

**Charity No. 1004185**

**THOMAS HOWELL'S TRUST  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 JULY 2023**

# THOMAS HOWELL'S TRUST

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## **THOMAS HOWELL'S TRUST**

### **REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2023**

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The Trustee presents its Report together with the Financial Statements of Thomas Howell's Trust ("the Charity") for the year ended 31 July 2023. The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1 to the Financial Statements and comply with the Charities Act 2011, 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, and the documents governing the constitution of the Charity.

#### **Reference and administrative information**

The legal and administrative details set out in Appendices A to C form part of this report.

#### **Structure, governance and management**

##### ***Origin***

The Charity originated from the will of Thomas Howell who died around 1539. The original bequest was to provide assistance to orphan girls.

The Trust is governed by the following documents:

- a) Will of Thomas Howell dated circa 1538
- b) Act of Parliament of 1852 15 and 16 Vict.c.14
- c) Schemes of the High Court of Chancery dated:-
  - i) 23 March 1853
  - ii) 23 December 1859
  - iii) 9 August 1865
  - iv) 29 January 1885
- d) Scheme of the Minister of Education dated 7 December 1962
- e) Scheme of the Charity Commissioners dated 17 July 1991
- f) Scheme of the Charity Commissioners dated 11 August 2000

##### ***Governance and management***

The Charity uses The Drapers' Company for the provision of administration services, which are provided on a shared basis with other charities under common trusteeship of the Company. The Charity is a participant in The Drapers' Charities Pooling Scheme.

The Trustee, The Drapers' Company, is also trustee of The Thomas Howell's Education Fund for North Wales. Further details of this charity may be found in its Report and Financial Statements. Howell's School, Llandaff is owned by the Girls' Day School Trust and administered by a Board of Governors, one of whom is nominated by The Drapers' Company.

## **THOMAS HOWELL'S TRUST**

### **REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2023**

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#### ***Governance and management***

The Drapers' Company is the Charity's Trustee and acts through its Court of Assistants ("the Court"), which meets at least six times a year, agrees overall strategy and takes all policy decisions. These policies are developed and refined by three Standing Committees which oversee grant allocation, finance and investments respectively, and once decisions have been taken and ratified they are implemented by the Company's Officers.

The operation of the Committees is reviewed annually by the Court for effectiveness against the overall aims and objectives of the Company and its Charities.

The Court takes decisions on the award of grants above £50,000. The Trustee delegates authority for the award of grants up to £50,000 and the implementation of the agreed grant-making policy to the Charities Committee. The Committee membership is drawn from the Court and other members of the Company. Composition of the Committee is reviewed and confirmed each year. The Committee, which meets five times a year, has clearly defined terms of reference.

Each year the Court normally elects at least one new member from the Company membership who is given specific training on trustee duties and obligations by the Company's Officers and external providers before taking up their position. In addition, all members of the Court receive regular and ongoing trustee training in relevant areas.

#### ***Key management personnel remuneration***

The Trustee considers the members of the Court as Trustee and together with the members of the Charities Committee, who have limited and clearly defined terms of reference, comprise the key management personnel of the Charity in charge of directing and controlling the Charity and overseeing the running and operating of the Charity on a day-to-day basis. The members of the Court, in their capacity as Trustee, give their time freely and no trustee remuneration was paid in the year.

Trustees are required to disclose all relevant interests and register them with the Director of Philanthropy & Governance and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises. Neither the Charity nor any of the members of the Court, as Trustee, have interests with beneficiary charities, but any such interests would be disclosed.

#### ***Risk management***

The principal risk faced by the Charity concerns the performance of its investments. The operational risk are minor given the grant-making policy of Thomas Howell's Trust is narrowly defined, being the payment of the net income from the Charity to Howell's School, Llandaff and The Thomas Howell's Education Fund for North Wales.

The Trustee mitigates the investment risk through the regular review of investment strategy and portfolio performance by the Investment Committee and professional advisors. The Common Investment Fund (The Drapers' Charities Pooling Scheme) in which the Charity's assets are invested also assists in spreading the risk.

#### ***Statement of trustee responsibilities***

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

## THOMAS HOWELL'S TRUST

### REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2023

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#### *Statement of trustee responsibilities* (continued)

The law applicable to charities in England & Wales requires the Trustee 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 Trustee is 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business

The Trustee is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is 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.

In the opinion of the Trustee, the Charity is adequately resourced to continue to benefit those in need of charitable assistance, in accordance with its objects. The financial statements have been prepared on a going concern basis.

#### **Objectives and activities for the public benefit**

The main object of the Charity is the advancement of education, which is achieved through distribution of the net income of the Charity to Howell's School, Llandaff (Girls' Day School Trust) in South Wales for the maintenance of the girls' school, and the provision of more general educational support for young people throughout North Wales via The Thomas Howell's Education Fund for North Wales.

The Portion and Endowment Fund is a restricted fund the object of which was established by Order of the High Court of Chancery in 1853 and last amended by a Charity Commission Scheme in 1991, and is to perpetuate, insofar as is practicable, the original intention of Thomas Howell by setting aside the sum of £500 per annum into a fund, "for the benefit of former pupils of Howell's School, Denbigh who have not attained the age of 25 years, are in need of financial assistance, outfits, clothing, tools, instruments or books or by such other means as will fit them to earn their own living or advance them in life. Provided that in applying such fund preference will be given to orphans."

The Scheme dated 7 December 1962 detailed a further restriction that up to £700 is to be paid to the Governors of Howell's School, Llandaff for application towards the cost of maintaining scholarships at the School for the benefit of girls resident in Monmouthshire and Newport.

The policy of Thomas Howell's Trust is narrowly defined, being the payment of the net income from the Charity, firstly, in satisfying the requirements of the Portion and Endowment Fund and Scholarships at Howell's School, Llandaff. The residue of the net income is to be divided between The Thomas Howell's Education Fund for North Wales and Howell's School, Llandaff.

The Trustee has complied with the Charities Act 2011, having due regard for the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, setting the grant-making policy and in awarding grants.

# THOMAS HOWELL'S TRUST

## REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2023

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### **Achievements and performance**

The payment to Howell's School, Llandaff was £324,027 (2021/22: £324,246) including £700 for the Monmouth and Newport Scholarships. The sum provided to The Thomas Howell's Education Fund for North Wales, was £301,914 (2021/22: £302,133). No awards were made from the Portion and Endowment Fund.

### **Financial review**

Total incoming resources were £631,986 (2021/22: £631,985). Governance costs were £2,446 (2021/22: £2,260). Expenditure on charitable activities was £631,486 (2021/22: £631,485). Net investment losses of £531,082 reduced total charitable funds at the year end to £22,202,782.

£500 was transferred from the Unrestricted Fund to the Portion and Endowment Fund, a Restricted Fund, in accordance with the Charity Commission Scheme, leaving a balance at the year end of £18,647 in the Portion and Endowment Fund.

### **Investment policy and performance**

There are no restrictions on the Charity's power to invest. The investment objective of the Trustee is to combine income and capital growth in a conservative manner. In keeping with this aim, the Trustee regularly reviews the allocation of investment assets of those charities for which it has responsibility. The Charity's investments consist of holdings in The Drapers' Charities Pooling Scheme (Registered Charity Number 1061675). The Trustee does not take any specific social, environmental or ethical considerations when carrying out the investment objective.

### **Restricted Fund**

Details of the Portion and Endowment Fund are set out in Note 6 to the Financial Statements.

### **Reserves**

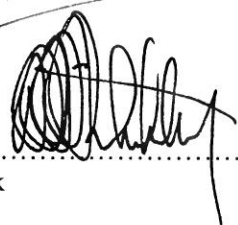
No reserves are held in general funds by the Charity as all available income is distributed in accordance with the Scheme. A small surplus of £18,647 is held in the Portion and Endowment Fund.

### **Plans for future periods**

The grant-making policies of the Charity are narrowly defined with no changes anticipated in the foreseeable future.

Signed for and on behalf of The Drapers' Company as Trustee

  
.....  
Master

  
.....  
Clerk

14 December 2023

  
.....  
Chairman, Finance and General  
Purposes Committee

## **THOMAS HOWELL'S TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2023**

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#### **Opinion**

We have audited the financial statements of Thomas Howell's Trust for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

## **THOMAS HOWELL'S TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2023**

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Report of the Trustee is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Trustee's Responsibilities Statement set out on 2-3, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with representatives of the trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with representatives of the trustee and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

## **THOMAS HOWELL'S TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2023**

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#### Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our Report**

This report is made solely to the charity's trustee in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**THOMAS HOWELL'S TRUST**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE  
FOR THE YEAR ENDED 31 JULY 2023**

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*Saffery LLP*

Saffery LLP

Chartered Accountants

71 Queen Victoria Street  
London EC4V 4BE

Statutory Auditors

Date: *17 January 2024*

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## THOMAS HOWELL'S TRUST

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2023

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	Note	Unrestricted Fund £	Restricted Fund £	Endowment Fund £	Total 2022/23 £	Total 2021/22 £
<b>Income and endowments from:</b>						
Donations and legacies	2	4,000	-	-	4,000	4,000
Investments	3	627,986	-	-	627,986	627,985
<b>Total</b>		<u>631,986</u>	<u>-</u>	<u>-</u>	<u>631,986</u>	<u>631,985</u>
<b>Expenditure on:</b>						
Charitable activities	4,5	631,486	-	-	631,486	631,485
<b>Total</b>		<u>631,486</u>	<u>-</u>	<u>-</u>	<u>631,486</u>	<u>631,485</u>
Net investment (losses)/gains	7	-	-	(531,582)	(531,582)	(200,846)
<b>Net income / expenditure</b>		500	-	(531,582)	(531,082)	(200,346)
Transfer between funds	6	(500)	500	-	-	-
<b>Net movement in funds</b>		-	500	(531,582)	(531,082)	(200,346)
Balances at 1 August		-	18,147	22,715,717	22,733,864	22,934,210
<b>Balances at 31 July</b>		<u>-</u>	<u>18,647</u>	<u>22,184,135</u>	<u>22,202,782</u>	<u>22,733,864</u>

All of the above results derive from continuing activities

There are no other gains and losses other than those noted above.

The notes on pages 12 to 18 form part of these financial statements.


# THOMAS HOWELL'S TRUST

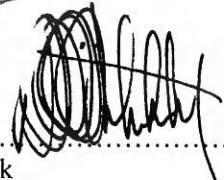
## BALANCE SHEET AS AT 31 JULY 2023

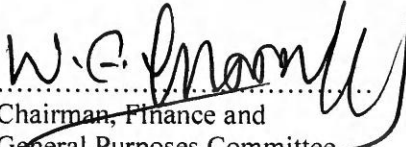
	Notes	31.07.23		31.07.22	
		£	£	£	£
<b>Fixed assets</b>					
Investments	7		22,184,135		22,715,717
<b>Current assets</b>					
Debtors	9	-		-	
Cash at bank		206,180		196,772	
		<u>206,180</u>		<u>196,772</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	10	(187,533)		(178,625)	
<b>Net current assets</b>			18,647		18,147
<b>Total net assets</b>	8		<u>22,202,782</u>		<u>22,733,864</u>
<b>Represented by:</b>					
<b>Capital Funds</b>					
Endowment Fund	6		22,184,135		22,715,717
<b>Income Funds</b>					
Restricted Funds	6		18,647		18,147
Unrestricted Funds	6		<u>-</u>		<u>-</u>
			<u>22,202,782</u>		<u>22,733,864</u>

Approved by the Trustees on 14 December 2023.

Signed for and on behalf of The Drapers' Company as Trustee.

  
.....  
Master

  
.....  
Clerk

  
.....  
Chairman, Finance and  
General Purposes Committee

The notes on pages 12 to 18 form part of these financial statements.

**THOMAS HOWELL'S TRUST**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR TO 31 JULY 2023**

		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Cash flow from operating activities:</b>			
<i>Net cash provided by operating activities</i>	CF1	(618,578)	(586,653)
<b>Cash flow from investing activities:</b>			
Dividends, interest and rent from investments		627,986	627,985
Proceeds from the sale of investments		-	-
Purchase of investments		-	-
<b>Net cash provided by investing activities</b>		<u>9,408</u>	<u>41,332</u>
Changes in cash and cash equivalents in the year			
Cash and cash equivalents at 1 August	CF2	196,772	155,440
Cash and cash equivalents at 31 July	CF2	206,180	196,772

**CF1 Reconciliation of net income/expenditure to net cash flow from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Net income/expenditure</b>	(531,082)	(200,346)
Adjustments for:		
Losses/(gains) on investments	531,582	200,846
Dividends income and rents from investments	(627,986)	(627,985)
(Increase)/decrease in debtors	-	-
Increase/(decrease) in creditors	8,908	40,832
<b>Net cash provided by operating activities</b>	<u>(618,578)</u>	<u>(586,653)</u>

**CF2 Analysis of cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash in hand	206,180	196,772
Notice deposits (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<u>206,180</u>	<u>196,772</u>

**Analysis of changes in net debt**

	<b>At start of year</b>	<b>Cash flows</b>	<b>At end of year</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash	<u>196,772</u>	9,408	<u>206,180</u>

The notes on pages 12 to 18 form part of these financial statements

# THOMAS HOWELL'S TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain fixed asset investments, and applicable accounting standards in the United Kingdom. The financial statements have been prepared in accordance with the Second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public entity as defined by FRS 102.

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) effective 1 January 2019 rather than the accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

#### 1.2 Going concern

The Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the final quarter's dividend income from the Charity's equity holdings in The Drapers' Charities Pooling Scheme. With respect to the next reporting period, 2023-24, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the Trustee's annual report for more information).

#### 1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

##### **Voluntary income**

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

##### **Investment income**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest pair or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

#### 1.4 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 settlement will be required and the amount of obligation can be measured reliably.

## THOMAS HOWELL'S TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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#### **Expenditure (continued)**

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Charity that would permit the Charity to avoid making the future payment (s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the Trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Charity.

#### **1.5 Investments**

Investments are a form of basic financial instrument representing shares in The Drapers' Charities Pooling Scheme and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the proportionate amount of the net asset value of the Scheme pool as at 31 July 2023. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

#### **1.6 Funds**

The Charity maintains three types of funds:

Permanent Endowment Fund - where the capital is held in perpetuity to generate income for furtherance of the Charity's objects. This income and its application are accounted for in the Charity's unrestricted fund as there are no restrictions on its use.

Restricted Fund – where the purpose for which the capital and income of the funds may be used has been restricted by the Charity Commission or by specific trusts declared by the donors (Note 6 provides further details)

Unrestricted Fund - where the fund is not restricted as to use, within the Charity's objects.

#### **1.7 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Unlisted investments – based on the share of the net assets of the pooling scheme



# THOMAS HOWELL'S TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

### 5 Charitable activities: Governance and staff costs

	<b>Total 2022/23 £</b>	<b>Total 2021/22 £</b>
Administration costs	510	472
Office costs	264	239
Audit fees	1,672	1,549
	<u>2,446</u>	<u>2,260</u>

The average number of employees during the year was 2 (2022: 2) with all employee involved in providing either support to the governance of the charity or support services to charitable activities.

The Charity considers its key management personnel comprise the members of the Court of Assistants. The total employment benefits including employer pension contributions of the key management personnel were £0 (2022: £0). No employees had employee benefits in excess of £60,000 (2022: none)

### 6 Funds

	<b>Balance 01.08.22</b>	<b>Incoming resources £</b>	<b>Movements of Funds</b>		<b>Gains/ (losses) £</b>	<b>Balance 31.07.23 £</b>
			<b>Resources expended £</b>	<b>Transfers £</b>		
<b>Capital Funds:</b>						
Permanent Endowment	22,715,717	-	-	-	(531,582)	22,184,135
	<u>22,715,717</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(531,582)</u>	<u>22,184,135</u>
<b>Income Funds:</b>						
Portion and Endowment Fund	18,147	-	-	500	-	18,647
Unrestricted Funds	-	631,986	(631,486)	(500)	-	-
<b>Total Funds</b>	<u>22,733,864</u>	<u>631,986</u>	<u>(631,486)</u>	<u>-</u>	<u>(531,582)</u>	<u>22,202,782</u>

	<b>Balance 01.08.21</b>	<b>Incoming resources £</b>	<b>Movements of Funds</b>		<b>Gains/ (losses) £</b>	<b>Balance 31.07.22 £</b>
			<b>Resources expended £</b>	<b>Transfers £</b>		
<b>Capital Funds:</b>						
Permanent Endowment	22,916,563	-	-	-	(200,846)	22,715,717
	<u>22,916,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,846)</u>	<u>22,715,717</u>
<b>Income Funds:</b>						
Portion and Endowment Fund	17,647	-	-	500	-	18,147
Unrestricted Funds	-	631,985	(631,485)	(500)	-	-
<b>Total Funds</b>	<u>22,934,210</u>	<u>631,985</u>	<u>(631,485)</u>	<u>-</u>	<u>(200,846)</u>	<u>22,733,864</u>

## THOMAS HOWELL'S TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

The Permanent Endowment Fund is the capital of the Charity to be held in perpetuity to generate income for the Charity's objects.

The Portion and Endowment Fund is to benefit former pupils of Howell's School, Denbigh who are under the age of 25 and are in need of financial assistance, outfits, clothing, tools, instruments or books or such other means as will enable them to earn a living or advance them in life, preference being given to orphans.

#### 7 Investments

	<b>Total 2022/23 £</b>	<b>Total 2021/22 £</b>
Market value at 1 August	22,715,717	22,916,563
Acquisitions	-	-
Disposals	-	-
Net investment (losses)/gains	(531,582)	(200,846)
Market value at 31 July	<u>22,184,135</u>	<u>22,715,717</u>
Historical cost at 31 July	<u>9,830,832</u>	<u>9,830,832</u>

All investment assets are held within the United Kingdom.

#### 8 Analysis of total net assets

	<b>Unrestricted Fund £</b>	<b>Restricted Fund £</b>	<b>Endowment Fund £</b>	<b>Total 31.07.23 £</b>
The Drapers' Charities Pooling Scheme	-	-	22,184,135	22,184,135
Net current assets	-	18,647	-	18,647
	<u>-</u>	<u>18,647</u>	<u>22,184,135</u>	<u>22,202,782</u>
	<b>Unrestricted Fund £</b>	<b>Restricted Fund £</b>	<b>Endowment Funds £</b>	<b>Total 31.07.22 £</b>
The Drapers' Charities Pooling Scheme	-	-	22,715,717	22,715,717
Net current assets	-	18,147	-	18,147
	<u>-</u>	<u>18,147</u>	<u>22,715,717</u>	<u>22,733,864</u>

## THOMAS HOWELL'S TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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<b>9 Debtors</b>	<b>31.07.23</b>	<b>31.07.22</b>
	<b>£</b>	<b>£</b>
Accrued income	-	-
	<u>-</u>	<u>-</u>
	<b>31.07.23</b>	<b>31.07.22</b>
	<b>£</b>	<b>£</b>
<b>10 Creditors: Amounts falling due within one year</b>		
Amount due to The Thomas Howell's Education Fund for North Wales	101,914	102,133
Amount due to Girls' Day School Trust on behalf of Howell's School, Llandaff	84,027	74,946
Sundry Creditors	<u>1,592</u>	<u>1,546</u>
	<u>187,533</u>	<u>178,625</u>

#### **11 Transactions with related parties**

During the year, the Trustee of the Charity, The Drapers' Company, acted as Trustee for six other charities, details of which are provided in Appendix C to the Trustee's Report. Details of the dividend income received from The Drapers' Charities Pooling Scheme are shown in Note 3. The Charity also received a donation from the Drapers' Company details are shown in Note 2.

#### **12 Trustee remuneration**

The members of the Drapers' Company Court of Assistants, as Trustee, give freely their time and expertise without any form of remuneration or other benefit in cash or kind, or the reimbursement of any expenses by the Charity (2022: £nil).

## THOMAS HOWELL'S TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

#### 13 Prior year SOFA

	Unrestricted Fund £	Restricted Fund £	Endowment Fund £	Total 2021/22 £
Donations and legacies	4,000	-	-	4,000
Investments	627,985	-	-	627,985
<b>Total</b>	<b>631,985</b>	<b>-</b>	<b>-</b>	<b>631,985</b>
<b>Expenditure on:</b>				
Charitable activities	631,485	-	-	631,485
<b>Total</b>	<b>631,485</b>	<b>-</b>	<b>-</b>	<b>631,485</b>
Net investment (losses)/gains	-	-	(200,846)	(200,846)
<b>Net income / expenditure</b>	<b>500</b>	<b>-</b>	<b>(200,846)</b>	<b>(200,346)</b>
Transfer between funds	(500)	500	-	-
<b>Net movement in funds</b>	<b>-</b>	<b>500</b>	<b>(200,846)</b>	<b>(200,346)</b>
Balances at 1 August	-	17,647	22,916,563	22,934,210
<b>Balances at 31 July</b>	<b>-</b>	<b>18,147</b>	<b>22,715,717</b>	<b>22,733,864</b>