u>111,950</u>	<u>(121,400)</u>	<u>-</u>

**10 Reconciliation of net income / (expenditure) to net cash flow from operating activities**

	2021	2020
	£	£
<b>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</b>	(9,450)	8,495
Decrease/(increase) in debtors	(27,190)	24,312
(Decrease)/Increase in creditors	42,049	(31,765)
<b>Net cash used in operating activities</b>	<u>5,409</u>	<u>1,042</u>

**The Economist Charitable Trust**  
**Notes to the financial statements**  
**For the year ended March 31st 2021**

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**11 Analysis of cash and cash equivalents**

	<b>At 1 April 2020 £</b>	<b>Cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	6,629	5,409	12,038
<b>Total cash and cash equivalents</b>	<b><u>6,629</u></b>	<b><u>5,409</u></b>	<b><u>12,038</u></b>

**12 Related party transactions**

The Charitable Trust received a donation from The Economist Newspaper Limited in the year of £111,950 (2020: £104,000). The Economist Newspaper Limited also pays some of the costs on behalf of the Charitable Trust. At the end of the financial year the Charitable Trust has an amount due from The Economist Newspaper Limited of £90,115 (2020: £62,925) relating to large donations to be paid. With this exception there were no other related party transactions.