

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022**

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THE COUNTESS OF VERULAM'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 accounts 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 (FRS 102) effective 1 January 2019.

Reference and administrative information

A registered charity, registered with the Charity Commission for England and Wales as number 800122.

Principal Office:

Maynes Farmhouse
Gorhambury
St Albans
Herts
AL3 6AF

The Trustees are:

Countess of Verulam
The Earl of Verulam
Viscount Grimston

Solicitors:

Currey & Co LLP
33 Queen Anne Street
London
WIG9HY

Independent Examiner:

Trevor James (FCA, DchA)
Fellow of Association of Charity Independent Examiners (FCIE)

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2021

Reference and administrative information *(continued)*

Bankers:

Weatherbys Bank
22 Sackville Street
Mayfair
London
W1S 3DN

Investment Manager:

Cazenove Capital
12 Moorgate
London
EC2R 6DA

Structure, governance and management

The Trust has charitable status and was set up by Countess of Verulam 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 her 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.

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.

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2022

Achievements and performance

During the year the Trustees made grants totalling £50,249 [2021: £24,515] 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 content with the progress made in the financial year ended 5 April 2022 and look forward to expanding their work with charities in the years to come.

Financial review

The Trustees received £28,811 in investment income in the financial year ended 5 April 2022 [2021: £29,418] and the Trustees have achieved their intention of spending the income on charitable activities.

During the year, the Charity received £105,168 from the J F E Smith Charity. J F E Smith was the father of The Countess of Verulam and this donation followed his death.

Net incoming resources for the year were £82,629 [2021: incoming £3,590]. In addition, the Trust realised a gain on investments of £478 [2021: gain £nil] and made an unrealised gain of £94,290 [2021: gain £339,294]. The net incoming movement on funds was £177,397 [2021: incoming £342,884].

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 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.

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 £1,710,484 [2021 £1,533,087].

THE COUNTESS OF VERULAM'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:

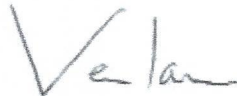
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to 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 its activities.

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 2015 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 2 Jan 2023 and signed on their behalf by:

THE EARL OF VERULAM

Trustee



THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

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

I report on the accounts of the Countess of Verulam 1988 Charity Trust for the year ended 5 April 2022, which are set out on pages 6-13.

Respective responsibilities of Trustees and Examiner

As the Charity's Trustees you are responsible for the preparation of the accounts. You consider that an audit is not required for this year under Section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to examine the accounts under section 145 of the 2011 Act, follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act, and state whether particular matters have come to my attention.

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


In connection with my examination, no matter has come to my attention:

(a) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
Trevor James (FCA, DchA, FCIE)
Dorner Cottage
West Broyle
Chichester
West Sussex, PO19 3PR

Date..... 3 January 2023

THE COUNTESS OF VERULAM'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:				
Investments	3	<u>28,811</u>	<u>28,811</u>	<u>29,418</u>
Donations		<u>105,168</u>	<u>105,168</u>	-
Total		<u>133,979</u>	<u>133,979</u>	<u>29,418</u>
Expenditure on:				
Charitable activities	4	<u>51,350</u>	<u>51,350</u>	<u>25,828</u>
Total		<u>51,350</u>	<u>51,350</u>	<u>25,828</u>
Net income/(expenditure)		82,629	82,629	3,590
Gains/(losses) on investment assets	8	<u>94,768</u>	<u>94,768</u>	<u>339,294</u>
Net movement in funds		177,397	177,397	342,884
Reconciliation of funds:				
Total funds brought forward		<u>1,533,087</u>	<u>1,533,087</u>	<u>1,190,203</u>
Total funds carried forward		<u>1,710,484</u>	<u>1,710,484</u>	<u>1,533,087</u>

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

BALANCE SHEET
AS AT 5 APRIL 2022

	Note	2022 Total funds £	2021 Prior year funds £
Fixed Assets:			
Investments	8	1,695,029	1,503,672
Total Fixed Assets		<u>1,695,029</u>	<u>1,503,672</u>
Current Assets:			
Cash at bank	9	15,455	29,415
Net Current Assets or Liabilities		15,455	<u>29,415</u>
Total Net Assets or Liabilities		<u>1,710,484</u>	1,533,087
The Funds of the Charity:			
Unrestricted funds	10	1,710,484	1,533,087
Total Charity Funds		<u>1,710,484</u>	<u>1,533,087</u>

Approved by the Trustees on 2 Jan 2023 and signed on their behalf by:

THE EARL OF VERULAM

Trustee



THE COUNTESS OF VERULAM'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 £
Schroder Private Equity Funds II										
Cls A Shares Euro Smith & Williamson	658.55	1,185	-	582.67	477.67	338.14	115	610	0.03%	
S&W Millbank East River Fund Smith & Williamson	3,444.00	791,004	-	-	-	3,444.00	491,754	824,809	48.66%	6,503.14
S&W Millbank Dover Fund	69,460.00	711,483	=	=	=	79,019.00	746,031	869,610	51.31%	22,357.78
TOTAL:		<u>1,503,672</u>	=	<u>582.67</u>	<u>477.67</u>		<u>1,237,900</u>	<u>1,695,029</u>	<u>100.00%</u>	<u>28,811.02</u>

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

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

1. 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 2015)', 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.

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) Investment income

Investment income is accounted for when receivable and is stated gross of any reclaimable taxation relief.

e) Raising funds

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category and are shown in the notes to the financial statements.

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.

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

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

2. 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.

3. Investment income

	2022	2021
	£	£
Income from investments	28,811	29,418
Gross bank interest	-	-
	28,811	29,418

4. Charitable activities

	2022	2022	
	Direct costs (see note 5) £	Support costs (see note 6) £	Total £
Charitable expenditure	50,249	1,101	51,350
	2021	2021	
	Direct costs (see note 5) £	Support costs (see note 6) £	Total £
Charitable expenditure	24,515	1,313	25,828

5. Direct Costs

Analysis of grants made

	Institutions £	Individuals £	Total £
Advancement of the arts, culture, heritage or science	31,549	-	31,549
Environment	3,000	-	3,000
Health	3,900	-	3,900
Poverty	8,300	-	8,300
Education	3,500	-	3,500
	50,249	-	50,249

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

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

5. Direct costs (continued)

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:

	2022	2021
	£	£
Charitable Giving	-	13,000
St Michael's Church St Albans, and friends of	8,800	4,000
Charities Aid Foundation	-	750
Garsington Opera	7,815	575
West Herts Environmental Foundation	3,000	6,000
DEC's Ukraine Appeal	5,000	-
International Organ Festival	11,000	-
Teach First	3,500	-
Young People's Puppet Theatre	600	-
St George's West Grinstead	1,000	-
National Youth Jazz Orchestra	1,000	-
Youthtalk	1,000	-
Zimbabwe A National Emergency	1,000	-
St Albans Cathedral	700	-
Opera North	1,000	-
The Hospice of St Francis	1,000	-
Alzheimer's Research	600	-
	47,015	24,325
Other grants (equal to or individually £500 or less)	3,234	190
Total for the year	50,249	24,515

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

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

6. Support costs	2022	2021
	£	£
Administration expenses	<u>1,101</u>	<u>1,313</u>
	<u>1,101</u>	<u>1,313</u>

Administrative expenses include Independent Examiner's fees of £250 (2021 £250)

7. Staff costs

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

8. Fixed asset investments	2022	2021
	£	£
Market value brought forward	1,503,672	1,164,378
Additions	97,172	-
Less disposal proceeds	(583)	-
Net gains/(losses) on investments	<u>94,768</u>	<u>339,294</u>
Market value carried forward	<u>1,695,029</u>	<u>1,503,672</u>

Geographical analysis	2021	2021
	£	£
United Kingdom investments	1,694,419	1,502,487
Overseas investments	<u>610</u>	<u>1,185</u>
	<u>1,695,029</u>	<u>1,503,672</u>

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 £1,237,900.

Net gains/(losses) on investments includes realised gains for the year of £478 [2021: gain £nil] and unrealised gains on revaluation to market value of £94,290 [2021: gain £339,294].

9. Cash at bank	2022	2021
	£	£
Weatherbys	7,066	28,954
Cazenove Capital	<u>8,389</u>	<u>461</u>
	<u>15,455</u>	<u>29,415</u>

THE COUNTESS OF VERULAM'S 1988 CHARITY TRUST

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

10. Movement in funds	2022	2021
	£	£
Unrestricted funds:		
Balance brought forward	1,533,087	1,190,203
Net movement in funds	<u>177,397</u>	<u>342,884</u>
Balance carried forward	<u>1,710,484</u>	<u>1,533,087</u>

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

	Income	Outgoings	Gains and Losses	Movement in funds
	£	£	£	£
Unrestricted funds	<u>133,979</u>	<u>(51,350)</u>	<u>94,768</u>	<u>177,397</u>

11. Related party transactions

There were no related party transactions during the year.

12. Coronavirus pandemic

As an endowed grant making charity, the Trust suffered a fall in its investment income, as companies cut their distributions to shareholders. Professional advice is that, as the pandemic eases, the fall in income will be reversed and therefore the Trustees are confident that the Trust will be able to continue to fulfil its charitable activities.