

THE NICHOLAS HAMMOND FOUNDATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

CONTENTS AND COMPANY INFORMATION

CONTENTS:	PAGE:
Report of the Trustees	1 - 2
Independent Examiners Report	3
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 11

TRUSTEES: Christopher Cooper (resigned 30 September 2022)  
Christopher Taylor (resigned 3 August 2021)  
Joseph Pillman  
Lord Anthony Grabiner (resigned 1 October 2021)  
Jonathan Langridge (appointed 30 September 2022)  
Afua Kudom (appointed 30 September 2022)  
Camilla Steele (appointed 30 September 2022)  
Loretta Minghella (appointed 1 October 2021)

PRINCIPAL ADDRESS: Clare College  
Trinity Lane  
Cambridge  
CB2 1TL

CHARITY NUMBER: 1086795

INDEPENDENT EXAMINER: Ian W Shipley FCCA  
For and on behalf of:  
Prentis & Co LLP  
Chartered Accountants  
& Independent Examiners  
115c Milton Road  
Cambridge  
CB4 1XE

BANKERS: Barclays Bank Plc  
Benet Street  
Cambridge  
CB2 3PZ

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## REPORT OF THE TRUSTEES

The Trustees present their annual report and financial statements of the charity for the year ended 31st July 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, 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 ((FRS102) effective 1st January 2019).

## TRUSTEES

The Trustees named on the Contents and Charity Information page have served throughout the year. Appointment of Trustees is governed by the Declaration of Trust. The Board of Trustees is authorised to appoint new Trustees to fill vacancies through resignation or death of an existing Trustee, or to add their number.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The Nicholas Hammond Foundation was set up by a Trust Deed on 26th March 2001 with a settlement from Mr Anthony W Furse.

## OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The purpose of the Foundation is the advancement, promotion and encouragement of education, in particular, but not exclusively, for the support of the general educational purposes of Clare College in the University of Cambridge.

## FINANCIAL REVIEW

The Trustees have made a charitable grant of £50,000 (2021: £30,000) to Clare College in the course of the year to support the College's tutorial system in accordance with the terms of the Trust Deed of the Nicholas Hammond Foundation. The Charity's income amounted to £30,853 (2021: £18,411), including new donations of £17,555 (2021: £2,458) received in the year.

The total unrestricted funds available to the Charity at 31st July 2022 were £551,405 (2021: £563,358).

## RESERVES POLICY

It is the policy of the Charity to maintain unrestricted funds invested to achieve sufficient income to establish sufficient distributions to be made in accordance with the aims of the Charity. Due to current market conditions and the fluctuation of income not all income may be distributed in any one year but over a period of years this should be achieved.

## KEY PERSONNEL AND PAY POLICY

The Trustees consider the Board of Trustees to be the key management personnel of the Charity in charge of directing and controlling the Charity on a day to day basis. All Trustees give their time freely and no Trustees remuneration or expenses were paid in the year.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

REPORT OF THE TRUSTEES .....CONT

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity's Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

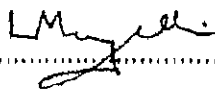
The law applicable to charities in England and Wales requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL

This report was approved by the Trustees on 24<sup>th</sup> May 2023 and signed on their behalf.

  
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TRUSTEE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE NICHOLAS HAMMOND FOUNDATION

I report to the trustees on my examination of the accounts of the Charity for the year ended 31st July 2022.

RESPONSIBILITIES AND BASIS OF THE REPORT

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

I report in respect of my examination of the Charity'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 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 contents 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.



IAN W SHIPLEY FCCA  
INDEPENDENT EXAMINER  
FOR AND ON BEHALF OF  
PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS &  
INDEPENDENT EXAMINERS

24<sup>th</sup> May 2023

115c Milton Road  
Cambridge  
CB4 1XE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
<b>INCOME FROM:</b>							
Donations and legacies	2	17,555	-	17,555	2,458	-	2,458
Investment income	3	13,298	-	13,298	15,953	-	15,953
<b>TOTAL INCOME</b>		<u>30,853</u>	<u>-</u>	<u>30,853</u>	<u>18,411</u>	<u>-</u>	<u>18,411</u>
<b>EXPENDITURE ON:</b>							
Charitable activities	4	52,576	-	52,576	31,698	-	31,698
<b>TOTAL EXPENDITURE</b>		<u>52,576</u>	<u>-</u>	<u>52,576</u>	<u>31,698</u>	<u>-</u>	<u>31,698</u>
<b>NET INCOME BEFORE (LOSSES)/GAINS ON INVESTMENTS</b>		(21,723)	-	(21,723)	(13,287)	-	(13,287)
Net gains/(losses) on investment assets	7	9,770	-	9,770	98,777	-	98,777
<b>NET MOVEMENT IN FUNDS</b>		<u>(11,953)</u>	<u>-</u>	<u>(11,953)</u>	<u>85,490</u>	<u>-</u>	<u>85,490</u>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward		563,358	100,000	663,358	477,868	100,000	577,868
Total funds carried forward		<u>551,405</u>	<u>100,000</u>	<u>651,405</u>	<u>563,358</u>	<u>100,000</u>	<u>663,358</u>

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

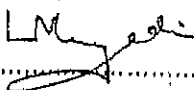
## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## BALANCE SHEET

	Notes	2022		2021	
		£	£	£	£
<b>FIXED ASSETS</b>					
Investments	7		656,371		646,601
<b>CURRENT ASSETS</b>					
Cash held on deposit		42,492		18,415	
<b>TOTAL CURRENT ASSETS</b>		<u>42,492</u>		<u>18,415</u>	
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	8	(47,458)		(1,658)	
<b>NET CURRENT ASSETS</b>			(4,966)		16,757
<b>TOTAL ASSETS</b>			<u>651,405</u>		<u>663,358</u>
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted funds			551,405		563,358
Restricted funds			100,000		100,000
	9		<u>651,405</u>		<u>663,358</u>

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

Approved by the Board of Trustees on *24<sup>th</sup> May 2023.*  
and signed on their behalf.

  
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TRUSTEE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## STATEMENT OF CASHFLOWS

	Notes	2022 £	2021 £
Net cash used in operating activities	10	10,779	(29,746)
Cashflows from investing activities			
Interest and dividends		13,298	15,953
Net additions of investments		187,681	-
Net disposals of investments		(187,681)	-
Net cash provided by investing activities		<u>13,298</u>	<u>15,953</u>
Change in cash and cash equivalent in the year		24,077	(13,793)
Cash and cash equivalents brought forward		<u>18,415</u>	<u>32,208</u>
Cash and cash equivalents carried forward		<u>42,492</u>	<u>18,415</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

## 1. ACCOUNTING POLICIES

## 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Nicholas Hammond Foundation meets the definition of a public benefit charity under FRS 102.

## 1.2 ASSESSMENT OF GOING CONCERN

The financial statements have been prepared on a going concern basis.

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of the investment return and the performance of investment markets.

## 1.3 INCOME RECOGNITION

All income is included in the Statement of Financial Activities when the charity is legally entitled to the money and the amounts can be quantified with reasonable accuracy.

The following policies are applied to particular categories of income:

**Donations and grants**

Donations and grants are recognised when the charity has been notified in writing of both the amount and settlement date. In the event of a donation or grant 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 is accounted for when receivable. Tax recoverable relating to investment income is accounted for in the same period as the related income.

## 1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Charitable support expenses and governance costs include all expenditure not directly related to the charitable activity.

- Charitable grants payable are reflected in the accounts during the year in which the grant was made, and any amounts outstanding at the year end are included in the current liabilities. When grants awarded expire unclaimed they are recredited.

Value added tax is not recoverable by the Charity. As such it is included in the relevant costs in the Statement of Financial Activities.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

## 1.5 FIXED ASSET 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. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or complex financial statements.

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

## 1.6 REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

## 1.7 CREDITORS

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

## 1.8 TAXATION

As a charity, The Nicholas Hammond Foundation is exempt from tax and grants falling within section 505 of the Taxes Act 1998 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the year.

2.a	INCOME FROM: YEAR ENDED 31ST JULY 2022	Unrestricted	Restricted	Total 2022
	<i>Donations and legacies:</i>	£	£	£
	Donations	17,555	-	17,555
<hr/>				
2.b	YEAR ENDED 31ST JULY 2021	Unrestricted	Restricted	Total 2021
	<i>Donations and legacies:</i>	£	£	£
	Donations	2,458	-	2,458
<hr/>				
3.	INVESTMENT INCOME			
	All unrestricted		2022	2021
			£	£
	Equity dividends		13,298	15,953
<hr/>				

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

4.a	EXPENDITURE ON CHARITABLE ACTIVITIES: YEAR ENDED 31ST JULY 2022	Unrestricted	Restricted	Total 2022
	Grants:	£	£	£
	Clare College	45,000	-	45,000
	Nicholas Hammond Career Fund	5,000	-	5,000
	Support and Governance costs:			
	Miscellaneous expenses	118	-	118
	Independent Examination	720	-	720
	Administration expenses	1,738	-	1,738
		52,576	-	52,576
4.b	YEAR ENDED 31ST JULY 2021	Unrestricted	Restricted	Total 2021
	Grants:	£	£	£
	Clare College	30,000	-	30,000
	Support and Governance costs:			
	Miscellaneous expenses	4	-	4
	Independent Examination	36	-	36
	Administration expenses	1,658	-	1,658
		31,698	-	31,698
5.	TRUSTEES EXPENSES AND REMUNERATION The Charity considers is key personnel management to be the Trustees. The Trustees give freely their time and expertise without any form of remuneration or other benefit in cash or kind. No expenses were paid to the Trustees in this year or the previous year.			
6.	NET MOVEMENT IN FUNDS FOR THE YEAR This is stated after charging: Independent examiners fee		2022 £ 720	2021 £ 36
7a.	FIXED ASSET INVESTMENT AT MARKET VALUE - CURRENT YEAR			Equities 2022 £
	Market value at 1st August 2021			646,601
	Additions			187,661
	Unrealised disposals			(187,661)
	Unrealised gains			10,589
	Realised losses			(819)
	Market value at 31st July 2022			656,371
	Historical cost at 31st July 2022			513,070

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

7b.	FIXED ASSET INVESTMENT AT MARKET VALUE - PRIOR YEAR	Equities 2021 £
	Market value at 1st August 2020	547,824
	Unrealised gains	98,777
	Market value at 31st July 2021	<u>646,601</u>
	Historical cost at 31st July 2021	<u>446,000</u>

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Asset, sales and purchases are recognised at the date of trade cost (that is their transaction value).

All investments are held for charitable purposes and held in the UK. Investments held that exceed 5% of the total value are:

	2022	2021
CAF UK Equitrack Fund	7%	36%
Hargreaves Lansdown Fund 1	17%	17%
Hargreaves Lansdown Fund 2	15%	18%
Diversified Property Fund for Charities	32%	29%
Amundi	29%	0%
	<u>100%</u>	<u>100%</u>

8.	CREDITORS: amounts falling due within one year	2022	2021
		£	£
	Accruals - independent examination	720	-
	Due to Clare College	46,738	1,658
		<u>47,458</u>	<u>1,658</u>

9a.	ANALYSIS OF CHARITABLE FUNDS - CURRENT YEAR	Cutty Sark		Total
		Restricted	Unrestricted	Funds
		Fund	Funds	Funds
		£	£	£
	Balance at 1st August 2021	100,000	563,358	663,358
	Income	-	30,853	30,853
	Expenditure	-	(52,576)	(52,576)
	Gains on investments	-	9,770	9,770
	Balance at 31st July 2022	<u>100,000</u>	<u>551,405</u>	<u>651,405</u>

9b.	ANALYSIS OF CHARITABLE FUNDS - PRIOR YEAR	Cutty Sark		Total
		Restricted	Unrestricted	Funds
		Fund	Funds	Funds
		£	£	£
	Balance at 1st August 2020	100,000	477,868	577,868
	Income	-	18,411	18,411
	Expenditure	-	(31,698)	(31,698)
	Gains on investments	-	98,777	98,777
	Balance at 31st July 2021	<u>100,000</u>	<u>563,358</u>	<u>663,358</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

10.	RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATIONS ACTIVITIES	2022	2021
		£	£
	Net movement in funds	(11,953)	85,490
	Gains on investments	(9,770)	(98,777)
	Deduct dividends under investing activities	(13,298)	(15,953)
	Increase/(decrease) in creditors	45,800	(506)
	Net cash provided by/(used in) operating activities	<u>10,779</u>	<u>(29,746)</u>

## 11. NATURE OF CHARITY

The Trustees have no liability on the winding up of the Charity. Any excess funds on winding up will be given to other charities with similar objects.