

THE THORNTON FOUNDATION

TRUST INFORMATION

FOUNDER

R C Thornton (deceased)

TRUSTEES

Mrs S J Thornton (Chairman)

A H Isaacs

H D C Thornton

PRINCIPAL ADDRESS

25 Pelham Place

London

SW7 2NQ

CHARITY COMMISSION NUMBER

326383

INDEPENDENT EXAMINER

Daniel Valentine ACA

Begbies

Old Printers House

Stone Street

Cranbrook

Kent TN17 3HF

BANKERS

C Hoare & Co

37 Fleet Street

London

EC4P 4DQ

SOLICITORS

Charles Russell Speechlys

5 Fleet Place

London

EC2M 7RD

THE THORNTON FOUNDATION
(Charity Commission number 326383)

ANNUAL REPORT OF THE TRUSTEES
YEAR ENDED 5TH APRIL 2021

Objects and activities furthering the public benefit

The objects of the charity are to pay or apply the income or capital to charitable institutions, or charitable purposes, in such manner and in such proportions as the trustees may from time to time in their absolute discretion determine.

The trustees' policy is to support by grants (and in certain circumstances by loan) charities selected by the trustees. The Foundation also makes occasional educational grants for individuals. On providing the grants, the trustees have complied with their duty in Section 17(5) of the 2011 Charities Act to have regard to public benefit guidance published by the Charity Commission.

The trustees have agreed the grants for the next 12 months and do not welcome unsolicited applications in the meantime.

Financial review and achievements

The total income for the year was £66,176 compared to £91,208 in the prior year. Prior year income included a final dividend payment from the Establishment Investment Trust which was wound up in July 2019. Charitable donations were £131,461 and management and administration expenses including broker's fees were £11,154, resulting in a deficit (before investment gains and losses) for the year of £76,439. After net gains on investments assets of £1,401,523, the net income for the year was £1,325,084.

At the end of the year, the balance on the Unrestricted Fund amounted to £4,809,788.

Reserves, investment policies and plans for future periods

The trustees do not consider that there is a need to maintain a specific level of reserves to achieve the objectives of the Foundation other than to meet future commitments. Their policy is regularly to distribute the whole of the net income together with a part of investment gains whether arising in the current or prior years.

The charity is exposed to the volatility in equity and investment markets due to wider economic conditions and has been adversely impacted by the the Covid-19 outbreak. However the trustees' investment policy is to invest primarily for long term growth and believe current market values will improve over time and confirm the charity remains a going concern.

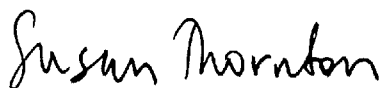
Governing document and organisation

The governing document is the charitable trust deed dated 9th June 1983. The power of appointing new and additional trustees is vested in the trustees, provided that their number shall not exceed five, nor be less than two in number.

The investments are held under the names of the current trustees.

Risk management

The trustees have assessed the major risks to which the Foundation is exposed, in particular those related to the investment strategy. They are satisfied that adequate procedures are in place to mitigate exposure to these risks.



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Mrs S. J. Thornton - Chairman
25 August 2021

THE THORNTON FOUNDATION
STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the Foundation's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE THORNTON FOUNDATION
FOR THE YEAR ENDED 5TH APRIL 2021**

I report on the accounts of the Thornton Foundation ('the Foundation') for the year ended 5th April 2021, which are set out on pages 5 to 11.

Responsibilities and basis of report

As the charity trustees of the Foundation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

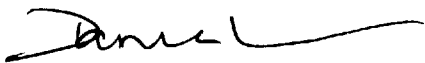
I report in respect of my examination of the Foundation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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 Foundation 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.



Daniel Valentine ACA
Begbies Chartered Accountants
Old Printers House
Stone Street
Cranbrook
Kent TN17 3HF

25 August 2021

THE THORNTON FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 5TH APRIL 2021


	Notes	2021 £	2020 £
<u>Unrestricted general fund</u>			
Income:			
Investment income	2	<u>66,176</u>	<u>91,208</u>
Expenditure on:			
Charitable activities			
Donations	3	131,461	1,114,680
Governance costs	4	<u>10,490</u>	<u>10,915</u>
		141,951	1,125,595
Raising funds			
Brokers' fees		<u>664</u>	<u>672</u>
Total expenditure		<u>142,615</u>	<u>1,126,267</u>
Net gains/(losses) on investment assets		1,401,523	(398,719)
Net income/(expenditure)		1,325,084	(1,433,778)
Reconciliation of funds			
Balance brought forward		<u>3,484,704</u>	<u>4,918,482</u>
Balance carried forward		<u><u>4,809,788</u></u>	<u><u>3,484,704</u></u>

The notes on pages 7 to 11 form part of these accounts.

THE THORNTON FOUNDATION
BALANCE SHEET AT 5TH APRIL 2021

	<u>Notes</u>	2021 £	2020 £
Fixed Assets			
Investments	6	4,730,096	3,441,602
Current Assets			
Cash at bank	7	132,653	1,052,102
Liabilities:			
Creditors: amount falling due within one year	8	<u>(52,961)</u>	<u>(1,009,000)</u>
Net current assets		<u>79,692</u>	<u>43,102</u>
 Net Assets		 <u><u>4,809,788</u></u>	 <u><u>3,484,704</u></u>
 Represented by			
Funds			
Unrestricted general fund		<u><u>4,809,788</u></u>	<u><u>3,484,704</u></u>

Approved by the Trustees on 25 August 2021



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Mrs S. J. Thornton - Chairman

The notes on pages 7 to 11 form part of these accounts.

THE THORNTON FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2021

1. ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Foundation are 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* (Charities SORP (FRS 102)) published on 16 July 2014, and the *Financial Reporting Standard applicable in the UK and Republic of Ireland* (FRS 102), and the Charities Act 2011.

These financial statements are prepared under the historical cost convention as modified by the inclusion of investment assets at market value.

The charity constitutes a public benefit entity as defined by FRS 102.

(b) Unrestricted fund

The trustees may pay or apply the whole or any part or parts of the income or capital funds for any charitable purpose as the trustees in their absolute discretion think fit.

(c) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Gains and losses arising on revaluation and disposal of investments during the year are reflected in the Statement of Financial Activities.

All investment income is recognised when the dividend becomes payable.

(d) Expenditure

Costs of charitable activities are direct costs of the charity in undertaking its work to meet its charitable objectives and consist of charitable donations and governance costs. Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity.

Grants are accounted for by reference to the date on which the obligation for payment becomes unconditional.

Other expenditure is accounted for on an accruals basis with the irrecoverable element of VAT included within the category of expense to which it relates.

(e) Foreign currency

Transactions denominated in foreign currency are recorded at actual exchange rates at the date of the transaction. Assets denominated in foreign currency at the year end are translated into sterling at the rate of exchange current at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the Statement of Financial Activities.

(f) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Investments are referred to in (c) above. All other basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

THE THORNTON FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2021

2. INVESTMENT INCOME	2021	2020
	£	£
Fixed asset investments		
Blackfriars Oriental Focus Fund - Class B US\$	-	12,848
Blackfriars Oriental Focus Fund - Class B £	-	11,150
Establishment Investment Trust plc	-	52,342
Garraway Oriental Focus Fund - Class B US\$	14,242	-
Garraway Oriental Focus Fund - Class B £	12,428	-
VT Garraway Asian Centric Global Growth Fund	39,501	14,748
	66,170	91,088
Bank interest	6	120
	66,176	91,208

3. CHARITABLE DONATIONS	2021	2020
	£	£
Institutions		
Books Abroad	-	2,000
Break	5,000	5,000
Breast Cancer Haven	-	2,000
Cerebal Palsy Plus	-	2,000
Chase Africa	-	5,000
Cirdan Sailing Trust	-	7,000
CPRE Surrey Branch	7,500	-
DEMAND (Design and Manufacture for Disability)	-	2,000
Guide Dogs	-	1,000
Helen and Douglas House	12,000	7,000
Horse Time	2,000	-
Hot Line Meals	4,000	-
Institute of Cancer Research	43,961	42,680
Keble College, Oxford	5,000	5,000
Licoricia of Winchester Statue Appeal	2,000	-
MacMillan Cancer Support	8,000	-
Marie Curie Cancer Care	5,000	-
National Gallery Trust	-	5,000
Prisoners of Conscience	7,000	7,000
Rainbow Trust	7,000	-
Re-engage	-	1,000
Sarah Greene Tribute Fund	-	5,000
St Paul's Knightsbridge Foundation	-	1,000,000
Tait Memorial Trust	-	2,000
University Of Edinburgh Development Trust	-	5,000
Upham PCC	3,000	2,000
Wessex Children's Hospice Trust (Naomi House & Jacksplace)	12,000	7,000
Willow Foundation	3,000	-
Winchester and District Young Carers	5,000	-
	131,461	1,114,680

THE THORNTON FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2021

4. GOVERNANCE

	2021 £	2020 £
Accountancy and independent examination charges	8,500	8,925
Irrecoverable VAT	1,700	1,785
Bank charges	290	-
Trustees' expenses	-	205
	<u>10,490</u>	<u>10,915</u>

5. STAFF COSTS, TRUSTEES REMUNERATION AND RELATED PARTY TRANSACTIONS

There were no employees during the year (2020: nil).

None of the trustees received remuneration or were reimbursed expenses during the year (2020: 1 trustee and £205 of expenses) and there were no other related party transactions.

6. FIXED ASSET INVESTMENTS

	£
Market value at 6th April 2020	3,441,602
Additions at cost	26,669
	<u>3,468,271</u>
Disposal at opening book value	(89,792)
	<u>3,378,479</u>
Net unrealised gain on revaluation	1,351,617
Market value at 5th April 2021	<u>4,730,096</u>
Historical cost at 5th April 2021 (2020: £1,000,784)	<u>978,604</u>

**Analysis of investments held at 5th April 2021
at valuation -**

	UK £	NON-UK £	TOTAL £
Listed investments			
Garraway Oriental Focus Fund Class B GBP	-	1,299,756	1,299,756
VT Garraway Asian Centric Global Growth Fund - Class R £ Net Inc	3,430,340	-	3,430,340
	<u>3,430,340</u>	<u>1,299,756</u>	<u>4,730,096</u>

THE THORNTON FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2021

7. CASH AT BANK

	2021 £	2020 £
C Hoare & Co		
Current account	108,357	1,027,080
Smith & Williamson Investment Management		
Sterling accounts	22,731	23,396
Euro income account	1,565	1,626
	<u>132,653</u>	<u>1,052,102</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Begbies	9,000	9,000
Charitable donations payable	43,961	1,000,000
	<u>52,961</u>	<u>1,009,000</u>

9. TOTAL NET ASSETS SINCE INCEPTION

		£
Capital introduced by R.C.Thornton in 1983		1,100,520
Investment income and royalties	2,740,420	
Deposit account interest	279,037	
VAT recovered	47,982	
Underwriting commission	3,173	
Transitional tax relief received	11,015	
		<u>3,081,627</u>
		4,182,147
Net gains on revaluation and disposal of investment assets		<u>8,487,077</u>
		12,669,224
Less:		
Charitable donations (see Note 10)	7,343,989	
Exchange losses	21,090	
Management and administration	494,357	
		<u>7,859,436</u>
Total net assets at 5 April 2018		<u>4,809,788</u>