

The Economist Charitable Trust

Trustees' report and financial statements

For the year ended March 31st 2022

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 2022. 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 Trust also receives smaller amounts from various other sources, which are disbursed. At March 31st 2022 the Trust had a surplus of £29,755 (2021: £0). 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 £119,290 (2021: £111,950).

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.

The Economist Charitable Trust Trustees' annual report

Unpaid volunteers

The Trust places no reliance on unpaid volunteers. The members of the advisory group are employees of The Economist Group and receive remuneration as employees of The Economist Group. In addition, one trustee is an ex-employee who does not receive remuneration from TEG. All roles are unpaid.

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

In March 2022, the Trust agreed to double match donations from colleagues to support the UNICEF Appeal for Families and Children Affected by the War in Ukraine.

	2021/22	2020/21
Spend matching staff donations	£16,241	£11,601
Average donation by colleague	£417	£276
Project donation	£0	£82,147
Double-matching campaign for Ukraine	£51,566	£0
Give As You Earn (UK tax efficient donation)	£21,728	£20,007

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.

The Economist Charitable Trust

Trustees' annual report

Financial review

The Trust finished the year with a surplus of £29,755. All of the funds are unrestricted and will be used in line with the Trust's reserves policy

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:

Trustee	Start date	Current term end date
Michael Thomas (Chair)	1 February 2022	31 March 2026
Hubert Miernik	1 December 2019	31 March 2024
Agathe Demarais	1 December 2018	31 January 2023
Colm Kinsella	1 February 2022	31 March 2026
Sarah Birke	1 May 2022	31 March 2026
Shane Naughton	1 February 2022	31 March 2026

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

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Trustees' annual report

- 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

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:

Michael Thomas

Michael Thomas

Trustee

Date: 11 January

2023

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

Independent Examiner's Report to the Trustees of The Economist Charitable Trust

I report on the Financial Statements of the Trust for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity trustees 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 BA, FCA, CTA, FCIE
Goldwins
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

23 January 2023

The Economist Charitable Trust
Statement of financial activities
For the year ended March 31st 2022

	Note	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Income from:					
Donations	3	119,290	-	119,290	111,950
Total income		119,290	-	119,290	111,950
Expenditure on:					
Charitable activities	4	89,535	-	89,535	121,400
Total expenditure		89,535	-	89,535	121,400
Net movement in funds		29,755	-	29,755	(9,450)
Reconciliation of funds:					
Total funds brought forward	9	-	-	-	9,450
Total funds carried forward		29,755	-	29,755	-

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 2022

	Note	2022 £	2022 £	2021 £	2021 £
Current assets:					
Debtors	7	55,098		90,115	
Cash at bank and in hand	11	415		12,038	
		<u>55,513</u>		<u>102,153</u>	
Liabilities:					
Creditors: amounts falling due within one year	8	<u>(25,758)</u>		<u>(102,153)</u>	
Total net assets			<u><u>29,755</u></u>		<u><u>-</u></u>
Funds	9				
Restricted funds			-		-
Unrestricted funds:					
General funds		<u>29,755</u>		<u>-</u>	
Total unrestricted funds			<u><u>29,755</u></u>		<u><u>-</u></u>
Total funds			<u><u>29,755</u></u>		<u><u>-</u></u>

The financial statements were approved and authorised for issue by the Trustees on 11 January 2023.. ~~2022~~
and signed on their behalf by:

Michael Thomas

Michael Thomas
Trustee

The attached notes form part of the financial statements.

The Economist Charitable Trust
Statement of cash flows
For the year ended March 31st 2022

	Note	2022	2022	2021	2021
		£	£	£	£
Cash flows from operating activities:					
Net cash used in operating activities	10	(11,623)		5,409	
Change in cash and cash equivalents in the year		(11,623)		5,409	
Cash and cash equivalents at the beginning of the year		12,038		6,629	
Cash and cash equivalents at the end of the year	11	415		12,038	

The Economist Charitable Trust

Notes to the financial statements

For the year ended March 31st 2022

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 bank.

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.

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Notes to the financial statements
For the year ended March 31st 2022

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 2022

2 Detailed comparatives for the statement of financial activities

	2021 Unrestricted £	2021 Restricted £	2021 Total £
Income from:			
Donations	111,950	-	111,950
Investments	-	-	-
Total income	111,950	-	111,950
Expenditure on:			
Charitable activities	121,400	-	121,400
Total expenditure	121,400	-	121,400
Net movement in funds	(9,450)	-	(9,450)
Total funds brought forward	9,450	-	9,450
Total funds carried forward	-	-	-

3 Income from donations

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Donations from The Economist Newspaper Ltd	119,290	-	119,290	111,950
	119,290	-	119,290	111,950

The Economist Charitable Trust
Notes to the financial statements
For the year ended March 31st 2022

4 Analysis of expenditure

		Charitable Activities			
	Basis of allocation	Donations made to Institutions	Governance costs	2022 Total	2021 Total
		£	£	£	£
UNICEF	Direct	47,000	-	47,000	-
GAYE	Direct	21,728	-	21,728	-
UNICEF HK	Direct	4,566	-	4,566	-
Bacs Matching Donations	Direct	4,619	-	4,619	-
Other - Staff matching	Direct	11,622	-	11,622	-
Indigo Children's Fund	Direct	-	-	-	17,524
Room to Read	Direct	-	-	-	16,378
Yes, Futures	Direct	-	-	-	8,138
Village Enterprise	Direct	-	-	-	13,200
One Acre Fund	Direct	-	-	-	18,000
Build on Belief	Direct	-	-	-	8,907
Staff Matching	Direct	-	-	-	19,201
Others (including GAYE)	Direct	-	-	-	20,052
		89,535	-	89,535	121,400
Governance cost		-	-	-	-
Total expenditure		89,535	-	89,535	121,400

All expenditure was unrestricted (2021: all unrestricted).

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 (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £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.

The Economist Charitable Trust
Notes to the financial statements
For the year ended March 31st 2022

7 Debtors

	2022	2021
	£	£
Accrued income	55,098	90,115
	55,098	90,115

8 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals	25,758	102,153
	25,758	102,153

9 Movements in funds

	At the start of the year £	Income and gains £	Expenditure & losses £	At the end of the year £
Unrestricted funds:				
General funds	-	119,290	(89,535)	29,755
Total unrestricted funds	-	119,290	(89,535)	29,755
Total funds	-	119,290	(89,535)	29,755

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

	2022	2021
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	29,755	(9,450)
Decrease/(increase) in debtors	35,017	(27,190)
(Decrease)/Increase in creditors	(76,395)	42,049
Net cash used in operating activities	(11,623)	5,409

11 Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	12,038	(11,623)	415
Total cash and cash equivalents	12,038	(11,623)	415

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Notes to the financial statements
For the year ended March 31st 2022

12 Related party transactions

The Charitable Trust received a donation from The Economist Newspaper Limited in the year of £119,290 (2021: £111,950). 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 £55,098 (2021: £90,115) relating to large donations to be paid. With this exception there were no other related party transactions.