

GRACE CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020

REGISTERED CHARITY No. 284216

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GRACE CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2020

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ended 5 April 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Full name: Grace Charity

Registered Charity number: 284216

Principal address:
BDB Pitmans LLP
50 Broadway
London
SW1H 0BL

Trustees:
F Appelbe
Mrs V Thomas
Dr L Hobby
A Appelbe

Independent Examiner:
Julia Strike TEP
50 Broadway
London
SW1H 0BL

OBJECTIVES AND ACTIVITIES

The charity was created by deed of trust dated 17 March 1969 and exists to benefit such legally charitable objects as the Trustees at their discretion select.

The Trustees consider applications for grants at meetings throughout the year.

Public Benefit Statement

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and deciding on the grants for the year. The Charity's objects are for the public benefit. Those objects are achieved by virtue of the grants made by the Trustees to Charities in England and Wales and to individuals to assist with their education.

ACHIEVEMENTS AND PERFORMANCE

The Trustees met on various occasions to consider the charity's activities and achievements during the year. The charitable donations were agreed. 23 grants were made during the year (2019: 34 grants paid), ranging from £50 to £6,000 and the total is shown in note 2 to these accounts.

The charity has set up a new educational initiative, Ocean Ambassadors (OA). The Trustees have received legal advice from BDB Pitmans on this initiative. They have advised that OA can be a sub-fund of the Charity.

GRACE CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2020 (cont.)

ACHIEVEMENTS AND PERFORMANCE

OA was created to support lectures of students, some of which may be filmed for future use. Assistance is also given to United World Colleges, initially via Atlantic College, in creation of a new international baccalaureate centred upon marine environments.

The Trustees have agreed to set aside approximately £12,000 per annum to support the training and lectures and also student prizes. In the first two years there for there will be some additional costs for the promotion of OA's educational initiative.

The Trustees will review OA annually and report on any changes to the initiative and also the creation of student prizes as they arise.

The Trust Funds were held in investments and cash. Income for the year, in the form of dividends and interest, amounted to £40,245 (2019: £38,435). The market value of the investments at the date of the Balance Sheet was £554,769 (2019: £754,972).

FINANCIAL REVIEW

Charitable Expenditure

The 2020 grants totalled £25,873 (2019: £35,637), of these £4,523 (2019: £1,965) related to Ocean

Other Expenditure

Expenditure relating to the management, administration and governance of the charity, amounted to £3,154 (2019: £4,714), less than 1% of the value of the charity at 5 April 2020.

Investment Policy and Performance

The Trustees have an investment portfolio with M&G comprising shares in their Sterling Charifund, with units held in both their Income and Accumulation Funds. The investment in this fund offers the Trustees the right mix of capital growth and income to meet their policy and is actively managed by M&G direct. The Trustees monitor the performance at their meetings and when the quarterly reports are received.

The investment portfolio showed an decrease in market value over the period, with unrealised losses of £202,641 (2019: unrealised gains of £16,017). There were no realised gains (2019: nil).

Reserves Policy and going concern

The Trustees only use income arising during each year for grants and do not spend more than their annual income each year. It is not envisaged that there will be future commitments that exceed future income on an annual basis therefore the trustees are happy with the current reserve level. The trustees are of the view that the Trust is a going concern.

Fundraising Policy

The Charity's income is generated from the Investments held, it does not undertake fundraising activities, it is nevertheless mindful of the code issued by the fundraising regulator.

GRACE CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2020 (cont.)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust dated 17 March 1969, and constitutes an unincorporated charity.

Risk Management

The Trustees recognise that they have a duty to identify and review risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees have considered the main areas of risk and are of the opinion that the Charity has the resources that, under normal conditions would allow these risks to be mitigated to an acceptable level in its day-to-day operations.

Appointment of Trustees and Trustee induction and training

Trustees are appointed by deed. New trustees are briefed on their legal obligations under charity law, the Charity Commission guidance on public benefit, informed of the contents of the Will, decision-making processes, the business plan and recent financial performance of the charity. Before taking on the role they meet key advisors and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Exemptions from Disclosure

There are no exemptions from disclosure

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 charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law and regulations. 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.

Signed on behalf of the trustees:



Date:

30/5/20

GRACE CHARITY

**REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES
IN RESPECT OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020**

I report to the trustees on my examination of the accounts of the Felix Foundation for the year ended 5 April 2020 which are set out on pages 5 to 9.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust's accounts carried out under section 145 of the 2011 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 Trust 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 the 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 and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Julia Strike TEP
50 Broadway
London
SW1H 0BL

Date: 04/06/2020

GRACE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2020

	Notes	UNRESTRICTED FUND 2020 £	TOTAL 2019 £
INCOME & EXPENDITURE			
Income and Endowments from Investments	4	40,244.61	38,435
Donations received		83.75	90
Total Incoming		40,328.36	38,525
EXPENDITURE ON			
Charitable Expenditure			
Grants	2	25,872.72	35,637
Support costs	2	3,154.00	4,714
Total Expenditure		29,026.72	40,351
NET INCOME/EXPENDITURE		11,301.64	(1,826)
Other recognised gains/losses			
Gains/(losses) on investments:			
- realised		-	-
- unrealised	3	(202,641.05)	16,017
Net Movement in Funds		(191,339.41)	14,191
Reconciliation of Funds			
Fund Balances brought forward		765,420.70	751,230
TOTAL FUNDS CARRIED FORWARD AT 5 APRIL 2020		£ 574,081.29	£ 765,421

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BALANCE SHEET AS AT 5 APRIL 2020

	Notes	2020	2019
		£	£
Fixed Assets			
Investments	3	554,769.16	754,972
Current Assets			
Cash		20,122.13	11,963
Less: Creditors			
Amounts falling due within one year			
BDB Pitmans LLP		810.00	-
Grants payable		-	1,514
Net Current Assets		19,312.13	10,449
Net Assets	5	<u>£ 574,081.29</u>	<u>£ 765,421</u>
Funds			
Unrestricted funds		<u>£ 574,081.29</u>	<u>£ 765,421</u>

The financial statements were approved by the Trustees

and were signed on their behalf by:

F Appelbe - Trustee

Date:

GRACE CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2020

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception that investments are shown at market value as at the balance sheet date and are 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) (effective, 1 January 2015) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS 102. Having assessed the Charity's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis. Where necessary estimates and judgements are based on historical experience and other factors.

Expenditure

A liability and related expenditure is recognised when there is a legal or constructive obligation at the balance sheet date as a result of a past event, that it is likely to be settled and that it can be measured reliably.

Funds

The Unrestricted Fund comprises those funds which the trustees are free to use in accordance with the charitable objects.

Charitable Grants

Grants are recognised when the trustees have made a decision to make a payment and that decision had been communicated to the recipient and it is probable that payment will take place. However, the recognition of any liability will be dependent on any conditions attaching to the commitment.

Investments

Investments are stated at market value as at 5 April 2020. Investment gains and losses are disclosed in the Statement of Financial Activities.

Investment Income and Bank Interest

Investment income and tax recoverable are accounted for on a receivable basis.

2. Charitable Expenditure

	2020	2019
Grants made during the year totalled:	25,872.72	35,637
Support costs		
Metro Bank charge	10.00	-
Legal & Professional	2,620.00	3,928
VAT (non recoverable)	524.00	786
	<u>3,154.00</u>	<u>4,714</u>
	<u>£ 29,026.72</u>	<u>£ 40,351</u>

GRACE CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2020 (cont.)

3. Investments

Movements on quoted investments were as follows:

	2020 £	2019 £
Market value at 6 April 2019	754,972.18	736,742
Add: acquisitions at cost	2,438.03	2,213
	<u>757,410.21</u>	<u>738,955</u>
Net gain/(loss) on revaluation	(202,641.05)	16,017
Market value at 5 April 2020	<u>£ 554,769.16</u>	<u>£ 754,972</u>
Historical cost value as at 5 April 2020	<u>£ 523,560</u>	<u>£ 521,122</u>

All investments are situated in the UK and listed on a recognised stock exchange.

Investments which represent 5% or more of the total portfolio are considered by the trustees to be material are:

	2020	2019
M & G Charifund - Income Units	93.68%	93.68%
M & G Charifund - Accum Units	6.32%	6.32%

4. Investment income

	2020 £	2019 £
Income from UK investments	<u>£ 40,244.61</u>	<u>£ 38,435</u>

5. Movement in Funds

Unrestricted Funds	2020 £	2019 £
General fund		
At 6 April 2019	765,420.70	751,231
Add:		
Net movement in funds	(191,339.41)	14,190
Fund value at 5 April 2020	<u>£ 574,081.29</u>	<u>£ 765,421</u>

Net movement in funds (above), arises as follows:

Unrestricted Funds	Movement in funds £	2019 £
General fund		
Incoming	40,328.36	38,525
Gains and losses	(202,641.05)	16,017
	<u>(162,312.69)</u>	<u>54,542</u>
Less: Expenditure	29,026.72	40,351
	<u>£(191,339.41)</u>	<u>£ 14,191</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2020 (cont.)

6. Trustees' Remuneration and Expenses

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity, no trustee expenses have been incurred nor have there been any related party transactions in the reporting period that require disclosure. (2019 also £0 in all cases). Independent examination fees are charged but they are part of BDB Pitmans LLP's general expenses. The functions are carried out separately within BDB Pitmans LLP.

7. Employees

The Trust does not have any employees.