

**THE STOCK EXCHANGE CLERKS FUND**

**Registered Charity No: 286055**

**TRUSTEES' REPORT and FINANCIAL STATEMENTS**

**31 December 2019**

# **THE STOCK EXCHANGE CLERKS FUND**

## **C O N T E N T S**

TITLE	Front Page
CONTENTS	Page 1
OFFICERS, CUSTODIANS & PROFESSIONAL ADVISERS	Page 2
TRUSTEES' REPORT	Pages 3, 4, 5 & 6
INDEPENDENT AUDITORS REPORT	Page 7 & 8
STATEMENT of FINANCIAL ACTIVITIES	Page 9
BALANCE SHEET	Page 10
NOTES to the ACCOUNTS	Pages 11, 12, 13 & 14

## THE STOCK EXCHANGE CLERKS FUND

Honorary Trustees:	Mr W D Eason Mr L Ponsonby Mr D Malpas
Trustees:	Mrs J Mayhew (Chair) Mr M D Willmott (Deputy Chair) Mr R Adams (Treasurer) Mr I J Baines Mr J A Culliford Mr J Dust Mrs K L George Mr A J Hackling Mr K Norman Mr J D Paulson-Ellis Mr M Ripsher Mr S F C Tame
Secretary:	Mrs Jennie Hendrick
Website	<a href="http://www.secfund.org.uk">www.secfund.org.uk</a>
Address:	1 Earl Street London EC2A 2AL
Telephone No:	07958 209367
E-mail:	<a href="mailto:jenniehendrick76@outlook.com">jenniehendrick76@outlook.com</a>
Charity Liaison Officer:	Mrs Deana Ball
Telephone No:	01708 732458
E-mail:	<a href="mailto:deanaball44@gmail.com">deanaball44@gmail.com</a>
Auditors:	Pocknells LLP 46 Hullbridge Road South Woodham Ferrers Essex CM3 5NG
Bankers:	Barclays Bank plc 155 Bishopsgate London EC2M 3XA
Investment Managers:	Quilter Cheviot Investment Management. 90 Long Acre London WC2E 9RA

## **TRUSTEES' REPORT**

### **INTRODUCTION**

In accordance with the Trust Deed dated 19 March 2008 the Trustees present their report and financial statements for the year ended 31 December 2019.

### **OBJECTS AND ACTIVITIES**

The principal activity of The Stock Exchange Clerks Fund ('SECF') is to provide financial assistance for persons in necessitous circumstances, such persons being any one or more of the following; former employees of the London Stock Exchange or Member Firms of the London Stock Exchange or the Fund or the widow or child or children (whether infants or not) of any such person. The Trustees take due care and diligence to uphold the principal activity of the Fund.

### **GRANTS AND ASSISTANCE**

The Fund has helped 38 recipients (2018 – 37 recipients) with monthly, casual and special grants over the twelve-month period covered by this report. The Fund continues to help recipients with monthly grants towards the costs of running a household, 'one off' payments towards special needs cases for such items as surgical appliances, mobility costs, household goods, and funeral expenses. Most persons who received help during the year received a Christmas monetary gift, those with special dietary needs received shopping vouchers. The Fund has continued to be diligent in its housekeeping and investment decisions. The grants being paid by the Fund decreased in the year covered by these accounts.

The Trustees review all recipients' financial status and needs once a year and decide, on an individual's circumstances, the level of help the Fund is able to give. When an application is received for the first time, the individual receives a visit from the Fund's Liaison Officer and her report is submitted to the Trustees. Depending on the individual's circumstances the level of help to be given is then decided. If any person already being helped by the Fund has a change in personal circumstances, then the same procedure is followed. The Trustees are very aware of the need for personal contact and as in previous years the Liaison Officer, sometimes accompanied by a Trustee or the Secretary, visited most of the Fund's recipients in their homes. The visits are of a casual nature to offer friendly support and advice when needed.

The Trustees would appreciate receiving information concerning any person formerly employed in the industry, or their dependants, who may be in financial distress and thus qualify for assistance; such information may be conveyed in complete confidence to the Secretary, Jennie Hendrick, the Liaison Officer, Deana Ball, or any of the Trustees at the address given on page two of this report. Information and how to apply is available on the Fund website – [www.secfund.org.uk](http://www.secfund.org.uk).

### **DONATIONS**

The Trustees would like to thank those companies who have allowed members of their staff to act as Trustees of the Fund and individual Trustees who have continued their support of the Fund. We are a charity for the Securities Industry and therefore any help received from Member Firms helps us to help former colleagues who are experiencing difficult times. The Trustees would also once again like to thank the Stock Exchange Benevolent Fund for their quarterly donation of £25,000.

### **TRUSTEES**

Historically Trustees and consultants who visit recipients of the Stock Exchange Clerks Fund have been checked by the Criminal Records Bureau. Those that have been checked have clean records. A Trustee or consultants will be checked by the Disclosure and Barring Service before they visit a recipient unaccompanied.

Honorary Trustees advise the Trustees in relation to the SECF investment programme but are not authorised to make decisions on the use of the investments and its income.

Trustees have control of the Charity and its property and funds; they have sole discretion as to making payments and assessing help to be given in accordance with the Funds Trust Deed (25 November 1982) and Supplemental Deeds (12 July 1993 and 23 August 2006).

## **TRUSTEES' REPORT (Cont'd)**

### **FURTHER INFORMATION (Cont'd)**

At the meeting on 12 May 2016 it was agreed that the Charity Liaison Officer would receive a guaranteed annual increase of 3%, and that the Secretary would receive increases as agreed by the Trustees. At the meeting on 22 February 2018 it was agreed that the Secretary would also receive a guaranteed annual increase of 3%. The Secretary and the Charity Liaison Officer received an increase of 3% on 1 January 2019.

### **OFFICES**

The SECF continues to have the use of offices at 1 Earl Street, London, EC2A 2AL owned by the London Stock Exchange and the Trustees would like to put on record their appreciation for the continued support of the charity by the Board of the London Stock Exchange in donating the office space and rooms for the Trustees meetings. The Trustees do not consider it is appropriate to record such an arrangement in the accounts as it is deemed to be immaterial in the context of these accounts.

### **WEBSITE**

The Trustees have set up a website – [www.secfund.org.uk](http://www.secfund.org.uk) This includes information about the Fund and how to apply for assistance.

### **BANKERS AND CUSTODIANS**

The Bankers to the Fund, Barclays Bank plc. remain unchanged. Quilter Cheviot Investment Management. are the Funds only custodians. Quilter Cheviot Investment Management were acquired by Old Mutual Wealth investment company and were rebranded to Quilter in 2018. The Quilter Cheviot team who look after the SECF portfolio will remain the same.

### **AUDITORS**

A resolution to re-appoint Pocknells LLP as auditors was passed at the Annual General Meeting of the Fund held on 2 May 2019. The appointment of auditors for 2020 will be proposed at the Annual General Meeting.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees of The Stock Exchange Clerks Fund are responsible for preparing the Trustees' Annual Report and the 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 these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102)
- 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 assume that the charity will be able to 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 enable them to ensure that the financial statements comply 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.

## TRUSTEES' REPORT (Cont'd)

### STATEMENT OF TRUSTEES' RESPONSIBILITIES (Cont'd)

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.

### CHARITY GOVERNANCE CODE

The SECF seeks to use the principles of leadership, integrity, decision-making, board effectiveness, diversity, openness and accountability as included in the Charity Governance Code to ensure high standards of governance and to support continuous improvement.

### GDPR

The Trustees' Privacy Policy can be viewed on the website at [www.secfund.org.uk/privacy-policy](http://www.secfund.org.uk/privacy-policy)

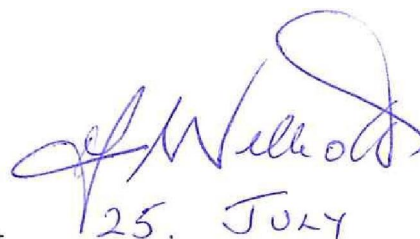
### PUBLIC BENEFIT REQUIREMENT

The Trustees believe that this report fulfils the requirements of their legal duty in summarising the objects, main activities and achievements of the charity in the year under review in accordance with section 17 of the Charities Act 2011.

On behalf of the Trustees



J Mayhew  
Chairman 25.7. 2020

  
25. JULY

M Willmott  
Trustee 2020

**INDEPENDENT AUDITORS REPORT**  
**TO THE TRUSTEES OF THE STOCK EXCHANGE CLERKS FUND**

**Opinion**

We have audited the financial statements of The Stock Exchange Clerks Fund for the year ended 31 December 2019 which comprise the Statements of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 December 2019 and of its incoming resources and application of resources in the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 Auditor's 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 trustees' annual report, other than the financial statements and our auditor's 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 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.



**INDEPENDENT AUDITORS REPORT (Con't)**  
**TO THE TRUSTEES OF THE STOCK EXCHANGE CLERKS FUND**

**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 financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees are responsible for the preparation of the financial statements which 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.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 auditor's 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**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 charity's 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

  
Pocknells LLP  
Chartered Accountants and Statutory Auditors  
23<sup>rd</sup> July 2020

46 Hullbridge Road  
South Woodham Ferrers  
Essex, CM3 5NG

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



**STOCK EXCHANGE CLERKS FUND  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>		
Donations and legacies (note 1k)	102,000	102,000
Investment Income (note 5)	<u>40,849</u>	<u>38,637</u>
<b>Total Incoming Resources</b>	<u>142,849</u>	<u>140,637</u>
<b>Resources Expended:</b>		
<b>Charitable activities (note 2)</b>		
Grants payable in furtherance of the Charity's objectives (note 8)	153,559	131,155
Visits to grants recipients	10,708	7,832
Audit Fee	<u>2,850</u>	<u>2,760</u>
<b>Total Resources Expended</b>	<u>167,117</u>	<u>141,747</u>
Net gains / (losses) on investment assets (note 5)	<u>151,755</u>	(71,339)
<b>Net Incoming / (Outgoing) Resources</b>	127,487	(72,449)
<b>Other recognised gains and losses</b>	-	-
<b>Net movement in Fund</b>	127,487	(72,449)
<b>Reconciliation of Funds</b>		
Total funds brought forward	1,156,626	1,229,075
<b>Total funds carried forward</b>	<u>1,284,113</u>	<u>1,156,626</u>

The net movement in general fund derives wholly from continuing operations.

**STOCK EXCHANGE CLERKS FUND  
BALANCE SHEET  
AS AT 31 DECEMBER 2019**

	2019	2018
	£	£
<b>General Fund</b>	<u>1,284,113</u>	<u>1,156,626</u>
<b>Represented by:</b>		
<b>Fixed Assets</b>		
<b>Tangible Fixed Assets</b>		
<b>Computer Equipment (Note 4)</b>	-	202
<b>Investments at Market Value (Note 5)</b>		
Fixed Interest (Bonds)	181,960	287,617
Investment Trusts	573,924	468,093
Ordinary Stocks & Shares	387,991	384,850
	<u>1,143,875</u>	<u>1,140,560</u>
	1,143,875	1,140,762
<b>Current Assets</b>		
<b>Debtors:</b>		
Prepayments	-	-
Owed re expense	-	-
<b>Cash at bank and in hand:</b>		
Current Account	18,277	4,602
Short-term Deposit Account	124,794	14,005
Cash in hand	<u>17</u>	<u>17</u>
	143,088	18,624
	<u>143,088</u>	<u>18,624</u>
<b>Current Liabilities</b>		
<b>Creditors: Amounts falling due within one year</b>		
Audit fee accrual	2,850	2,760
Sundry creditors	<u>-</u>	<u>-</u>
	2,850	2,760
<b>Net Current Assets</b>	<u>140,238</u>	<u>15,864</u>
<b>Net Assets</b>	<u>1,284,113</u>	<u>1,156,626</u>

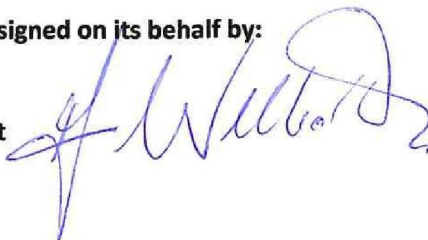
Approved on behalf of the Trustees on

2020 and signed on its behalf by:

J Mayhew  
Chairman



M Willmott  
Trustee



**1. Accounting policies**

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The principal accounting policies are:

- (a) **Basis of Accounting**  
The Accounts are prepared in accordance with the historical cost convention modified by the valuation of investments.
- (b) **Investments are stated at market value.**  
Quoted securities have been valued at the middle market price at the close of business at the year-end. The market value of unit trusts is taken as the average of the bid and offer prices at the accounting date as stated by Quilter Cheviot Investment Management. Realised gains and losses on investments disposed of during the year are accounted for in the year of disposal. Unrealised gains and losses are accounted for in the year in which they arise.
- (c) **Dividends and interest on securities are accounted for when receivable. Interest on bank deposits is accounted for as earned. Income from investments and interest are shown net of tax deducted.**
- (d) **Grants payable are accounted for when authorised by the Board of Trustees.**
- (e) **Cash flow statement**  
Under FRS102 no Statement of Cash Flows is required.
- (f) **All funds are unrestricted**
- (g) **All expenditure is accounted for on an accruals basis and includes irrecoverable VAT related to the category.**
- (h) **Support costs have been allocated across the charitable activities on the basis of expenditure on those activities where they cannot be directly attributed to the activities. (See Note 2)**
- (i) **Governance costs form part of support costs.**
- (j) **Fixed assets comprise computer equipment. Computer equipment is capitalised at cost and depreciated on a straight-line basis over its estimated useful economic life of 3 years.**
- (k) **No Special Donations were received during the year. A regular quarterly donation of £25,000 is now being received from the Stock Exchange Benevolent Fund.**

# NOTES TO THE ACCOUNTS - 31 DECEMBER 2019 (Cont'd)

## 5. Investments

Investment Income	2019 £	2018 £
Fixed Interest (Bonds)	10,634	11,543
Investment Trusts	7,232	6,804
U K Equities	<u>22,983</u>	<u>20,290</u>
	40,849	38,637
Interest on cash deposits	-	-
	<u>40,849</u>	<u>38,637</u>

	2019		2018	
	Cost £	Market Value £	Cost £	Market Value £
Fixed Interest (Bonds)	147,528	181,960	271,703	287,617
Investment Trusts	131,008	573,924	134,534	468,093
U K Equities	<u>151,961</u>	<u>387,991</u>	<u>178,790</u>	<u>384,850</u>
	<u>430,497</u>	<u>1,143,875</u>	<u>585,027</u>	<u>1,140,560</u>

	MV at January 2019 £	Purchases at cost £	Sales proceeds £	Change in Market Value £	MV at December 2019 £
Fixed Interest (Bonds)	287,617	-	122,962	17,305	181,960
Unit Trusts	-	-	-	-	-
Investment Trusts	468,093	-	10,273	116,104	573,924
Charitable Trust	-	-	-	-	-
UK Equities	<u>384,850</u>	-	<u>15,205</u>	<u>18,346</u>	<u>387,991</u>
	<u>1,140,560</u>	=	<u>148,440</u>	<u>151,755</u>	<u>1,143,875</u>

## **NOTES TO THE ACCOUNTS - 31 DECEMBER 2019 (Cont'd)**

The following Investments are Overseas Investments at Market Value: -

	2019	2018
	£	£
Investment Trusts		
Baillie Gifford European Inv. Ord	55,500	49,188
JPMorgan Fleming American Inv Trust	120,750	99,750
Aberdeen Asia Inv Trust Ord	51,360	46,980

The following Investments represent more than 5% of the Portfolio at Market Value: -

	2019	2018
	£	£
UK Equities		
Royal Dutch Shell	61,586	64,350
Diageo	64,010	55,900
Investment Trusts		
Herald Investment Trust	91,760	72,570
Scottish Mortgage Trust	123,038	99,297
JP Morgan American Inv Trust	120,750	99,750
Bankers Investment Trust	61,828	48,546
Henderson Smaller Companies	69,888	49,152
Fixed Interest		
Invesco Perpetual	68,597	65,284
M & G Optimal Securities	113,363	107,437

### **6. Transactions with Trustees**

Mr David Malpas (Honorary Trustees) has an interest as a Director of Quilter Cheviot Investment Management., a company that provided services in the year involving the transactions of investments. Mr William Eason retired as a Director of Quilter Cheviot Investment Management during the year. All transactions have been carried out on an arms length basis. The Trustees do not receive any remuneration but may be paid expenses for visits and meetings.

### **7. Related Party Transactions**

The Secretary, Mrs Jennie Hendrick received £ 15,914 and the Charity Liaison Officer, Mrs Deana Ball received £18,973 for consultancy services for the year.

### **8. Grants**

The charity has made grants to 38 individuals in 2019 compared to 37 for the previous year.