

JULIAN SMITH'S 1988 CHARITY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

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JULIAN SMITH'S 1988 CHARITY TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2022

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 5 April 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, 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 published in October 2019.

Objectives and activities

The Trustees may pay or apply the unrestricted capital and income of the Charity to or for such charitable institutions or purposes as the Trustees in their absolute discretion think fit.

The Trustees carry out these objectives by regularly considering appeals from other charities and making policy and funding decisions.

Public Benefit

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 and have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the donations policy for the year. The benefit that arises is the provision of funding to organisations that demonstrate charitable purpose.

Achievements and performance

During the year the Trustees made grants totalling £15400 [2021: £10750] in furtherance of their objectives and continue to make grants to charitable organisations both on a one-off and recurring basis. The larger grants awarded during the year are stated in the notes to the financial statements.

The Trustees are pleased with the progress made in the financial year ended 5 April 2022 and look forward to expanding their work with many other charities in the years to come.

Financial review

The Trustees received £12535 in investment income in the current year [2021: £11398] and the Trustees have achieved their intention of spending the income on charitable activities.

Net incoming resources for the year were £98732 [2021: outgoing £1070]. In addition the Trust realised a gain on investments of £0 [2021: gain £238] and made an unrealised gain of £45351 [2021: gain £71593]. The net incoming movement on funds was £144083 [2021: incoming £70761].

Investment policy

The Trustees have instructed the Investment Manager that the portfolio is to be invested to produce a suitable mixture of income in order that the level of grants may be maintained and capital growth to secure the future of the Charity over the coming years. The Trustees are confident that the future income stream is secure.

The investment policy is monitored by regular investment reports and meetings with the Investment Manager. A breakdown of the investments held during the financial year ended 5 April 2022 can be seen on page 8.

JULIAN SMITH'S 1988 CHARITY TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2022

Risk Management

The major risks to which the Charity is exposed have been identified and steps taken to mitigate those risks.

The main risk to the Charity concerns the investments held. The Trustees have mitigated this risk by engaging Cazenove Capital to manage the investments and monitor the portfolio and financial risks to the Charity. The Trustees regularly review the valuation of investments and the income stream generated.

The Trustees have satisfied themselves that the trust is a going concern and has adequate resources to continue in operational existence for the foreseeable future. The charitable activities are funded by the investment portfolio and although Covid-19 did have a negative impact on this, the portfolio has recovered with sufficient value to support continued grant making.

Reserves policy

It is the intention of the Trustees to sustain the unrestricted funds at a level which will provide sufficient funds for the level of grants paid and to cover the Charity's management and administration costs.

At the Balance Sheet date the unrestricted reserves amounted to £481723.

Future Plans

The Trustees do not envisage any material change to the operation of the Charity in the long-term and the investments will continue to be managed on a similar basis as they are now. Notwithstanding this, the Trustees remain flexible in terms of the type of organisations it supports.

Structure, governance and management

The Trust has charitable status and was set up by Mr Julian Smith by Deed dated 20 May 1988.

The management of the Charity is vested in the Trustees and they actively review the perceived major risks which the Charity faces and the Trustees are satisfied that the systems in place mitigate those risks.

The Trustees have received appropriate briefing on their responsibilities under the law relating to charities and their duty to ensure that their charitable activities are for the public benefit. The appointment of new trustees is vested in the Settlor during their life. The selection of future trustees will have regard to the skills, knowledge and experience needed for the effective administration of the Charity. Induction and training for trustees is provided where relevant.

Reference and administrative information

A registered charity, registered with the Charity Commissioners for England and Wales as number 800184.

Principal Office:
4th Floor
7 Swallow Street
London
W1B 4DE

JULIAN SMITH'S 1988 CHARITY TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2022

The Trustees are Cowdray Trust Limited and Mr Julian Smith.

The Directors of Cowdray Trust Limited are:

The Hon H M T Gibson (Chairman)

The Viscount Cowdray

The Hon C A Pearson

The Hon P N Gibson

The Hon B C Gurdon

Mr J R E Smith

Mr R C P Troughton

Mrs S J Burrell

Mr S J Atkinson

Mrs F A Rice

Mrs N T Eagle (Retired 8 June 2022)

Mr M P Harris

Mr K Wright (Appointed 3 March 2022)

Solicitors:

Currey & Co LLP

33 Queen Anne Street

London

W1G 9HY

Independent Examiner:

Harriet Sergeant

Martin and Company Audit Limited

25 St Thomas Street

Winchester

Hampshire

SO23 9HJ

Banker:

Royal Bank of Scotland plc

119-121 Victoria Street

London

SW1E 6RA

Banker:

Schroder & Co Limited

1 London Wall Place

London

EC2Y 5AU

Investment Manager:

Cazenove Capital

1 London Wall Place

London

EC2Y 5AU

JULIAN SMITH'S 1988 CHARITY TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2022

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable regulations). Under that law the trustees must not approve the financial statements unless they are satisfied that they 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 (FRS 102);
- make judgements and accounting 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 adequate accounting records which are sufficient to show and explain the charity's transactions and 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, the Charities (Accounts and Reports) Regulations 2008 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.

Approved by the Trustees on 20 January 2023 and signed on their behalf by:

COWDRAY TRUST LIMITED

JULIAN SMITH



Director

JULIAN SMITH'S 1988 CHARITY TRUST

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 5 APRIL 2022**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 5 April 2022 which are set out on pages 6-13 .

Responsibilities and basis of report

As the charity's 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 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.

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 charity 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.



Harriet Sergeant
Martin and Company Audit Limited
25 St Thomas Street
Winchester
Hampshire
SO23 9HJ

Date: 23rd January 2023

JULIAN SMITH'S 1988 CHARITY TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2022

	Note	2022 Unrestricted funds £	2022 Total funds £	2021 Prior year total funds £
Income from:				
Donations and legacies	4	105,064	105,064	-
Investments	5	12,535	12,535	11,398
Total		<u>117,599</u>	<u>117,599</u>	<u>11,398</u>
Expenditure on:				
Raising funds	6	134	134	95
Charitable activities	7	18,733	18,733	12,373
Total		<u>18,867</u>	<u>18,867</u>	<u>12,468</u>
Net income/(expenditure)		98,732	98,732	(1,070)
Other recognised gains/(losses):				
Gains/(losses) on investment assets	11	45,351	45,351	71,831
Net movement in funds		144,083	144,083	70,761
Reconciliation of funds:				
Total funds brought forward	16	337,640	337,640	266,879
Total funds carried forward		<u>481,723</u>	<u>481,723</u>	<u>337,640</u>

JULIAN SMITH'S 1988 CHARITY TRUST

BALANCE SHEET AS AT 5 APRIL 2022

	Note	2022 Total funds £	2021 Prior year funds £
Fixed Assets:			
Investments	11	475,123	324,731
Total Fixed Assets		<u>475,123</u>	<u>324,731</u>
Current Assets:			
Debtors	12	-	4
Cash at bank	13	9,166	13,975
Total Current Assets		<u>9,166</u>	<u>13,979</u>
Liabilities:			
Creditors: Amounts falling due within one year	14	(2,566)	(1,070)
Net Current Assets or Liabilities		<u>6,600</u>	<u>12,909</u>
Total Net Assets or Liabilities		<u>481,723</u>	<u>337,640</u>
The Funds of the Charity:			
Unrestricted funds	16	481,723	337,640
Total Charity Funds		<u>481,723</u>	<u>337,640</u>

Approved by the Trustees on 20 January 2023 and signed on their behalf by:

COWDRAY TRUST LIMITED

JULIAN SMITH




Director

JULIAN SMITH'S 1988 CHARITY TRUST

**SCHEDULE OF INVESTMENTS AND INCOME
FOR THE YEAR ENDED 5 APRIL 2022**

	Holding 6 April 2021	Market Value 6 April 2021 £	Additions Cost £	Disposals Proceeds £	Profit (Loss) £	Holding 5 April 2022	Book Value 5 April 2022 £	Market Value 5 April 2022 £	Percentage of total	Gross Income £
Gryphon Dover Fund	28,802.00	285,748	105,041.13			39,106.50	284,350.23	430,367	90.58 %	10,423.17
Merchants Trust Ord GBP0.25	7,750	38,983				7,750	32,898.75	44,756	9.42 %	2,111.88
TOTAL:		324,731	105,041.13				317,248.98	475,123	100.00 %	12,535.05

JULIAN SMITH'S 1988 CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

1. Statutory Information

Julian Smith's 1988 Charity Trust is a registered charity. The registered number and principal office address can be found in the Report of the Trustees'.

2. Accounting Policies

a) Basis of financial statements preparation

The financial statements of the charity, which is a public benefit entity, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been removed.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

b) Nature of funds

All funds held are unrestricted and the Trustees are free to use them in accordance with the charitable objects.

c) Fixed asset investments

Investments are stated at market value at the Balance Sheet date. Overseas investments are translated into sterling at the rates ruling at the year end. The Statement of Financial Activities (SOFA) includes the net gains and losses on revaluation and disposals throughout the year.

d) Income

Income is recognised in the SOFA once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

e) Expenditure

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

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

JULIAN SMITH'S 1988 CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

f) Charitable grants

Grants payable are recognised in the SOFA when they are approved by the Trustees and the recipient has been informed of the amount to be paid.

g) Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the Balance Sheet date monetary assets and liabilities denominated in a foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the SOFA.

h) Irrecoverable VAT

Irrecoverable VAT is written off to the same expense category in which the actual expenditure was incurred.

3. Remuneration of Trustees

In the financial year to 5 April 2022 the Trustees did not receive any remuneration or have their expenses reimbursed by the Charity. Cowdray Trust Limited charged administration expenses of £3030 [2021: £1352].

4. Donations and legacies

	2022	2021
	£	£
J F E Smith Charitable Trust	105,064	-
	<u>105,064</u>	<u>-</u>

5. Investment income

	2022	2021
	£	£
Income from investments	12,535	11,398
	<u>12,535</u>	<u>11,398</u>

6. Expenditure on raising funds

	2022	2021
	£	£
Investment management fees	134	95
	<u>134</u>	<u>95</u>

7. Charitable activities

	Direct costs (see note 8)	Support costs (see note 9)	Total
	£	£	£
Charitable expenditure	15,400	3,333	18,733
	<u>15,400</u>	<u>3,333</u>	<u>18,733</u>

JULIAN SMITH'S 1988 CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

8. Direct costs

The Charity undertook no direct charitable activities but awarded grants to a number of institutions in furtherance of its charitable objectives. These are as follows:

	£
West Grinstead PCC	5,000
Charities Aid Foundation	3,000
Fletching Primary School Parent Teacher Association	2,000
British Red Cross	1,500
Institute of Economic Affairs	1,500
Tusk Trust	1,000
	<u>14,000</u>
Other grants (equal to or individually less than £500)	1,400
Total for the year	<u><u>15,400</u></u>

Analysis of grants made

	Grants to institutions £	Grants to individuals £	Total £
Advancement of education	2,000	-	2,000
Advancement of religion	5,750	-	5,750
Advancement of health or the saving of lives	1,750	-	1,750
Advancement of the arts, culture, heritage or science	200	-	200
Advancement of environmental protection or improvement	1,500	-	1,500
Relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	200	-	200
Advancement of animal welfare	1,000	-	1,000
Any other charitable purposes	3,000	-	3,000
	<u>15,400</u>	<u>-</u>	<u>15,400</u>

9. Support costs

	2022 £	2021 £
Administration expenses	3,030	1,352
Bank charges	7	5
Legal Entity Identification number fee	74	70
Portfolio Stewardship fees	222	196
	<u>3,333</u>	<u>1,623</u>

During the year administration expenses of £3030 were charged by Cowdray Trust Limited (trustee). The amount of £800 plus VAT was charged by Harriet Sergeant of Martin and Company Audit Limited for her Independent Examination of these Financial Statements.

JULIAN SMITH'S 1988 CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

10. Staff costs

There are no employees so consequently no staff costs have been incurred.

11. Fixed asset investments

	2022	2021
	£	£
Market value brought forward	324,731	253,717
Additions	105,041	-
Less disposal proceeds	-	(817)
Net gains/(losses) on investments	45,351	71,831
Market value carried forward	475,123	324,731
Geographical analysis	2022	2021
	£	£
United Kingdom investments	475,123	324,731
	475,123	324,731

The investments were revalued each year up to 5 April 1999. Therefore, there is no historic cost figure available. The book value of the investments at 5 April 2022 is £317,249.

Net gains/(losses) on investments includes realised gains for the year of £0 [2021: gain £238] and unrealised gains on revaluation to market value of £45,351 [2021: gain £71,593].

12. Debtors

	2022	2021
	£	£
Administration Expenses	-	4
	-	4

13. Cash at bank

	2022	2021
	£	£
Royal Bank of Scotland plc	8,257	13,341
Schroder & Co Limited	909	634
	9,166	13,975

14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Administration Expenses	1,566	-
Payments due to charities	1,000	1,000
Legal Entity Identification number fee	-	70
	2,566	1,070

JULIAN SMITH'S 1988 CHARITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

15. Commitments made	Annual value £	Number of years	Total £
No conditions attached:			
Science Museum	1,000	1	1,000
			<u>1,000</u>

16. Movement in funds	2022 £	2021 £
Unrestricted funds:		
Balance brought forward	337,640	266,879
Net movement in funds	144,083	70,761
Balance carried forward	<u>481,723</u>	<u>337,640</u>

Net movement in funds included in the above are as follows:

	Income £	Outgoings £	Gains and losses £	Movement in funds £
Unrestricted funds	<u>117,599</u>	<u>(18,867)</u>	<u>45,351</u>	<u>144,083</u>

17. Related Party Transactions

During the year the Trustees incurred fees of £222 [2021: £196] from Millbank Financial Services Limited ('MFS') for their Portfolio Stewardship service. The Hon H M T Gibson, The Hon C A Pearson and Mr M P Harris (Directors of The Cowdray Trust Limited) are Directors of MFS. It should also be noted that a sibling of The Hon H M T Gibson and the mother of Mr R C P Troughton (Director of The Cowdray Trust Limited) are also Directors of MFS, namely The Hon W K Gibson and Mrs S H Troughton respectively.