

The Earl of Derby's Charitable Trust

**Unaudited financial statements
for the year ended 4th April 2023**

The Earl of Derby's Charitable Trust

Business information

Charity registration number	515783
Trustees	The Rt Hon 19 th Earl of Derby DL Lord Edward Stanley
Accountants	Saffery Champness LLP Kintail House Beechwood Park Inverness IV2 3BW
Business address	Knowsley Hall Prescot Merseyside L34 4AG
Investment managers	Stonehage Fleming Investment Management Limited 15 Suffolk Street London SW1Y 4HG
Solicitors	Boodle Hatfield 6 Worcester Street Oxford Oxfordshire OX1 2BX

The Earl of Derby's Charitable Trust

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Introduction

The trustees present their report and financial statements for the charity for the year ended 5 April 2022. The financial statements have been prepared in accordance with the accounting policies set out on page 7 which comply with the Charity's Trust Deed, dated 23 August 1984, and applicable law. The charity is a registered charity, number 515783.

Structure, Governance and Management

Governing Document

The charity is an unincorporated trust, constituted under a Trust Deed dated 23 August 1984. The charity was established by The Rt Hon The 18th Earl of Derby MC with an initial sum of £100,000 to be held and applied by the trustees for general charitable purposes.

Recruitment, Appointment and Training of Trustees

The Trust Deed gave the power to appoint new trustees to the original settlor, The Rt Hon The 18th Earl of Derby MC, during his lifetime. After this period, the existing trustees have the power to appoint new trustees. Trustees are recruited from the immediate family and professional advisors of the original settlor.

Given the background from which the trustees are recruited, the trustees come to the role with a significant level of knowledge regarding the objects and aims of the charity and the related compliance work. In addition to this, the trustees gain regular updates from their professional advisors in order to keep them fully conversant with these issues.

No Trustee received remuneration during the current year or previous year.

Organisational Structure

At a twice yearly trustees' meeting, the trustees agree the broad strategy and areas of activity of the Trust. They consider the performance of the Trust's investments and review the risks facing the charity. The day to day administration of any charitable grants is delegated to administrative staff of The Rt Hon 19th Earl of Derby DL's Knowsley Estate.

Risk Management

The trustees have examined the major risks facing the charity, in particular those relating to the operations and finances of the charity and anything that might affect the Trustees' ability to realise their objectives. The Trustees are satisfied that systems are in place to mitigate the major risks.

Object and Activities

The charity was initially established as a 'grant making' charity. The objectives as set out in the Settlement Deed of the charity are to provide exclusively for the promotion, support and advancement of charitable purposes of all kind according to the law in England and Wales. In particular the policy has been to provide charitable support firstly within the areas of Cheshire, Lancashire, Merseyside, Greater Manchester and Cumbria and secondly, nationally. When planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit.

The charity has received a substantial number of grant applications from outside of Merseyside and from more affluent parts of the region. It was noted that although the Trust Deed broadly states that the funds will be for the benefit of the inhabitants of the North West, the trustees wish to focus their attentions to small, local charities in more deprived areas of Merseyside. This has been one of the key objectives of the current financial year.

Grant Making Policy

The Trust makes a number of recurrent grants every year to certain institutions. However, the Trust also welcomes applications from other organisations that fall within the objects described above. The Trust has no predetermined policy for awarding grants. Grants are made on the perceived merits of every application and the details of the recurrent and non-recurrent grants made in the year are detailed at note 6.

Financial Review

During the year income of £25,241 (2022: £21,442) was received, arising from investments held by the Trust and donations received.

The Trustees have used the income to support their charitable donations in the year. The total expenditure above income of £2,830 (2022: expenditure exceeded income £773).

The net movement in funds in the year, as shown in the statement of financial activities, amounted to a decrease of £51,766 (2022: increase of £26,283).

Investment Policy

Investments are made at the discretion of the trustees, acting on the advice from their investment advisors, and in accordance with the Trust Deed.

Reserves Policy

It is the policy of the charity to carry sufficient reserves to cover the management and administration costs of the Trust and to respond to recurrent grant applications.

The restricted fund is to be applied specifically towards the maintenance of the fabric of St Mary's Church, Knowsley.

Future Plans

The Trust intends to continue to receive applications for grants from a variety of different bodies. Each application will be considered on its own merit. However, as mentioned above, it is the intention of the Trust to focus grant making in the more deprived areas of Merseyside.

Trustees and their responsibilities

The trustees who served during the year were:

The Rt Hon 19th Earl of Derby DL

Lord Stanley

Andrew McKeown

The trustees are responsible for preparing the trustees' 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 and 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 then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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, applicable accounting regulations 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.

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The Rt Hon 19th Earl of Derby DL

The Earl of Derby's Charitable Trust

Independent examiner's report to the trustees of the Earl of Derby's Charitable Trust

I report to the trustees on my examination of the accounts of the Earl of Derby's Charitable Trust (the Trust) for the year ended 5 April 2023.

Respective Responsibilities of trustees and examiner

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 Trust'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.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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.

.....
Irene Hamilton FCCA

Address:

Date:

The Earl of Derby's Charitable Trust

Statement of financial activities
For the year ended 5 April 2023

		Unrestricted Fund	Restricted Knowsley Church Fund	Total 2023	Total 2022
	Notes	£	£	£	£
Incoming resources					
- Investment income	4	23,656	1,585	25,241	21,442
- Donations		-	-	-	-
Total incoming resources		<u>23,656</u>	<u>1,585</u>	<u>25,241</u>	<u>21,442</u>
Resources expended					
<i>Costs of generating funds:</i>					
- Investment manager costs		5,702	593	6,295	6,293
- Bank charges		1	-	1	3
- Accountancy		300	-	300	300
<i>Costs of charitable activities</i>	5	<u>15,815</u>	<u>-</u>	<u>15,815</u>	<u>14,437</u>
Total resources expended		<u>21,818</u>	<u>593</u>	<u>22,411</u>	<u>22,215</u>
Net (resources expended) / incoming resources for the period		1,838	992	2,830	(773)
Realised and unrealised gains / (losses) on investment assets		<u>(52,404)</u>	<u>(2,192)</u>	<u>(54,596)</u>	<u>27,056</u>
Net movement in funds		<u>(50,566)</u>	<u>(1,200)</u>	<u>(51,766)</u>	<u>26,283</u>
Total funds brought forward as at 6 April 2022		<u>907,347</u>	<u>63,161</u>	<u>970,508</u>	<u>944,225</u>
Total funds carried forward as at 5 April 2023		<u>856,781</u>	<u>61,961</u>	<u>918,742</u>	

The Earl of Derby's Charitable Trust

Balance sheet As at 5 April 2023

		Unrestricted Fund	Restricted Knowsley Church Fund	Total 2023	Total 2022
	Notes	£	£	£	£
Quoted investments at market value	3	838,767	57,508	896,275	928,144
		<u>838,767</u>	<u>57,508</u>	<u>896,275</u>	<u>928,144</u>
Current assets					
Cash deposits		39,135	8,732	47,867	67,761
Amount due from restricted fund		4,279	-	-	-
		<u>43,414</u>	<u>8,732</u>	<u>47,867</u>	<u>67,791</u>
Current liabilities					
Amount due to unrestricted fund			4,279	4,279	
Other creditors		25,400		25,400	
		<u>25,400</u>	<u></u>	<u>25,400</u>	<u></u>
Assets representing Unrestricted and Restricted Funds (page 5)		856,781	61,961	918,742	970,504
		<u>856,781</u>	<u>61,961</u>	<u>918,742</u>	<u>970,504</u>

The financial statements were approved by the Trustees on

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The Rt Hon 19th Earl of Derby DL

.....
Andrew McKeown

.....
Lord Stanley

1 Accounting policies

1.1 General

The financial statements have been prepared on the going concern basis, under the historical cost convention as modified by the inclusion of investments at market value.

The financial statements have been prepared in accordance with the accounting policies set out below, the Charities Act 2011 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).

1.2 Investments

Investments are included in the accounts at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities, whether that be realised or unrealised.

1.3 Income

Investment and other income is recognised in the period in which the Charity is entitled to receipt.

1.4 Expenditure

Donations are included in the accounts when they are payable and administrative expenditure is included on an accruals basis.

1.5 Taxation

The Charity is a registered Charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

1.6 Funds

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives.

Restricted funds are funds that have been given for particular purposes and projects. The restricted fund must be used wholly to provide grants for the maintenance and upkeep of St Mary's Church, Knowsley.

2 Comparative statement of financial activities

	Unrestricted Fund 2023 £	Restricted Knowsley Church Fund 2023 £	Unrestricted Fund 2022 £	Restricted Knowsley Church Fund 2022 £
Incoming resources				
- Investment income	23,656	1,585	20,133	1,309
- Miscellaneous income	-	-	-	-
Total incoming resources	<u>23,656</u>	<u>1,585</u>	<u>20,133</u>	<u>1,309</u>
Resources expended				
<i>Cost of generating funds:</i>				
- Investment manager costs	5,702	593	5,624	669
- Bank charges	1	-	3	-
- Accountancy	300	-	1,482	-
<i>Costs of charitable activities</i>	15,815	-	14,437	-
Total resources expended	<u>21,818</u>	<u>593</u>	<u>21,546</u>	<u>669</u>
Net (resources expended) / incoming resources for the period	1,838	992	(1,412)	640
Realised and unrealised gains / (losses) on investment assets	<u>(52,404)</u>	<u>(2,192)</u>	<u>25,574</u>	<u>1,782</u>
Net movement in funds	(50,566)	(1,200)	23,861	2,422
Total funds brought forward as at 6 April 2022	<u>907,347</u>	<u>63,161</u>	<u>883,486</u>	<u>60,739</u>
Total funds carried forward as at 5 April 2023	<u><u>856,781</u></u>	<u><u>61,961</u></u>	<u><u>907,347</u></u>	<u><u>63,161</u></u>

The Earl of Derby's Charitable Trust

Notes to the accounts

For the year ended 5 April 2023

3 Fixed asset investments

	Unrestricted Funds	Restricted Knowsley Church Fund	Total 2023	Total 2022
	£	£	£	£
Market value as at 6 April 2022	869,371	58,773	928,144	889,946
Less: Disposals at market value	(125,038)	(3,555)	(128,593)	(31,872)
Add: Acquisitions at cost	146,838	4,483	151,320	46,727
Net gain / (loss) on revaluation	(52,404)	(2,192)	(54,596)	23,343
Market value as at 5 April 2023	838,767	57,508	896,275	928,144
Historic cost as at 5 April 2023	703,352	47,300	756,652	728,845

The classes of investments held at the year end were as follows:

	Market Value £
Quoted	531,201
Venture Funds	4,641
Alternative Strategies	79,071
Bonds	280,528
Other	834
	896,275

Investments in individual entities held at 5 April 2023 which are over 5% of portfolio by value are:

	Market Value £
Artemis Fund Managers Global	53,043
Jupiter Merlin Growth Portfolio	104,953
TB Evenlode Investment Funds	88,593
TM Redwheel Funds	76,169
Tm Stoneage	131,878
Bluebay Funds Management	59,335
Pimco Global Advisors	76,253
	590,224

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Notes to the accounts

For the year ended 5 April 2023

4 Investment income

	2023	2022
	£	£
Dividends - UK equities	11,374	9,221
Dividends - Overseas investments	1,300	1,227
Interest on UK investments	422	
Interest on Overseas investments	12,145	10,994
	<u>25,241</u>	<u>21,442</u>

5 Analysis of charitable expenditure

Grant Funding Institutions

	2023	2022
	£	£
Age, disablement and sickness	1,500	1,000
Education and youth	3,000	3,000
Racing charities	4,150	1,750
Religious organisations	3,000	3,000
General charitable causes	4,165	6,437
	<u>15,815</u>	<u>12,487</u>

6 Analysis of donations

	2023	2022
	£	£
Age, disablement and sickness		
<i>Recurrent payments:</i>		
Willowbrook Hospice	<u>750</u>	<u>750</u>
	750	750
<i>Non recurrent payments:</i>		
Martin's Mountain	-	250
Alder Hey Imagine Appeal	<u>750</u>	
	<u>1,500</u>	<u>1,000</u>

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Notes to the accounts

For the year ended 5 April 2023

Education and youth

Recurrent payments:

Acorn Venture Farm	750	750
Animal Health Trust		
St Helens Sea Cadets (TS Scimitar)	750	
Zoe's Place	750	750

2,250 1,500

Non Recurrent payments:

1 st Whiston Scouts	750	750
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3,000 2,250

Racing

Recurrent payments:

British Racing School	750	750
Racing Welfare	3,400	1,000

4,150 1,750

Non Recurrent payments:

- -

4,150 1,750

Religion

Recurrent payments:

St Saviours Church, Wildboarclough	750	750
St Michael's Church, Huyton		750
St Peter & St Paul Church, Ormskirk	750	750
Holy Trinity, Bickerstaffe		750
Liverpool Cathedral	1,500	

3,000 3,000

Non Recurrent payments:

St Mary's Church, Knowsley	-	
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3,000 3,000

The Earl of Derby's Charitable Trust

Notes to the accounts

For the year ended 5 April 2023

General

Recurrent payments:

Liverpool Charity and Voluntary Services	750	3,150
The Boys Brigade, Liverpool	750	750
RNRMC (Royal Navy and Royal Marine Charity)		-
	<hr/>	<hr/>
	1,500	3,900

Non Recurrent payments:

Miscellaneous	2,665	1,537
The Royal Liverpool Philharmonic Orchestra		1,000
The Royal Navy		
	<hr/>	<hr/>
	4,165	2,537
	<hr/>	<hr/>

Total grants from unrestricted funds	-	14,437
Total grants from restricted funds	-	-
	<hr/>	<hr/>
Total grants	-	14,437
	<hr/>	<hr/>

Donations approved by the Trustees during their meetings in the year, but not paid at the year end, amounted to nil (2022: £25,400).

7 Trustees' remuneration

Trustees received no remuneration (2022: £nil) and were not reimbursed for any expenses in the year (2022: £nil).

8 Staff Costs

There are no paid employees or volunteers that work for the Charity.

9 Related party transactions

The trustees do not consider there to have been any related party transactions requiring disclosure in either the current or prior years.