

Charity registration number: 1168241

The Sharp Foundation
Annual Report and Financial Statements
for the Year Ended 31 October 2019

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The Sharp Foundation

Reference and Administrative Details

Trustees

The trustees of The Sharp Foundation present the annual report of the Charity for the year ended 31 October 2019.

The trustees serving during the year and subsequent to year end were as follows:

Hon. Richard Sharp
Miss Caroline Sharp

Principal Office:

2nd Floor
68 Pall Mall
London
SW1Y 5ES

Charity Registration Number:

1168241

Independent Examiner:

Russell Joseph ACA
Bourner Bullock
Chartered Accountants
Sovereign House
212-224 Shaftesbury Avenue
London
WC2H 8HQ

The Sharp Foundation

Trustees' Report

The trustees of The Sharp Foundation present the annual report together with the financial statements and independent examiner's report of the Charity for the year to 31 October 2019.

Structure, governance and management

Nature of governing document

The Charity was established in July 2016. The standard constitution of a charitable incorporated organisation whose only voting members are its Charity trustees has been used as the Charity's governing document.

Recruitment and appointment of trustees

Each Charity trustee must be a natural person. No individual may be appointed if they are under the age of 16 years. At least one of the trustees must be over the age of 18 years old.

Induction and training of trustees

There is no specific training required to be a trustee of the Charity.

Major risks and management of those risks

The major risk of the Charity has been identified as making donations to institutions or individuals already known personally to the trustees. This is managed by required both trustees to agree to any donations made.

Objectives, strategies and activities

General

To advance such charitable purposes (according to the law of England and Wales) as the trustees see fit from time to time.

Achievements and performance

A significant amount of donations were made during the year to a wide variety of charitable organisations and individuals. The trustees therefore felt satisfied that the charitable purposes were met during the year.

During the year the Charity received £81,872 (2018: £587,755) in donations and investment income. Expenditure during the year totalled £212,955 (2018: £277,394).

Reserves as at the year end totalled £336,855 (2018: £467,938) which remained positive and the trustees will continue to carry forward reserves until such time that donations are made in the future.

Grant-making policies

Grants are made at the trustees' discretion on an ad-hoc basis.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

Policy on reserves

Reserves shall be carried forward until such time that the trustees agree to make charitable donations.

The Sharp Foundation

Trustees' Report

Investment policy and objectives

The trustees agreed that all reserves should be held as cash in the near future to allow future donations to be made easily.

Aims and key objectives for future periods

To continue to abide by the general charitable purposes.

The Sharp Foundation

Trustees' Report

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual 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 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, including the income and expenditure 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 to operate.

The trustees are responsible for keeping sufficient accounting records that 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board and signed on its behalf by:


.....
Richard Sharp
Trustee

Date:..... 10 June 2020

The Sharp Foundation

Independent Examiner's Report

I report to the trustees on my examination of the financial statements of The Sharp Foundation ("the Charity") for the year ended 31 October 2019, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flow and related notes.

The report is made solely to the Charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the Charity's trustees, those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

I report in respect of my examination of the Charity's financial statements carried out under Section 145 of the Act 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.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

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:

- accounting records were not kept in respect of the Charity as required by Section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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Independent Examiner's Report

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 financial statements to be reached.



Russell Joseph ACA
Bourner Bullock
Chartered Accountants
Sovereign House
212-224 Shaftesbury Avenue
London
WC2H 8HQ

Date: 10/06/2020.....

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Statement of Financial Activities for the Year Ended 31 October 2019

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Total 2019 Unrestricted funds £	Total 2018 £
Income from			
Donations	3	81,724	587,692
Investment income	4	148	63
Total income		<hr/> 81,872	<hr/> 587,755
Expenditure on:			
Charitable activities	5	212,955	277,394
Total expenditure		<hr/> 212,955	<hr/> 277,394
Net income expenditure		<hr/> (131,083)	<hr/> 310,361
Net movement in funds		<hr/> (131,083)	<hr/> 310,361
Reconciliation of:			
Total funds brought forward		467,938	157,777
Total funds carried forward	9	<hr/> 336,855	<hr/> 467,938

All of the Charity's income & expenditure derive from continuing operations during the above two periods.

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(Registration number: 1168241)

Balance Sheet as at 31 October 2019

	Note	Total 2019 £	Total 2018 £
Current assets			
Debtors	7	-	113,788
Cash at bank		338,355	355,650
		<hr/>	<hr/>
Creditors: Amounts falling due within one year		1,500	1,500
		<hr/>	<hr/>
Net assets/(liabilities)		336,855	467,938
Funds of the Charity			
Unrestricted income funds	9	336,855	467,938
		<hr/>	<hr/>
Total funds		<u>336,855</u>	<u>467,938</u>

The financial statements were approved by the trustees, and authorised for issue on 10 June 2020, and signed on their behalf by:


.....
Richard Sharp
Trustee

The Sharp Foundation

Statement of Cash Flows for the year ended 31 October 2019

	Note	2019		2018	
		£	£	£	£
Net cash provided by/(used in) operating activities	11		(17,443)		196,510
Cash flows used by investing activities					
Interest received		<u>148</u>		<u>63</u>	
Net cash used by investing activities			<u>148</u>		<u>63</u>
Increase/(decrease) in cash			<u>(17,295)</u>		<u>196,573</u>
Cash and cash equivalents at the beginning of the year/period			355,650		159,077
Change in cash due to exchange movements			-		-
Cash and cash equivalents at the end of the year			<u>338,355</u>		<u>355,650</u>

The Sharp Foundation

Notes to the Financial Statements for the Year Ended 31 October 2019

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

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 application in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and The Charities Act 2011.

The Sharp Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

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

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Donations

Voluntary income including donations, gifts and grants that provide core funding or are recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

The Sharp Foundation

Notes to the Financial Statements for the Year Ended 31 October 2019

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Financial instruments

The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Charity does not have anything other than basic financial instruments.

Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Notes to the Financial Statements for the Year Ended 31 October 2019

Creditors

Creditors are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date, they are presented as non-current liabilities.

Creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the Charity. The Charity holds only unrestricted income funds.

2 Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees consider that there are no significant areas of judgements or estimates.

3 Employee numbers

The number of employees during the year was 0 (2018: 0).

4 Income from donations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Grants and donations	81,724	-	81,724	487,523
Gift aid reclaimed	-	-	-	100,169
	<u>587,692</u>	<u>-</u>	<u>587,692</u>	<u>587,692</u>

5 Investment income

	Total 2019 £	Total 2018 £
Interest receivable and similar income	<u>148</u>	<u>63</u>

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Notes to the Financial Statements for the Year Ended 31 October 2019

6 Expenditure on Charitable Activities

	Total 2019 £	Total 2018 £
Grants made to institutions	210,695	275,206
Support costs (see note 6.2)	400	688
Governance costs (see note 6.2)	1,860	1,500
Total	212,955	277,394

6.1 Grants made to institutions

	Grants made to institutions £
Royal Academy of Arts	53,150
Rainbow Trust	50,000
Royal National Theatre	29,443
Royal Institute of International Affairs	25,000
Quilliam Foundation	25,000
China Tang	20,000
Other unanalysed grants	8,102
Total	210,695

6.2 Analysis of governance and support costs

	Support costs £	Governance costs £	Total 2019 £
Bank charges	400	-	400
Independent examinations fee	-	1,860	1,860
Total	400	1,860	2,260

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the Charity during the current year or the previous year.

No trustees have received any reimbursed expenses or any other benefits from the Charity during the year (2018: £nil).

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Notes to the Financial Statements for the Year Ended 31 October 2019

8 Debtors

	2019 £	2018 £
Other debtors	-	113,788
	-	113,788
	-	113,788

9 Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals	1,500	1,500
	1,500	1,500
	1,500	1,500

10 Funds

	Balance at 1 November 2018 £	Incoming resources £	Resources expended £	Balance at 31 October 2019 £
Unrestricted funds				
General unrestricted funds	467,938	81,872	212,955	336,855
Total funds	467,938	81,872	212,955	336,855
	467,938	81,872	212,955	336,855

The specific purposes for which the funds are to be applied are as follows:

Unrestricted funds: these funds are provided by donors for support of the Charity, without restriction on how funds should be deployed.

11 Related party transactions

Aggregate donations received from trustees without restriction totalled £81,724 (2018: £487,523). At the balance sheet date the amounts due from the Trustees was £nil (2018: £nil).

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Notes to the Financial Statements for the Year Ended 31 October 2019

12 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019	2018
	£	£
Net income/(expenditure) for the year	(131,083)	310,361
Adjustments for:		
Investment income	(148)	(63)
(Increase)/decrease in debtors	113,788	(113,788)
Increase/(decrease) in creditors	-	-
Net cash provided by operating activities	<u>(17,443)</u>	<u>196,510</u>

13 Post balance sheet events

On 30 January 2020 the World Health Organisation declared the outbreak of the Coronavirus (Covid-19) pandemic to be a public health emergency of international concern. This is a non-adjusting subsequent event, as it does not impact the valuation of assets as at the year-end date.

Since the year-end, as there are no investments or debtors the Trustees consider that there is no significant impact on the Charity.