

REGISTERED COMPANY NUMBER: 07170030 (England and Wales)
REGISTERED CHARITY NUMBER: 1135646

**Report of the Trustees and
Financial Statements for the Year Ended 31st March 2020
for**

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

Simpson Wreford & Partners
Chartered Accountants & Statutory Auditors
Suffolk House
George Street
Croydon
Surrey
CR0 0YN

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

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for the year ended 31st March 2020**

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**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Report of the Trustees
for the year ended 31st March 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07170030 (England and Wales)

Registered Charity number

1135646

Registered office

Suffolk House
George Street
Croydon
Surrey
CR0 0YN

Trustees

Mrs F J Adler
D G Lewis
R L H Merton MBE
S G Orlik
Mrs M A Petetin
N M S Rich CBE - resigned 30 June 2020
N M Gower-Smith
A V Scanlan
R A V Edmondson

Company Secretary

Ms S Stocker

Auditors

Simpson Wreford & Partners
Chartered Accountants & Statutory Auditors
Suffolk House
George Street
Croydon
Surrey
CR0 0YN

Investment Advisers and Custodian Trustees

Quilter Cheviot Limited
One Kingsway
London
WC2B 6AN

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Report of the Trustees
for the year ended 31st March 2020**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2020. The Trustees have adopted the provisions of 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 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Agreement between the Tobacco Trade Benevolent Association (TTBA) and the Worshipful Company of Tobacco Pipe Makers and Tobacco Blenders Benevolent Fund to merge was completed in early 2010 and the new charity started activities from 1 April 2010.

The Tobacco Pipe Makers and Tobacco Trade Benevolent Fund (the Fund) is a charitable company limited by guarantee and not having a share capital and was incorporated on 25 February 2010. The company was established under a Memorandum of Association which states the objects and powers of the charitable company and is governed under its Articles of Association. The Fund was registered with the Charity Commission on 26 April 2010.

In 2015, the charity received an endowment from the Bernhard Baron Welfare Fund, following approval by the Charity Commission over the distribution of its assets. These assets are ring fenced in a restricted fund, in accordance with the terms of the endowment.

The Fund continues the aims of all previous entities. The assets of the previous TTBA are ring fenced in a restricted fund to ensure that the income from these assets continues to be used to assist those who have worked in the tobacco trade.

Appointment of Trustees

The Trustees who have served during the year and since the year end are:

N M S Rich CBE - resigned 30 June 2020

Fiona J Adler

Antony V Scanlan

David G Lewis

Roger L H Merton MBE

N Mark Gower-Smith

Simon G Orlik

Martine A Petetin

Ralph A V Edmondson

The Trustees are appointed by the Court of the Worshipful Company of Tobacco Pipe Makers and Tobacco Blenders ("the Court") and are Directors of the company as well as Trustees for the purposes of charity law. Under the Articles of Association, there shall be not less than four and no more than nine trustees and one third of the trustees shall retire each year. The retiring trustees shall be eligible for re-appointment but may not serve more than three terms without the approval of two-thirds of the other trustees. Nigel Rich, Fiona Adler and Roger Merton were each re-appointed by the other trustees to serve a fourth term for operational reasons to ensure continuity and effective management of the charitable company.

The Board of Trustees reviews regularly the composition of itself and plans for the retirement of existing trustees and the appointment of new trustees. The Trustees look at the blend of experience and skills of all Trustees to ensure that these meet the needs of the charity. Where vacancies arise, a selection process will be undertaken and a recommendation made to the Court. Prospective trustees are encouraged to attend meetings of the trustees prior to appointment. The Secretary ensures that a new trustee is provided with the necessary background documentation and support to be effective from appointment. The Trustees seek professional advice to keep up to date with changes affecting the charity.

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Report of the Trustees
for the year ended 31st March 2020**

Powers

The Trustees are not restricted in their powers by the Trustee Investment Act 1961.

Management and Internal Controls

The Trustees meet four times a year to review policies, financial results and investments.

The investment advisor, Quilter Cheviot Limited (Quilter Cheviot) issues monthly valuation and quarterly investment reports to the Trustees and advises on investment policy and performance. The Trustees are responsible for determining investment policy and Quilter Cheviot provides custodial services for the Fund's investments. The Trustees are responsible for the internal financial control systems of the Fund as set out below in the Statement of Responsibilities of the Trustees. The Board of Trustees last reviewed its investment managers in 2015 and had presentations from four competing firms. It was decided to continue with Quilter Cheviot.

The financial controls operated by the Trustees include the authorisation of investment policy, allocation of resources and regular reviews of financial results and investment performance.

The Trustees have delegated to Cheviot Capital Nominees Limited (CCN) custodial services for the Fund's securities, including safeguarding of assets, monitoring of corporate activity and collection of income. CCN, a wholly owned subsidiary of Quilter Cheviot, maintains an internal control framework, which is reviewed by the investment advisor's compliance and internal audit departments and external auditors to provide reasonable assurance as to the effectiveness of their internal controls.

Risk Management

The Trustees maintain a risk register and have considered the vulnerability of the Fund to factors that could seriously impair its ability to achieve its objectives. The ability of the Fund to make awards and grants is dependent upon investment income and donations. The Trustees confirm that, taking into account the Reserves Policy below, they have regular reports to ensure that necessary steps may be taken in good time to manage this and other risks.

AIMS AND OBJECTIVES

The objects of the Fund are quite widely drawn but with particular reference to the Benevolent Fund Welfare Committee continuing to apply the income from the restricted assets to provide assistance to members of the tobacco trade and/or their dependants who are in needy circumstances. The Welfare Committee meets regularly during the year to review and approve grants and report to the Board of Trustees. Beneficiaries are visited regularly and are provided with a point of contact. To achieve these aims, contact is maintained with similar charities such as SSAFA, the Royal British Legion and Grocery Aid, to see whether it is possible to share in assisting people in need.

The Trustees implement the charitable objective of the Fund by making awards from the General Fund to various causes. Recent activities include the granting of awards to the Guildhall School of Music, the Arundel Castle Cricket Foundation, Barrow Farm Riding for the Disabled and Pembroke College Settlement. Awards are listed in Note 4 to the financial statements. It is the policy of the Trustees to make grants to smaller causes where awards will make a material difference.

The Trustees have complied with their duty under section 17(5) of the Charities Act 2011 to consider the Charity Commission's guidance on public benefit and believe that their activities meet the requirements.

INVESTMENT PERFORMANCE REVIEW

The Charity's investments are managed on a discretionary basis by Quilter Cheviot. The investment objective across the four funds is to maximise the total return over the long term, whilst maintaining a level of income consistent with the Fund's level of giving.

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Report of the Trustees
for the year ended 31st March 2020**

Performance

In the twelve months to 31st March 2020, the General Fund declined by 6.7%, representing the combined movement of capital and income, the Welfare Fund declined by 7.2%, the Freeman Fund 5.6% and the Bernhard Baron Welfare Fund by 10.9%. These were against declines in the MSCI PIMFA Balanced index of 7.9% and the Asset Risk Consultants (ARC) Charity Steady Growth Index of 7.9%.

Whilst the General Fund benefited from significant relative outperformance from domestic and European equities, it was constrained by weakness from fixed interest and alternatives and underperformance against local market indices in North America, Japan and Asia. This was largely replicated across the other funds, save for the Bernhard Baron Fund which, unlike the main funds that hold the majority of domestic exposure through segregated investment, suffered weak domestic performance from underlying funds.

Over the longer term, focusing on the five year returns to 31 March 2020, save for the Bernhard Baron Welfare Fund, the Funds all have outperformed the peer group. The General Fund enjoyed a total return of 21%, the Welfare Fund 16.9%, the Freeman Fund 13.8% and the Bernhard Baron Welfare Fund 12.1%. This compared to a rise in the Benchmark of 18.9% and 12.5% in the peer group comparator, the ARC Charity Steady Growth Index. Under advice and agreement with the Investment Committee, it has been the Managers' approach to reduce exposure to both British American Tobacco and Imperial Brands, which, for obvious reasons, have been long standing and overweight positions in the portfolios. The historic positions, especially on the Welfare and Freeman Funds, were the major reason for the underperformance on these funds, against the benchmark, over this period, especially the last 3 years.

Throughout the year, the Welfare Fund and General Fund have both generated an income of close to 3.75% - £128,000 and £121,000. The managers expect that the combined impact of the Coronavirus pandemic, coupled with continuing uncertainty surrounding the UK's withdrawal agreement from the European Union and global tensions, especially those between the United States and China, are likely to contribute to ongoing periods of volatility over the course of the next 12 months.

They also expect dividends and income in general to remain under extreme pressure and have forewarned that income receipts in the year ahead are likely to fall in the region of 20%. The managers are confident that the portfolios remain suitability well-diversified to withstand a reasonable degree of capital volatility over the medium to long term, but sharp movements may still occur in the short term.

FINANCIAL REVIEW

Incoming resources for the year were £448,872 (2019: £467,578) which includes investment income of £266,593 (2019: £283,056). Donations were £143,030 (2019: £175,024), the variance being due mainly to the timing of certain donations, and the Trustees are especially grateful to Imperial Brands, British American Tobacco and JTI for their continued generous support of the Welfare Fund. Total resources expended were £369,225 (2019: £406,581). The Trustees also report realised investment gains of £64,085 (2019: gains of £481,078) and unrealised losses of £821,775 (2019: losses of £352,467). The net consequence of realised and unrealised movements during the year was a loss of £757,690 (2019: gain of £128,611).

The Welfare Fund supports around 120 former members of the tobacco trade and the General Fund continues to give grants to other charities particularly those who provide services to disadvantaged youth from the Inner London boroughs.

Reserves policy

The Trustees have considered the vulnerability of the Fund to factors that could seriously impair its ability to achieve its objectives. The most serious impairment would be a significant reduction in its investment income. The ability of the Fund to make awards and grants, however, is not directly dependent upon the value of its investments. In view of recent market uncertainty, the Trustees hold the equivalent of one year's income in cash, in the unrestricted fund, to enable the continued giving if investment income fell sharply.

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Report of the Trustees
for the year ended 31st March 2020**

Future Developments

In March 2020, the World Health Organization declared the global novel coronavirus disease ("COVID-19") outbreak a pandemic. The UK Government confirmed the spread of the disease throughout the United Kingdom and during the course of the year implemented measures to seek to slow the spread and mitigate the impact of the virus. As at the date the financial statements were authorised for issue, the charity's operations have not been adversely impacted by the pandemic. The trustees continue to monitor the impact of the pandemic on the charity's operations and financial health on a regular basis.

STATEMENTS AS TO DISCLOSURE OF INFORMATION TO AUDITORS

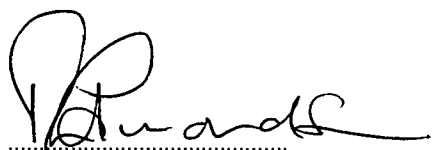
So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware. Each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

AUDITORS

The Trustees will be reviewing the provision of audit services during the forthcoming year.

Approved by order of the board of Trustees on 8th December 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R A V Edmondson', written over a dotted line.

R A V Edmondson
Trustee

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Statement of Trustees Responsibilities
for the year ended 31st March 2020**

The Trustees (who are also the directors of The Tobacco Pipe Makers and Tobacco Trade Benevolent Fund for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Report of the Independent Auditors to the Members of
The Tobacco Pipe Makers and Tobacco
Trade Benevolent Fund (Registered number: 07170030)**

Opinion

We have audited the financial statements of The Tobacco Pipe Makers and Tobacco Trade Benevolent Fund (the 'charitable company') for the year ended 31st March 2020 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 charitable company 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 charitable company'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 Report of the Independent Auditors 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

**Report of the Independent Auditors to the Members of
THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND (Registered number: 07170030)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Timothy Lindfield (Senior Statutory Auditor)
for and on behalf of Simpson Wreford & Partners
Chartered Accountants & Statutory Auditors
Suffolk House
George Street
Croydon
Surrey
CR0 0YN

Date: 23rd Dec 2020

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Statement of Financial Activities
for the year ended 31st March 2020**

		Unrestricted funds	Restricted funds	31.3.20 Total funds	31.3.19 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies		31,876	111,154	143,030	175,024
Charitable activities	2				
Undertakings to repay		-	39,249	39,249	9,498
Investment income	3	<u>122,578</u>	<u>144,015</u>	<u>266,593</u>	<u>283,056</u>
Total		154,454	294,418	448,872	467,578
EXPENDITURE ON					
Charitable activities	4				
General		<u>148,702</u>	<u>220,523</u>	<u>369,225</u>	<u>406,581</u>
Total		5,752	73,895	79,647	60,997
Net gains/(losses) on investments		<u>(339,110)</u>	<u>(418,580)</u>	<u>(757,690)</u>	<u>128,611</u>
NET INCOME/(EXPENDITURE)		(333,358)	(344,685)	(678,043)	189,608
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>3,673,807</u>	<u>4,225,817</u>	<u>7,899,624</u>	<u>7,710,016</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>3,340,449</u></u>	<u><u>3,881,132</u></u>	<u><u>7,221,581</u></u>	<u><u>7,899,624</u></u>

The notes form part of these financial statements

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Balance Sheet
At 31st March 2020**

		Unrestricted funds	Restricted funds	31.3.20 Total funds	31.3.19 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	8	-	24,146	24,146	24,546
Investments	9	<u>2,989,766</u>	<u>3,362,843</u>	<u>6,352,609</u>	<u>7,293,604</u>
		2,989,766	3,386,989	6,376,755	7,318,150
CURRENT ASSETS					
Debtors	10	-	53,500	53,500	14,000
Cash at bank		<u>353,683</u>	<u>448,101</u>	<u>801,784</u>	<u>577,894</u>
		353,683	501,601	855,284	591,894
CREDITORS					
Amounts falling due within one year	11	(3,000)	(7,458)	(10,458)	(10,420)
NET CURRENT ASSETS		<u>350,683</u>	<u>494,143</u>	<u>844,826</u>	<u>581,474</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,340,449</u>	<u>3,881,132</u>	<u>7,221,581</u>	<u>7,899,624</u>
NET ASSETS		<u>3,340,449</u>	<u>3,881,132</u>	<u>7,221,581</u>	<u>7,899,624</u>
FUNDS	12				
Unrestricted funds:					
General fund				3,340,449	3,673,807
Restricted funds:					
Robert Freeman Master's Fund				137,171	150,193
Welfare Fund				<u>3,743,961</u>	<u>4,075,624</u>
				<u>3,881,132</u>	<u>4,225,817</u>
TOTAL FUNDS				<u>7,221,581</u>	<u>7,899,624</u>

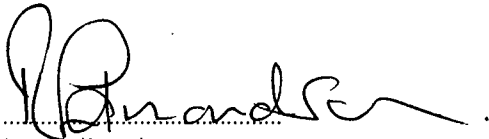
The notes form part of these financial statements

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Balance Sheet - continued
At 31st March 2020**

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 8th December 2020 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R A V Edmondson', written over a dotted line.

R A V Edmondson
Trustee

The notes form part of these financial statements

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Notes to the Financial Statements
for the year ended 31st March 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the income, it is probable that the income will be receivable and the amount of income can be measured reliably.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activities comprise those costs incurred by the charity in the delivery of its activities and include grants and donations paid to its beneficiaries.

Support and governance costs include those costs that assist the work of the charity but do not directly undertake charitable activities, and include investment management fees, auditors' remuneration and other such administration costs.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rate in order to write off the asset over its estimated useful life.

Freehold Property - 1% on Cost

Investments

Investments comprise publicly quoted, listed securities, including shares, bonds and units. Investments are stated at fair value at the balance sheet date. The basis of fair value for investments is equivalent to the market value, using the mid-price. Asset sales and purchases are recognised at the date of trade.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than twenty four hours.

Creditors

Short term creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are measured at the transaction price.

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Notes to the Financial Statements - continued
for the year ended 31st March 2020**

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INCOME FROM CHARITABLE ACTIVITIES

Incoming Resources

	Unrestricted Funds £	Restricted Funds £	31.3.20 Total Funds £	31.3.19 Total Funds £
Voluntary income				
Donations	31,876	111,154	143,030	175,024
Investment income - Bank interest received	262	188	450	31
Investment income	122,316	138,278	260,594	277,361
Robert Freeman Master's Fund	-	5,549	5,549	5,664
	154,454	255,169	409,623	458,080
Income from Charitable Activities				
Undertakings to repay	-	39,249	39,249	9,498
	<u>154,454</u>	<u>294,418</u>	<u>448,872</u>	<u>467,578</u>

3. INVESTMENT INCOME

	31.3.20 £	31.3.19 £
Investment income	266,143	283,025
Deposit account interest	<u>450</u>	<u>31</u>
	<u>266,593</u>	<u>283,056</u>

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Notes to the Financial Statements - continued
for the year ended 31st March 2020**

4. CHARITABLE ACTIVITIES COSTS

Charitable activities	Unrestricted Fund £	Restricted Fund £	31.3.20 Total Funds £	31.3.19 Total Funds £
Grants and donations				
Sevenoaks School Music award	500	-	500	500
Pembroke Music & Dance projects	30,000	-	30,000	30,000
Arundel Castle Cricket Foundation	10,000	-	10,000	10,000
Guildhall School of Music awards	20,000	-	20,000	20,000
Riding and Carriage Driving for the Disabled Barrow Farm	10,000	-	10,000	10,000
Sheriffs' and Recorder's Fund	10,000	-	10,000	10,000
Royal British Legion	500	-	500	500
Clergy Support Trust	500	-	500	500
The London Regiment Welfare Fund	2,500	-	2,500	2,500
St Lawrence Jewry	1,000	-	1,000	1,000
Physics Partners	10,000	-	10,000	10,000
ABF The Soldiers' Charity	1,000	-	1,000	1,000
The Company of Hackney Carriage Drivers'	1,400	-	1,400	1,400
Charitable Trust (Magical Taxi Tour Disney)				
Bobath Centre	10,000	-	10,000	10,000
Mark Evison Foundation	10,000	-	10,000	10,000
St. Paul's Cathedral Foundation	1,000	-	1,000	1,000
Katherine Low Settlement	5,000	-	5,000	14,000
KEEN London	-	-	-	7,200
Spitalfields Crypt Trust	11,000	-	11,000	11,000
Welfare fund				
Maintenance grants	-	25,600	25,600	29,400
Pensions and general relief	-	45,165	45,165	48,510
One off Grants	-	30,576	30,576	34,721
Welfare Assistance	-	31,489	31,489	30,020
TV Rentals and Licences	-	6,647	6,647	6,475
Christmas and Birthday Gifts	-	23,659	23,659	26,195
House Insurance	-	952	952	459
Deprecation of Buildings	-	400	400	400
Robert Freeman Master's Fund				
The London Nautical School	-	1,000	1,000	-
The Temple Church	-	500	500	-
The Wellington Trust	-	250	250	-
Irish Guards Association Benevolent Account	-	500	500	-
Iron Bridge Gorge Museum	-	250	250	-
Sevenoaks School Foundation	-	2,500	2,500	-
All Hallows by the Tower	-	250	250	-
The Ulysses Trust	-	-	-	3,000
Give a Book	-	-	-	1,000
Glass Door	-	-	-	1,000
Decibels	-	-	-	500
	134,400	169,738	304,138	332,280

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Notes to the Financial Statements - continued
for the year ended 31st March 2020**

4. CHARITABLE ACTIVITIES COSTS - continued

	Unrestricted Fund £	Restricted Fund £	31.3.20 Total Funds £	31.3.19 Total Funds £
Grants and donations	<u>134,400</u>	<u>169,738</u>	<u>304,138</u>	<u>332,280</u>
Support costs and governance				
Auditors' remuneration	3,000	3,000	6,000	6,000
Investment management fees	2,628	2,954	5,582	23,969
Trustees' indemnity insurance	620	-	620	615
Administration fees	7,602	39,690	47,292	38,855
Office costs and bank charges	452	2,600	3,052	2,475
House repairs	-	338	338	1,109
Sundries	-	2,203	2,203	1,278
	<u>14,302</u>	<u>50,785</u>	<u>65,087</u>	<u>74,301</u>
Total	<u><u>148,702</u></u>	<u><u>220,523</u></u>	<u><u>369,225</u></u>	<u><u>406,581</u></u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.20 £	31.3.19 £
Auditors' remuneration	6,000	6,000
Depreciation - owned assets	<u>400</u>	<u>400</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or reimbursed expenses for the year ended 31st March 2020 nor for the year ended 31st March 2019.

The charity has a trustees' indemnity insurance policy and a premium of £620 (2019: £615) has been charged in these financial statements.

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

Notes to the Financial Statements - continued
for the year ended 31st March 2020

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	24,365	150,659	175,024
Undertakings to repay	-	9,498	9,498
Investment income	<u>128,647</u>	<u>154,409</u>	<u>283,056</u>
Total	153,012	314,566	467,578
 EXPENDITURE ON			
Charitable activities			
General	<u>166,021</u>	<u>240,560</u>	<u>406,581</u>
Net gains/(losses) on investments	<u>78,206</u>	<u>50,405</u>	<u>128,611</u>
NET INCOME/(EXPENDITURE)	65,197	124,411	189,608
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>3,608,610</u>	<u>4,101,406</u>	<u>7,710,016</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>3,673,807</u></u>	<u><u>4,225,817</u></u>	<u><u>7,899,624</u></u>

8. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1st April 2019 and 31st March 2020	<u>40,178</u>
 DEPRECIATION	
At 1st April 2019	15,632
Charge for year	<u>400</u>
At 31st March 2020	<u>16,032</u>
 NET BOOK VALUE	
At 31st March 2020	<u>24,146</u>
At 31st March 2019	<u>24,546</u>

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Notes to the Financial Statements - continued
for the year ended 31st March 2020**

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2019	7,293,604
Additions	324,354
Disposals	(443,574)
Revaluations	<u>(821,775)</u>
At 31st March 2020	<u>6,352,609</u>
 NET BOOK VALUE	
At 31st March 2020	<u>6,352,609</u>
At 31st March 2019	<u>7,293,604</u>

55% of the investments held were inside the UK.

Revaluations

	31.3.20 £	31.3.19 £
Realised investment gains	64,085	481,078
Unrealised losses	<u>(821,775)</u>	<u>(352,467)</u>
	<u>(757,690)</u>	<u>128,611</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Trade debtors	-	-
Prepayments and accrued income	<u>53,500</u>	<u>14,000</u>
	<u>53,500</u>	<u>14,000</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Accruals and deferred income	<u>10,458</u>	<u>10,420</u>

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Notes to the Financial Statements - continued
for the year ended 31st March 2020**

12. MOVEMENT IN FUNDS

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	3,673,807	(333,358)	3,340,449
Restricted funds			
Robert Freeman Master's Fund	150,193	(13,022)	137,171
Welfare Fund	<u>4,075,624</u>	<u>(331,663)</u>	<u>3,743,961</u>
	4,225,817	(344,685)	3,881,132
TOTAL FUNDS	<u><u>7,899,624</u></u>	<u><u>(678,043)</u></u>	<u><u>7,221,581</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	154,454	(148,702)	(339,110)	(333,358)
Restricted funds				
Robert Freeman Master's Fund	5,549	(5,363)	(13,208)	(13,022)
Welfare Fund	<u>288,869</u>	<u>(215,160)</u>	<u>(405,372)</u>	<u>(331,663)</u>
	294,418	(220,523)	(418,580)	(344,685)
TOTAL FUNDS	<u><u>448,872</u></u>	<u><u>(369,225)</u></u>	<u><u>(757,690)</u></u>	<u><u>(678,043)</u></u>

Comparatives for movement in funds

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted Funds			
General fund	3,608,610	65,197	3,673,807
Restricted Funds			
Robert Freeman Master's Fund	149,230	963	150,193
Welfare Fund	<u>3,952,176</u>	<u>123,448</u>	<u>4,075,624</u>
	4,101,406	124,411	4,225,817
TOTAL FUNDS	<u><u>7,710,016</u></u>	<u><u>189,608</u></u>	<u><u>7,899,624</u></u>

**THE TOBACCO PIPE MAKERS AND TOBACCO
TRADE BENEVOLENT FUND**

**Notes to the Financial Statements - continued
for the year ended 31st March 2020**

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	153,012	(166,021)	78,206	65,197
Restricted funds				
Robert Freeman Master's Fund	5,664	(6,058)	1,357	963
Welfare Fund	<u>308,902</u>	<u>(234,502)</u>	<u>49,048</u>	<u>123,448</u>
	314,566	(240,560)	50,405	124,411
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>467,578</u>	<u>(406,581)</u>	<u>128,611</u>	<u>189,608</u>

Restricted Funds

Welfare Fund

This fund is the former Tobacco Trade Benevolent Association and its resources are restricted to assist former tobacco industry and associated trade employees and their dependants who are in needy circumstances. Grants may be given on a regular basis with additional amounts to help with winter fuel bills or other large items of household expenditure as well as television licences and rentals. One off grants are considered for essential items which are beyond the means of an applicant.

Bernhard Baron Welfare Fund

Included within the Welfare Fund within the financial statements, the Bernhard Baron Welfare Fund was acquired in 2015 by way of an endowment from Bernhard Baron Welfare Fund (registered charity 247818), following Charity Commission Approval. Its reserves are restricted to providing assistance in the form of one off grants to former employees of Carrerras Limited and associated companies (British American Tobacco) but not exclusively.

The Robert Freeman Master's Fund

These financial statements include the income, expenditure, assets and liabilities of The Robert Freeman Master's Fund which is a restricted fund for charitable gifts by the Master of the Livery Company during his or her year of office. Investment remains significantly in tobacco shares, which was the wish (although not binding) of the donor. The Trustees are of the opinion that these funds are under the control of the Charity.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2020.