

THE D G CHARITABLE SETTLEMENT
CHARITY NO. 1040778
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

THE D G CHARITABLE SETTLEMENT

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THE D G CHARITABLE SETTLEMENT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D J Gilmour P Samson
Charity number	1040778
Administrative office	Basement Flat 7 Medina Terrace Hove East Sussex BN3 2WL
Independent auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	HSBC Private Bank (UK) Limited 8 Cork Street Mayfair London W1S 3LJ
Solicitors	Michael Simkins LLP Lynton House 7-12 Tavistock Square London WC1H 9LT

THE D G CHARITABLE SETTLEMENT

REPORT OF THE TRUSTEES

The Trustees submit their report and financial statements for the year ended 30 June 2019. The financial statements comply 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 published on 16 July 2014 and in accordance with the Charities Act 2011.

Objects

The Charitable Settlement was established to benefit certain charitable institutions and to further charitable purposes or objects at the discretion of the Trustees. The Trustees have always sought to assist appeals aimed at current social issues.

Achievements and performance

In June 2019, the Charitable Settlement held a very successful fundraising auction to raise funds for ClientEarth. The Charitable Settlement generated net income of £13,180,326 from the auction in the year. This was paid over to ClientEarth after the year end, once the proceeds from the auction had been collected.

Including the gift to ClientEarth, the Trustees made grants totalling £13,448,326 (2018: £261,750) during the year. This brings the total level of grants made by the Trustees since the establishment of the Charitable Settlement to almost £23.6m.

Since the establishment of the Charitable Settlement the Trustees have made grants to charities in the following areas:

	Granted in 2019 £	Total Grants since the establishment of the Charitable Settlement £
Homeless	65,000	3,360,750
Elderly	5,000	267,000
Human Rights	10,000	1,251,612
Cancer	5,000	285,000
Environment	13,183,326	14,091,326
Poverty overseas	133,000	2,437,000
Other medical	15,000	921,350
Other	32,000	979,358
	13,448,326	23,593,396

The Trustees regularly review the work of the recipients of their grants and each new application for funding is studied with great care.

Financial review

The financial statements on pages 8 to 16 set out the financial results of the Charitable Settlement for the year ended 30 June 2019.

THE D G CHARITABLE SETTLEMENT

REPORT OF THE TRUSTEES

The Charitable Settlement generated net income after fundraising costs of £13,305,326 (2018: £312,500). £13,180,326 of this related to proceeds from the fundraising auction. Income from the auction has been recognised as restricted income in the financial statements as the auction was held to benefit ClientEarth

Grant expenditure and related costs amounted to £13,457,918 (2018: £262,082). Of this, £13,180,326 relates to the amount due to ClientEarth from the proceeds of the auction.

The overall result for the year is net expenditure of £152,192 for the year (2018: net income of £50,418).

Reserves policy and going concern

It is the Trustees policy that the level of reserves should not be more than approximately one year's anticipated expenditure. At year end, the Charitable Settlement had general reserves of £1,570 (2018: £153,762). Subsequent to the year end, the Charitable Settlement has received further donations. Having considered the charity's financial position, commitments and future plans, the Trustees are satisfied that the charity has adequate resources to continue in operational existence for the foreseeable future.

Risk management

Given the size of the charity and the close involvement of the Trustees, the Trustees do not believe that the Charitable Settlement is exposed to significant risks.

COVID-19 and future plans

In March 2020 the World Health Organisation declared the outbreak of the COVID-19 virus to be a global pandemic. The Trustees have considered the impact of COVID-19 on the charity's risks, its activities and its future plans. The Trustees will continue to make grants at their discretion.

Constitution and other statutory information

The Charitable Settlement is governed by a deed dated 2 September 1994. The settlement is a Registered Charity (Number 1040778). The principal office of the charity is Basement Flat, 7 Medina Terrace, Hove, East Sussex, BN3 2WL.

Structure, governance and management

The Trustees who served during the year and since the balance sheet date are noted on page 1. D J Gilmour, the settlor, has the power to appoint new trustees.

The Trustees meet at least annually to review and revise as necessary the Charitable Settlement's policies as regards grant making, investment, risk management and reserves policy.

Given the size of the Charitable Settlement there is not a formal policy for the induction and appointment of Trustees.

Grant making policy

The Trustees' policy is to make grants based upon the level of funds available subject to those payments falling within the objects of the charity or any restrictions imposed by the original donors of the funds.

THE D G CHARITABLE SETTLEMENT

REPORT OF THE TRUSTEES

Investment powers and policy

The Trustees have the power to invest in such assets as they see fit. Given the normally short period from the receipt of donations to the making of grants, surplus funds are kept on deposit account with the Settlement's bankers.

Fundraising policy

In June 2019, the Charitable Settlement held a fundraising auction to raise funds for ClientEarth. Christie's conducted the auction on behalf of the charity. The Charitable Settlement has not otherwise carried out any fundraising activity in order to raise funds from the general public. The Trustees are not aware of any complaints made in respect of the charity's fundraising activities in the year.

Public benefit

The Trustees have referred to the advice contained in the Charity Commission's general guidelines on public benefit when reviewing the aims and objectives and in planning the future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees consider the current activities deliver public benefit. Details of the objects which form the basis of this policy are given earlier in this report.

Statements of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice).

The law applicable 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 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 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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.



.....
D J Gilmour
Trustee

29 June 2020

Opinion

We have audited the financial statements of The D G Charitable Settlement for the year ended 30 June 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Other matters

In the previous accounting period, the trustees took advantage of audit exemption under s145 of the Charities Act 2011. Therefore the comparative financial information presented in these financial statements has not been subject to audit.

THE D G CHARITABLE SETTLEMENT

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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Saffery Champness LLP

Chartered Accountants	71 Queen Victoria Street
Statutory Auditors	London
	EC4V 4BE

Date: 30 June 2020

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE D G CHARITABLE SETTLEMENT

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
Income from:					
Donations		125,000	-	125,000	312,500
Other trading activities					
Proceeds from auction	2	-	13,678,682	13,678,682	-
Total		125,000	13,678,682	13,803,682	312,500
Expenditure on:					
Raising funds					
Costs in connection with the fundraising auction		-	498,356	498,356	-
Charitable activities:					
Grant making		277,172	13,180,326	13,457,518	261,750
Total	3	277,172	13,678,682	13,955,874	262,082
Net (expenditure)/ income and net movement in funds		(152,192)	-	(152,192)	50,418
Reconciliation of funds:					
Total funds brought forward		153,762	-	153,762	103,344
Total funds carried forward	9, 10	1,570	-	1,570	153,762


The notes on pages 11 to 16 form part of the financial statements.

THE D G CHARITABLE SETTLEMENT

BALANCE SHEET AT 30 JUNE 2019

	Note	2019 £	2018 £
Current Assets:			
Debtors	7	13,471,406	125,000
Cash at bank and in hand		36,630	44,662
		<u>13,508,036</u>	<u>169,662</u>
Liabilities:			
Creditors: Amounts falling due within one year	8	(13,506,466)	15,900
Net assets		<u>1,570</u>	<u>153,762</u>
Funds			
Restricted	9, 10	-	-
Unrestricted	9, 10	1,570	153,762
		<u>1,570</u>	<u>153,762</u>

Approved by the Board of Trustees on 29 June 2020 and signed on its behalf by



.....
D J Gilmour
Trustee

The notes on pages 11 to 16 form part of the financial statements.

THE D G CHARITABLE SETTLEMENT

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	A	(8,032)	(17,838)
Cash at the beginning of the year		44,662	62,500
Cash at the end of the year		36,630	44,662

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

	2019 £	2018 £
Net (expenditure)/ income for the year	(152,192)	50,418
Adjustments for:		
Increase in debtors	(13,346,406)	(68,556)
Increase in creditors	13,490,566	300
Net cash used in operating activities	(8,032)	(17,838)

1 Accounting policies

The financial statements have been prepared on an accruals basis under the historical cost convention.

The accounts have been prepared in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are prepared in sterling, which is the functional currency of the Charitable Settlement. Monetary amounts in these financial statements are rounded to the nearest £.

The Charitable Settlement constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The charity had net assets of £1,570 at year end and has received further donations subsequent to the year end. Having considered the charity's financial position, commitments and future plans, the Trustees are satisfied that the charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least a year from the date of signing the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.1 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charitable Settlement is entitled to the income and the amounts can be quantified with reasonable accuracy.

1.2 Resources expended

Expenditure is accounted for on an accruals basis. Costs are allocated between activities based on the nature of the underlying expense. No estimate techniques are used to calculate their apportionment.

Expenditure on raising funds are those costs directly attributable to the Charitable Settlement's fundraising activities.

Expenditure on charitable activities are grant funding costs including the direct costs of grants awarded and related support costs. Grant funding costs are grants awarded to third parties in furtherance of the charitable objects of the Charitable Settlement. Grants payable are charged in the year when the offer is formally conveyed to the recipient.

Governance costs comprise all costs involved in the public accountability of the Charitable Settlement and its compliance with regulation and good practice. These costs include costs relating to statutory audit.

THE D G CHARITABLE SETTLEMENT

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2019

1.3 Funds

Unrestricted funds represent the balance of income from all sources after deduction of grants paid and other necessary expenditure. The fund can be spent on any purpose within the Charitable Settlement's objects at the discretion of the trustees.

Restricted funds reflect funds held by the Charitable Settlement on specific trusts, to be spent in accordance with the terms of those trusts. Specific trusts may be declared by donors when making gifts or may result from the terms of an appeal for funds.

2 Income from fundraising auction

	2019 £	2018 £
Proceeds due from auction	13,776,416	
Foreign exchange movement	(97,734)	-
Total	<u>13,678,682</u>	<u>262,082</u>

In June 2019, Christie's auctioned "The David Gilmour Guitar Collection" in New York. The auction was conducted by Christie's on behalf of the Charitable Settlement to raise funds for ClientEarth.

3 Expenditure

	2019 £	2018 £
Raising funds		
Contractual auction payments	<u>498,356</u>	<u>-</u>
Charitable activities		
Grants payable (see note 4)	13,448,326	261,750
Governance costs (see note 5)	7,920	300
Management and administration costs	<u>1,272</u>	<u>-</u>
	13,457,518	262,082
Total expenditure	<u>13,955,874</u>	<u>262,082</u>

NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2019

4 Grants payable

Grant expenditure for the year comprises the following amounts payable:

	2019	2018
	£	£
Age International	5,000	5,000
Amnesty International	10,000	10,000
Battersea Dogs' and Cats' Home	1,000	1,000
Brighton Little Theatre	-	5,000
Cancer Research UK	5,000	5,000
Client Earth	13,180,326	-
Crisis	40,000	40,000
Freedom from Torture	5,000	5,000
Great Ormond Street Hospital	15,000	15,000
Horsham District Scout Council	1,000	-
Howard League	5,000	5,000
Liberty Choir	15,000	-
Medical aid for Palestinians	500	-
Migrant Offshore Aid Station	10,000	10,000
MJM Community Choir	-	10,000
Other	-	1,250
Oxfam	100,000	100,000
Prisoners Abroad	2,500	2,500
Prisoners of Conscience Appeal Fund	5,000	5,000
Roger's Wildlife Rescue	1,500	-
Royal Society of Literature	-	1,000
Shelter	25,000	25,000
The Alexandra Wylie Tower	10,000	6,000
The Folly Wildlife Rescue Trust	1,500	-
Women for Refugee Women	10,000	10,000
	<u>13,448,326</u>	<u>261,750</u>

The grants comprise amounts payable to institutes of £13,448,326 (2018: £260,500) and grants to individuals of nil (2018: £1,250).

5 Governance costs

Governance costs include the following amounts payable to the charity's auditor (net of VAT):

	2019	2018
	£	£
Audit services	5,000	-
Other assurance services	-	250
Accountancy support	<u>1,600</u>	<u>-</u>

THE D G CHARITABLE SETTLEMENT

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2019

6 Employees

The average monthly number of persons employed by the charity during the year was 0 (2018 – 0).

7 Debtors

	2019 £	2018 £
Accrued income	13,471,406	125,000

8 Creditors: Amounts falling due within one year

	2019 £	2018 £
Accruals	12,700	1,800
Other creditors	306,320	14,100
Grants payable		
ClientEarth	13,180,326	-
Other	10,000	-
	<u>13,509,346</u>	<u>15,900</u>

The Charitable Settlement held a fundraising auction in June 2019 in aid of ClientEarth. The amount accrued as a grant payable to ClientEarth reflects the net income generated from the auction in the year. The Charitable Settlement paid the gift to ClientEarth in October 2019 once the proceeds from the auction had been collected.

9 Fund movements in year

	Balance at 1 July 2018 £	Income £	Expenditure £	Balance at 30 June 2019 £
Unrestricted funds	153,762	125,000	(277,192)	1,570
Restricted funds				
ClientEarth	-	13,678,682	(13,678,682)	-
Total funds	<u>153,762</u>	<u>13,803,682</u>	<u>13,955,874</u>	<u>1,570</u>

General funds are unrestricted funds. Unrestricted funds comprise those funds which the trustees are free to spend on any of the charity use in accordance with the charitable objects.

The Charitable Settlement held a fundraising auction in the year to raise funds for ClientEarth. Restricted funds reflect all income and expenditure relating to that auction.

NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2019

10 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Debtors	-	13,471,406	13,471,406
Cash	36,630	-	36,630
Creditors	(35,060)	(13,471,406)	(13,506,466)
	<u>1,570</u>	<u>-</u>	<u>1,570</u>

11 Related party transactions

The goods auctioned by the charity in the year were donated to the charity by D J Gilmour, a trustee, and David Gilmour Music Ltd, a company owned by David Gilmour.

David Gilmour Music Ltd additionally made a donation of £250,000 in the year (2018: £250,000) and paid administrative costs on behalf of the charity amounting to £1,240 (2018: £900). As at 30 June 2019 the charity owed David Gilmour Music Ltd £5,240 (2018 - £4,100).

As at 30 June 2019 the charity owed D J Gilmour, a trustee, £10,000 (2018 - £10,000).

The Trustees were not reimbursed for expenses and did not receive remuneration or any other payments for services during the current or previous year.

12 Prior year Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	2018 Total funds £
Income from:			
Donations	312,500	-	312,500
Total	312,500	-	312,500
Expenditure on:			
Charitable activities:			
Grant making	261,750	-	261,750
Total	262,082	-	262,082
Net income and net movement in funds	50,418	-	50,418
Reconciliation of funds:			
Total funds brought forward	103,344	-	103,344
Total funds carried forward	153,762	-	153,762