

# **The Atherton Family Charitable Trust**

Charity no. 1156055

## **Trustees' report and unaudited accounts**

**For the year ended 31 December 2019**

# The Atherton Family Charitable Trust

## Legal and administrative information

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Trustees	Richard Atherton Jacqueline Atherton Annabel Cull Emily Atherton Stevens & Bolton Trustees Limited
Charity number	1156055
Principal address	Stevens & Bolton LLP Wey House Farnham Road Guildford Surrey GU1 4YD
Independent examiner	Julie Mutton FCA Smith & Williamson LLP Accountants Old Library Chambers 21 Chipper Lane Salisbury Wiltshire SP1 1BG
Accountants	Smith & Williamson LLP Accountants Old Library Chambers 21 Chipper Lane Salisbury Wiltshire SP1 1BG
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Solicitors	Stevens & Bolton LLP Wey House Farnham Road Guildford Surrey GU1 4YD
Investment advisors	Investec Wealth & Investment Limited 30 Gresham Street London EC2V 7QN

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# The Atherton Family Charitable Trust

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# The Atherton Family Charitable Trust

## Trustees' report for the year ended 31 December 2019

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The trustees present their report and accounts for the year ended 31 December 2019.

The accounts comply with 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).

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

The charity is governed by a trust deed dated 28 January 2014 and is constituted as a charitable trust. The registered charity number is 1156055.

The trustees who served during the year were:

Richard Atherton

Jacqueline Atherton

Annabel Cull

Emily Atherton

Stevens & Bolton Trustees Limited

The charity was established by Richard Atherton. Additional funds were added by Jacqueline Atherton. The charity's funds are invested with Investec Wealth & Investment Limited ("Investec").

The trust deed provides that the current trustees have the power to appoint new trustees. Whilst there have been no new appointments of trustees since the charity was established, a new trustee is appointed by a resolution of a meeting of the current trustees and a memorandum being signed by one of the trustees at the meeting (or as directed at the meeting). The memorandum is to be executed as a deed.

It is not anticipated that any new trustees will be appointed for the foreseeable future. It is also not anticipated that any of the current trustees will be retiring for the foreseeable future. In selecting individuals for the appointment as trustee, the current trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity.

Whilst it is not anticipated for the foreseeable future that there will be any new appointments or retirements of trustees, if a vacancy does arise, the current trustees would most likely seek to fill the vacancy from within the Atherton family (assuming that the individual has the necessary skills and knowledge to act as a trustee of the charity). It is further anticipated that at least one of the trustees will at all times be a professional trustee.

All decisions of the charity are taken at a board meeting of the trustees. All trustees are given notice of a meeting. A meeting is quorate if one third of the total number of trustees or two trustees (whichever is greater) are present. The charity does not employ any staff or use volunteers.

The trustees consider that the main risk to the charity is a significant reduction in the charity's portfolio, with this forming the vast majority of the charity's assets. Having considered the level of risk, the asset allocation of the portfolio and the level of income, the trustees have (and in consultation with Investec), for the time being, accepted a medium risk approach. The trustees consider that this is an acceptable level of risk for present purposes in view of the long term goals and the ability to reduce grants and donations in the event of a sustained market decline.

# The Atherton Family Charitable Trust

## Trustees' report for the year ended 31 December 2019

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The portfolio is benchmarked against the MSCI WMA Income benchmark.

The investment policy document entered into between the charity and Investec provides that the trustees will review, at least annually, Investec's appointment as investment manager for the charity. The review will take account of, amongst other things, Investec's ability to fulfil the trustees' requirements, investment performance, quality of service, fees and terms, suitability, integrity and compliance with the investment policy.

As one of the trustees is a professional trustee, the charity considers that the availability and level of professional advice is not an issue.

Stevens & Bolton Trustees Limited is wholly owned by the members of Stevens & Bolton LLP ("LLP"). Only members of the LLP are directors of Stevens & Bolton Trustees Limited. Where Stevens & Bolton Trustees Limited is appointed to act as a trustee, it engages the LLP to undertake all work within the scope of the engagement. No separate fees are raised by Stevens & Bolton Trustees Limited where it acts as trustee.

In accordance with clause 13.2 of the trust deed, wherever financial matters are discussed by the trustees that may have an impact on Stevens & Bolton Trustees Limited, the corporate trustee declares its interest and declines to participate in the meeting.

### Objects and activities

The charity's objects are set out at clause 3 of its trust deed. The objects provide for the following:

*"The Trustees shall hold the capital and income of the Trust Fund upon trust to pay or apply the income, and (if and when the trustees in their discretion think fit) all or any part or parts of the capital to or for such exclusively charitable objects or purposes in any part of the world as the trustees may in their discretion think fit."*

The aims of the charity are to make grants and donations to other UK registered charities and exempt charities. It is the belief of the trustees that this will provide an adequate means of ensuring that funds are used for their intended purposes and for public benefit.

The trustees are looking to support charities which are particularly involved in education / training, the advancement of health, the saving of lives, disability and arts / culture / science. The trustees consider by making donations to other charities carrying out these aims will enable it to specifically target its funds for those charities which they consider are carrying out worthwhile causes in the areas highlighted but do not necessarily receive the funding required.

As noted above, the majority of the charity's investments are held in a portfolio administered by Investec. A balance of cash is held at Coutts. The funds were placed with Investec on 26 February 2015 and the portfolio is run on a discretionary management basis.

Whilst the charity is happy to receive unsolicited enquiries from other UK registered charities and exempt charities, it does not advertise the availability of funds to the public at large.

### Achievements and performance

The trustees continued to look for viable funding opportunities in 2019 to support the charity's own charitable objects but were unable to settle on any particular projects that presented themselves. It is hoped that 2020 will provide the trustees with the opportunity to make grants/donations to other UK registered charities carrying out the same aims as the charity.

# The Atherton Family Charitable Trust

## Trustees' report for the year ended 31 December 2019

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In terms of investment performance achieved against the investment objectives set, the trustees are pleased with the performance of the Investec portfolio as at 31 December when set against the objectives outlined to Investec. However, the trustees will continue to monitor the performance.

The trustees consider that the greatest factor which will impact on the charity's ability to carry out its objects and which is outside the charity's control is an economic event which causes a significant fall in the value of the charity's portfolio. Up to 31 December 2019, the trustees are satisfied with the investment performance of the portfolio when compared against the investment objectives set. However, given the current Covid-19 pandemic, it remains to be seen what impact will be had on the performance of the investment portfolio moving forwards, as mentioned in the Post balance sheet event section below.

### Financial review

For this financial period the charity has not received any external donations. All income arising to the trustees has derived from the Investec portfolio. The trustees will monitor on a quarterly basis the level of expenditure required to enable the charity to support its objects.

As at 31 December 2019 the total funds held for the charity amounted to £5,145,070 (2018: £4,503,021). This comprised an investment portfolio and cash. Income for the year was £136,963 (2018: £121,266). During the year the charity paid out governance costs of £12,258 (2018: £16,781) and donations of £nil (2018: £75,000).

Whilst the level of grants made by the charity to date have been relatively small, it is anticipated that the level of cash reserves should be in the region of a sum equivalent to three months' average expenditure and total reserves are held at a level to allow future grants to be made at the discretion of the trustees.

### Plans for future periods

The trustees will continue to identify worthwhile projects to support by way of grants to other UK registered charities which seek to promote the same or similar charitable objects as those identified by the Charity.

The trustees do not necessarily expect donations to other charities to match income received for each year and the amount of donations will very much depend on identifying the right charities.

The charity recognises the importance of its purposes being for the benefit of the public. The trustees believe that through the charity's aims and objects in supporting those charities which are carrying on work in the areas already identified, the charity will continue to meet this duty.

### Post balance sheet event

Subsequent to the year end a global pandemic, Covid-19, has emerged. As a result of the pandemic, investment values have fallen. However, the full implications for charities such as The Atherton Family Charitable Trust are as yet unclear. At the time of approving the accounts, the trustees are not able to estimate the anticipated financial impact of the pandemic on the charity.

# The Atherton Family Charitable Trust

## Trustees' report for the year ended 31 December 2019

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### Trustees' responsibilities

The trustees are responsible for preparing the Trustees' report and the accounts in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare accounts 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 accounts 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 year.

In preparing the accounts, 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 information complies with the Charities Act 2011, the Charities (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.

On behalf of the board of trustees

James Hardaker (Director)

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**For Stevens & Bolton Trustees Limited**  
Trustee

Date: 20/05/2020

# The Atherton Family Charitable Trust

## Independent examiner's report to the trustees of The Atherton Family Charitable Trust

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I report to the trustees on my examination of the accounts of The Atherton Family Charitable Trust for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet and the notes to the accounts, including a summary of significant accounting policies.

### Respective responsibilities of trustees and examiner and basis of report

As the charity's 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 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 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.

I have no concerns to report but would like to draw attention to the disclosures in note 1.2 relating to Going concern and note 8, Post balance sheet events, in relation to the emergence of the Covid-19 pandemic in early 2020, in order to enable a proper understanding of the accounts to be reached.

Julie Mutton

### Julie Mutton

Fellow of The Institute of Chartered Accountants in England and Wales

Smith & Williamson LLP

Accountants

Old Library Chambers

21 Chipper Lane

Salisbury

Wiltshire

SP1 1BG

Date: 22/05/2020



# The Atherton Family Charitable Trust

## Statement of financial activities for the year ended 31 December 2019

		2019 £	2018 £
<b><u>Income</u></b>			
Investment income		136,926	121,230
Bank interest		37	36
<b>Total income</b>		<b>136,963</b>	<b>121,266</b>
<b><u>Expenditure</u></b>			
Raising funds		29,166	28,580
Charitable activities - grants	3	-	75,000
Charitable activities - support costs		12,258	16,781
<b>Total expenditure</b>	2	<b>41,424</b>	<b>120,361</b>
<b>Net income before gains/(losses) on investments</b>		<b>95,539</b>	<b>905</b>
Net gains/(losses) on investments		546,510	(156,421)
<b>Net movement in funds</b>		<b>642,049</b>	<b>(155,516)</b>
Fund balances at 1 January 2019		4,503,021	4,658,537
<b>Fund balances at 31 December 2019</b>		<b>5,145,070</b>	<b>4,503,021</b>

# The Atherton Family Charitable Trust

## Balance sheet as at 31 December 2019

	Notes	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Investments	6		4,778,096		4,244,936
<b>Current assets</b>					
Cash at bank and in hand		376,570		267,422	
<b>Creditors: amounts falling due within one year</b>	7	(9,596)		(9,337)	
<b>Net current assets</b>			366,974		258,085
<b>Net assets</b>			5,145,070		4,503,021
<b>Income funds</b>					
Unrestricted funds			5,145,070		4,503,021
			5,145,070		4,503,021

20/05/2020

The accounts were approved by the Trustees on .....

James Hardaker (Director)

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For Stevens & Bolton Trustees Limited  
Trustee

# The Atherton Family Charitable Trust

## Notes to the accounts for the year ended 31 December 2019

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### 1 Accounting policies

#### 1.1 General information

The Atherton Family Charitable Trust is an unincorporated trust, constituted under a charitable trust deed on 28 January 2014. It is registered with the Charity Commission in England & Wales (No. 1156055). The address of the principal office is Stevens & Bolton LLP, Wey House, Farnham Road, Guildford, Surrey, GU1 4YD.

#### 1.2 Basis of preparation

The accounts have been prepared under the historical cost convention, as modified to include the revaluation of certain assets.

The accounts 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 1 January 2019).

The trustees confirm that the charity is a public benefit entity as defined by FRS 102.

The emergence of the Covid-19 pandemic has caused economic uncertainty within the United Kingdom. The trustees have considered the potential impact on the financial position of the charity and have concluded that the charity is nevertheless able to meet its financial obligations for a period of at least 12 months from the date of approving these accounts and therefore continue to adopt the going concern basis in their preparation.

#### 1.3 Income

Investment income is credited to the statement of financial activities in the period in which it is receivable.

#### 1.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs related to the category.

The costs of raising funds consist of investment management fees.

Grants payable are payments made to third parties in furtherance of the charitable objects of the charity. The grants are accounted for where the trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant.

Support costs consist of costs not directly attributable to direct charitable activities or raising funds but which are in respect of the general administration of the charity and overall management of the funds.

#### 1.5 Investments

Fixed asset investments are stated at market value. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Realised and unrealised gains or losses are recognised in the statement of financial activities. Realised gains or losses are the difference between disposal proceeds and the opening market value (or original cost if purchased in the year). Unrealised gains or losses are the difference between the market value at the year end and the opening market value (or original cost if purchased in the year).

# The Atherton Family Charitable Trust

## Notes to the accounts for the year ended 31 December 2019

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### 1 Accounting policies (Continued)

#### 1.6 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of the charity and which have not been designated for other purposes.

### 2 Expenditure

	2019 £	2018 £
<b>Raising funds:</b>		
Investment management fees	29,166	28,580
<b>Charitable activities - grants</b>		
Grants payable (see note 3)	-	75,000
<b>Charitable activities - support costs</b>		
<b>Governance costs</b>		
Legal and administration fees	7,098	10,101
Accountancy fees	3,960	5,240
Independent examiner's fees	1,200	1,440
	<u>41,424</u>	<u>120,361</u>

### 3 Grants payable

	2019 £	2018 £
National Foundation for Youth Music	-	50,000
The Mary Hare Foundation	-	25,000
	<u>-</u>	<u>75,000</u>

# The Atherton Family Charitable Trust

## Notes to the accounts for the year ended 31 December 2019

### 4 Related parties

Stevens & Bolton LLP provide legal advice to the trustees. Stevens & Bolton Trustees Limited is wholly owned by the members of Stevens & Bolton LLP. Total fees paid to Stevens & Bolton LLP during the year were £7,098 (2018: £10,101).

The trustees did not receive any remuneration or reimbursement for expenses during the year (2018: £nil).

### 5 Employees

There were no employees during the year (2018: none).

### 6 Fixed asset investments

	2019 £	2018 £
Market value at 1 January 2019	4,244,936	4,478,954
Disposals at opening book value	(871,991)	(625,164)
Acquisitions at cost	943,704	571,229
Change in value in the year	461,447	(180,083)
<b>Market value at 31 December 2019</b>	<b>4,778,096</b>	<b>4,244,936</b>
<b>Analysis of investments by category of holding</b>		
Fixed interest	1,351,385	1,427,900
Equities and other	3,426,711	2,817,036
	<b>4,778,096</b>	<b>4,244,936</b>
<b>Analysis of investments by location</b>		
Investments held in the UK	2,993,203	2,666,817
Investments held outside the UK	1,784,893	1,578,119
	<b>4,778,096</b>	<b>4,244,936</b>
 Book cost at 31 December 2019	 <b>4,090,961</b>	 <b>3,973,380</b>

### 7 Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and other creditors	9,596	9,337
	<b>9,596</b>	<b>9,337</b>

# The Atherton Family Charitable Trust

## Notes to the accounts for the year ended 31 December 2019

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### 8 Post balance sheet event

Subsequent to the year end a global pandemic, Covid-19, has emerged. As a result of the pandemic, investment values have fallen. However, the full implications for charities such as The Atherton Family Charitable Trust are as yet unclear. At the time of approving the accounts the trustees are not able to estimate the anticipated financial impact of the pandemic on the charity.