

THE GERALD MICKLEM CHARITABLE TRUST

Annual Report and Accounts

31st December 2021

Registered Charity Number 802583

Peter B. Shone
Homefield
Chidden Holt
Hambleton
Waterlooville
Hampshire
PO7 4TG

THE GERALD MICKLEM CHARITABLE TRUST

Legal and Administrative Information

Full name of the Charity	The Gerald Micklem Charitable Trust
Charity registration number	802583
Governing instrument	The Will of G.H. Micklem
Trustees	Mrs. Susan Joan Shone Miss Joanna Louise Scott-Dalgleish Miss Helen Laura Ratcliffe
Power of appointment of new trustees	Vested in Trustees for the time being
Powers of investment	Wholly unrestricted, set out in Clause 14 of the Will
Correspondent	Mrs. Susan Joan Shone
Principal address of the Charity	Bolinge Hill Farm Buriton Petersfield Hampshire GU31 4NN
Telephone	01730 264207
Solicitor/Administrator	Peter B. Shone Homefield Chidden Holt Hambledon Waterlooville Hampshire PO7 4TG
Telephone	02392 632406
Website	www.geraldmicklemct.org.uk
E-mail	mail@geraldmicklemct.org.uk
Bankers	National Westminster Bank 1 Princes Street London EC2R 8PA
Investment Managers	Brewin Dolphin Securities Limited 12 Smithfield Street London EC1A 9BD
Independent Examiners	Martin and Company The Calf House Brows Farm Business Park Farnham Road LISS GU33 6JG

Report of the Trustees

The Trustees of The Gerald Micklem Charitable Trust present their report together with the financial statements of the Charity for the year ended 31st December 2021. 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 the Statement of Recommended Practice : Accounting and Reporting by Charities (FRS102) effective from 1st January 2019.

History of the Charity

The Charity was established by the Will of Gerald Micklem, who died in May 1988. A number of capital additions have been made to the Trust since then by members of his family.

Object of the Charity

The Charity is a grant-making trust. The stated object of the Charity is that the capital fund shall be held and applied for such exclusively charitable purposes as the Trustees determine in their discretion. Unless or until the Trustees decide to apply the capital for such purposes, they are directed to pay or apply the income for or to such legally charitable institutions bodies or funds or for such legally charitable purposes as they shall from time to time determine. The Trustees have no present intention to expend or apply any of the capital.

Structure, Governance and Management

The Solicitor/Administrator conducts the day-to-day administration of the Charity. This includes providing and maintaining the website; book-keeping; conferring with the Charity's Investment Managers and giving instructions based on their advice; issuing grant cheques; and the preparation of the Charity's proper form Trust Accounts and of this Report & Accounts. The correspondent deals with written applications and telephone enquiries.

Although the Trustees meet or confer regularly throughout the year, they hold one major meeting, usually in the first couple of months of the year, at which the bulk of the year's grants are decided.

The present Trustees do not envisage any need for new or additional trustees. In the event that they do, they will decide on a procedure for selecting them at the time.

The Trustees consider the board of Trustees to be the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustees' expenses and related party transactions are disclosed in note 3 of the accounts. Trustees are required to disclose all relevant interests and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

Risk Management

The Charity invests in quoted securities for the long term with a view to maintaining the capital value of the investments and securing a rising income. The holding of securities and investing activities pursuant to the investment policy involve certain inherent risks. Events may occur that result in either a reduction in the value of the Charity's capital or a reduction in dividend and interest income.

The main risk from holding investments is market price risk, which arises mainly from uncertainty about future prices of securities. It represents the potential loss the Charity may suffer through holding market positions in the face of price movements. Market price risk is monitored on a daily basis by the Investment Manager and discussed with the Administrator. The other risks, liquidity risk and cash flow risk, are minimised because the Charity's investments are all readily realisable and can be sold to meet any funding commitments.

Grant-making Policy, Aims and Objectives

The Trustees' policy is to pay the trust income only to UK registered charities. They do not make grants to, or enter into sponsorship arrangements with, individuals. They receive a large number of appeals each year, but they have tended to make (without commitment) recurring grants to several charities as well as one-off grants to some charities newly selected each year. A list of the grants made is included in the notes to the Accounts. All applications are considered on their merits. The Trustees have not formally excluded any category of charitable activity, but they have established some funding priorities. See later in this Report.

Grant Application Process

The Charity is listed in a number of the directories of grant-makers. Applications may be made to the correspondent at any time by letter (not by e-mail). There is no application form. Applications may be sent at any time, and should be accompanied by the latest Report & Accounts. As the main grant-making meeting is usually held in

January/February, when applications made in the previous calendar year are considered, it is preferable for applications to be made towards the end of a calendar year so that the information they contain is most up to date when considered by the Trustees.

Grant Priorities and Selection Criteria

The Trustees are prepared to fund core costs as well as capital projects, but are unlikely to provide initial funding for new established organisations. The organisations in which the Trust is most interested are UK charities working either on a national basis or specifically in Hampshire or West Sussex, and in one of the fields listed below. **PLEASE NOTE** that the Trust is unlikely to support the regional work of national charities in locations outside Hampshire or West Sussex or charities working only in other areas of the UK.

Fields supported by the Trust:

Adults and children with physical disabilities
Adults and children with learning disabilities
Carers for the elderly and disabled, especially young carers
Environment and wildlife
Hospices for adults and children
Medical conditions affecting both adults and children
Support for the elderly, including those with Alzheimer's or dementia

The Trust does not make grants to individuals, does not enter into sponsorship arrangements with individuals and does not make grants to organisations that are not UK-registered charities.

The areas of charitable activity that fall outside the Trust's current funding priorities are:

Churches
Drug/alcohol abuse and counselling
Disadvantaged children and young people
Education/schools (excepting those for disabled children)
Homelessness and housing
Local community groups
Medical research
Mental health
Museums, galleries and heritage
Overseas aid
Performing arts and cultural organisations

Review of Activities

The Trustees received 143 appeals during the year, 82 fewer than the previous year. There are no special features of any of the grants made by the Trustees which warrant specific mention.

Public Benefit

The Trustees confirm that they have regard for the Charity Commission's guidance on public benefit. They take the view that the requirement to show public benefit is satisfied for a grant-making trust of this type by their making grants only to UK-registered charities.

Performance Monitoring and Review

Because of the recurring nature of some of their grants, the Trustees expect to receive a report from the recipient charities during the year in which the grant is made, particularly if they wish to be considered for a repeat grant.

Financial Review

Incoming Resources

The Charity derives an income from its investments, but the overall income was boosted by net Gift Aid Payments of £148,000 (2020 : £170,000). These are one-off payments each year, and there is no guarantee that they will continue. Investment income amounted to £105,965 (2020 : £101,585). The value of grants made was £315,000 (2020 : £329,419). At 31st December 2021, undistributed income amounted to £286,658 (2020 : £312,229).

Investment Policy and Performance

The Charity's investment portfolio increased in value from £2,316,475 to £2,557,751. Investment income increased from £101,585 to £105,965.

All investments held by the Charity have been acquired in accordance with the powers of the Trustees and the Charity's assets are available and adequate to fulfil its obligations.

The Charity does not lay down a particular target total return for the investment portfolio.

Reserves Policy

It is not the Trustees' policy to maintain significant reserves of income. Grants are made to utilise the income from investments received in the year. There has been no material change in the Trustees' policy since last year.

The Trustees have no present intention to expend or apply any of the capital. At 31st December 2021, the capital element of the fund amounted to £2,563,309 (2020 : £2,326,656).

Future Plans

The Trustees currently expect to continue with their established grant-making policy.

Statement of Trustees' Responsibility for the Accounts

The Charity 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 & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the Charity for that period. In preparing 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 judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 operation.


The Trustees are responsible for keeping proper accounting records that 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.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This Report was approved by the Trustees on

19th August

2022


.....
Susan Joan Shone


.....
Joanna Louise Scott-Dalglish


.....
Helen Laura Ratcliffe

EXAMINER'S UNQUALIFIED REPORT

Independent Examiner's Report to the Trustees of The Gerald Micklem Charitable Trust

I report on the Accounts of the Charity for the year ended 31st December 2021, which are set out in pages 6 to 12.

Responsibilities and Basis of Report

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

I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Charities gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that :

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;
3. the accounts do not comply with the accounting 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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.

Name : *H. VERGEMIT*

Signed : *H. Vergemit*

Date : *12th September* 2022

Relevant professional qualification or body :

Chartered Accountant

Address : Martin and Company
The Calf House
Brows Farm Business Park
Farnham Road
LISS
GU33 6JG

THE GERALD MICKLEM CHARITABLE TRUST

Statement of Financial Activity for the year ended 31st December 2021

	Note	Unrestricted Fund 2021	Unrestricted Fund 2020
Income			
Donations - capital		£0.00	£457.87
Scrip dividends		0.00	1,009.45
Investment income			
Gross dividends		104,669.86	100,122.60
Gross interest		1,278.73	1,322.20
Gross interest		16.27	140.34
Gift Aid Payments		148,000.00	170,000.00
Income tax recoverable		37,000.00	42,500.00
Total income		<u>£290,964.86</u>	<u>£315,552.46</u>
Expenditure			
Raising Funds			
Investment management costs	3	£1,200.00	£1,200.00
Charitable activities	2	316,536.00	330,934.60
Total Expenditure		<u>£317,736.00</u>	<u>£332,134.60</u>
Net income/(expenditure) before gains and losses on investments		£ (26,771.14)	£ (16,582.14)
Net gains/(losses) on investment assets	7	237,853.97	(404,181.89)
Net Movement in Funds		211,082.83	(420,764.03)
Balance brought forward at 1st January 2021	7	2,638,884.49	3,059,648.52
Funds carried forward at 31st December 2021		<u>£2,849,967.32</u>	<u>£2,638,884.49</u>

THE GERALD MICKLEM CHARITABLE TRUST

Balance Sheet at 31st December 2021

	Note	2021	2020
Fixed Assets			
UK Quoted Investments at current market value	4	£2,557,750.72	£2,316,474.99
Current Assets			
Debtor		2.57	2.83
Cash at Bank		277,070.32	305,594.03
Cash with Broker		17,965.91	18,328.24
		<u>295,038.80</u>	<u>323,925.10</u>
Liabilities			
Creditors : amounts falling due within one year	6	2,822.20	1,515.60
Net Current Assets	5	<u>292,216.60</u>	<u>322,409.50</u>
Total Assets less Current Liabilities		<u>£2,849,967.32</u>	<u>£2,638,884.49</u>
UNRESTRICTED FUND	7	<u>£2,849,967.32</u>	<u>£2,638,884.49</u>

The notes on pages 8 to 12 form part of these Accounts.

The financial statements were approved by the Trustees on

19th August 2022

Susan Shone
..... Trustee
Susan Joan Shone

Joanna Louise Scott-Dagleish
..... Trustee
Joanna Louise Scott-Dagleish

Helen Laura Ratcliffe
..... Trustee
Helen Laura Ratcliffe

THE GERALD MICKLEM CHARITABLE TRUST

Summary of Cashflows for the year ended 31st December 2021

		2021	2020
		£	£
Net cash used in operating activities	9	(131,429)	(118,089)
Cashflows from investing activities :			
Purchase of investments		(134,379)	(24,056)
Proceeds from sale of investments		130,957	0
Interest and dividends		105,965	101,585
Net cash provided by investing activities		<u>102,543</u>	<u>77,529</u>
Change in cash and cash equivalents in the year		<u>(28,886)</u>	<u>(40,560)</u>
Cash and cash equivalents brought forward		<u>323,923</u>	<u>364,483</u>
Cash and cash equivalents carried forward		<u>295,037</u>	<u>323,923</u>

Notes to the Financial Statements for the year ended 31st December 2021

1. Accounting Policies

The financial statements have been prepared in accordance with 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 1st January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these Accounts. The Gerald Micklem Charitable Trust meets the definition of a public benefit entity under 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 in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1st April 2005 which has since been withdrawn.

Going Concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of the assets held by the Charity.

Income Recognition

All income is recognised once the Charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure Recognition

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 the obligation can be measured reliably. 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 in the statement of financial activities. Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to the grant are outside the control of the Charity.

Raising Funds are those costs incurred in attracting investment income and management of investments that raise funds.

Charitable activities

The Trustees consider that grant-making is the Charity's sole charitable activity. The expenditure on charitable activities includes grants made and governance costs.

Governance Costs

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs are in respect of an independent examination of the Accounts and general administration.

Fixed Asset Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the mid-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 or use put options, derivatives or other complex financial instruments.

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.

Funds structure

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objectives.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

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

2. Expenditure on Charitable Activities

The following grants were made in the year, all of them being made to institutions :

	2021	2020
Blindness		
SeeAbility	£10,000	
Carers/Elderly		
The Brendoncare Foundation	9,000	
Carers UK	5,000	

2. Expenditure on Charitable Activities continued

	2021	2020
<u>Carers/Elderly</u>		
Dementia Support	10,000	
<u>Churches</u>		
St. Peter's Church, Acton Green	2,500	
<u>Disabled</u>		
Challengers	8,000	
Hearing Dogs for Deaf People	5,000	
Lord's Taverners	5,000	
QE2 Activity Centre	7,000	
Rose Road Association	5,000	
Treloar Trust	5,000	
<u>Disabled</u>		
WheelPower	7,500	
The Wheelyboat Trust	5,000	
Whizz-Kidz	8,000	
<u>Environment/wildlife</u>		
RSPB	6,500	
South Downs National Park Trust	8,000	
<u>Heritage</u>		
Hellenic Foundation for Culture	3,000	
<u>Hospices</u>		
The Rosemary Foundation	7,000	
The Rowans Hospice	7,000	
Wessex Children's Hospice Trust, Naomi House	7,000	
<u>Medical conditions/research/hospitals</u>		
CLIC Sargent (Southampton Hospital)	5,000	
Cystic Fibrosis Holiday Fund	5,000	
Dystonia UK	2,500	
Hampshire & Isle of Wight Air Ambulance	5,000	
London's Air Ambulance	10,000	
Parkinson's UK	7,000	
Penny Brohn Cancer Care	18,000	
Southampton Hospital Charity	5,000	
Teenage Cancer Trust	5,000	
<u>Mental handicap</u>		
Apuldram Centre	8,000	
Home Farm Trust	73,000	
Tuppenny Barn	8,000	
<u>Sports</u>		
Fernhurst Recreation Ground Trust	3,000	
The Golf Foundation	25,000	
<u>Overseas aid/international</u>		
Fundatia Adept Limited	5,000	
	<u>£315,000.00</u>	<u>£329,419.00</u>
Governance costs	1,536.00	1,515.60
Charitable activities expenditure	<u>£316,536.00</u>	<u>£330,934.60</u>

3. Governance Costs

The charity has no employees.

The management and administration of the Charity is carried out by Peter B. Shone, a Solicitor, in conjunction with the Charity's investment managers. Mr. Shone is the husband of the first-named Trustee.

The costs incurred, shown in the Accounts, are :

Fees payable to Mr. Shone of £600 in respect of his fees for 2021 (2020 : £600).

The accountancy fees were in respect of an independent examination.

The Charity's investment management charges of £1,200 including VAT (2020 : £1,200) which are charged to capital.

The Trustees are satisfied that Mr. Shone's charges are fair, reasonable and proper for the services provided.

3. Governance Costs continued

	2021	2020
Legal fees	£600.00	£600.00
Accountancy fees	936.00	915.60
	<u>£1,536.00</u>	<u>£1,515.60</u>

No Trustee received any remuneration or other benefits and no expenses were reimbursed to any Trustee.

4. Fixed Asset Investments

UNRESTRICTED FUND

	Listed investments 2021	Listed investments 2020
MARKET VALUE		
Market Value at 1st January 2021	£2,316,474.99	£2,696,600.80
Additions to investments at cost	134,379.35	24,056.08
Disposals at carrying value	(121,532.18)	0.00
Net Gain/(loss) on revaluation	228,428.56	(404,181.89)
At 31st December 2021	<u>£2,557,750.72</u>	<u>£2,316,474.99</u>

All investments are carried at their market value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. The historic book cost of the investments is £2,052,764.15.

Investments representing more than 5% of the total

	Market Value	Percentage
70,000 The Mercantile Investment Trust PLC Ord 2.5p	£187,950.00	7.35%
23,000 The Merchants Trust PLC Ord 25p	128,570.00	5.03%
13,606 Royal Dutch Shell PLC B Ord €0.07	230,056.32	8.99%
125,000 Witan Investment Trust PLC Ord 5p	£315,000.00	12.32%

5. Net Current Assets

	CAPITAL	INCOME	TOTAL	2020
At 1st January 2021	£10,180.47	312,229.03	322,409.50	£363,047.72
Increase/(decrease)			(30,192.90)	(40,638.22)
	Capital Income	(4,621.76)	(25,571.14)	
At 31st December 2021	<u>£5,558.71</u>	<u>286,657.89</u>	<u>292,216.60</u>	<u>£322,409.50</u>

6. Liabilities

The only liabilities are in respect of Mr. Shone's and accountancy fees for the year, as disclosed in Note 3, and the repayment of a miscalculated interest payment due to the Charity investment managers.

7. Unrestricted Fund

MOVEMENT IN FUNDS

	CAPITAL	INCOME	TOTAL 2021	TOTAL 2020
At 1st January 2021	£2,326,655.46	312,229.03	2,638,884.49	£3,059,648.52
Net income/(expenditure)	(1,200.00)	(25,571.14)	(26,771.14)	(16,582.14)
Gains/(losses) on investment assets	237,853.97		237,853.97	(404,181.89)
At 31st December 2021	<u>£2,563,309.43</u>	<u>286,657.89</u>	<u>2,849,967.32</u>	<u>£2,638,884.49</u>

The unrestricted funds are available to be spent for any of the purposes of the charity.

8. Reconciliation of net movement in funds to net cashflow from operating activities

	2021	2020
	£	£
Net movement in funds	211,083	(420,764)
Removal of bank interest & dividends shown in statement of cashflows	(105,965)	(101,585)
Deduct (gains)/add back losses in investments	(237,854)	404,182
(Increase)/decrease in debtors	0	78
Increase in creditors	1,307	0
Net cash used in operating activities	<u>(131,429)</u>	<u>(118,089)</u>