

**FREDERICK GEORGE DRAY,
RESIDUARY ESTATE TRUST**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

Charity Number 211443

FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

CONTENTS PAGE

	Pages
Reference and Administration Details	1
Report of the Trustee	2 - 4
Independent Examiner's Report	5
Receipts and Payments Account	6
Statement of Assets and Liabilities	7
Appendix 1	8

FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

REFERENCE AND ADMINISTRATION DETAILS

Corporate Trustee	HSBC Trust Company (UK) Limited
Current Directors of Corporate Trustee	J Coyle J Hewiston P M Spencer
Trust Manager	N Millar
Principal Office	Forum 1 The Forum Parkway Whiteley Fareham Hampshire PO15 7PA
Independent Examiner	Frances Millar ACA RSM UK Tax and Accounting Limited Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY
Bankers	HSBC Bank Plc Forum 1 The Forum Parkway Whiteley Fareham Hampshire PO15 7PA
Investment Managers	HSBC UK Bank PLC 1 Centenary Square Birmingham B1 1HQ

FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 5 APRIL 2021

The Trustee presents its report together with the financial statements of the charity for the year ended 5 April 2021, which have been prepared on a receipts and payments basis. The financial statements have been prepared in accordance with the charity's constitution and applicable law.

The purchase and sale of investments results from the day to day management of the investment portfolio by the Investment Manager. In accordance with the Charities Act, the financial statements have been prepared on the receipts and payments basis given that the definition of gross income excludes the receipt of any endowment, loans and proceeds from the sale of investments or fixed assets.

Structure, government and management

The Frederick George Dray, Residuary Estate Trust is an unincorporated trust and is constituted under the will dated 20 January 1938 of the late Mr Frederick George Dray. The trust is a registered charity (no. 211443).

The Corporate Trustee has appointed a designated trust manager to look after the charity. The Investment Manager reviews the performance and provides recommendations on the structure of the investment portfolios.

The power to appoint additional Trustees is vested in the current Trustee and is exercisable in writing. Should new Trustees be appointed, the existing Trustee would take responsibility of their induction.

The Trustee has examined the major strategic, business and operational risks which the charity faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks. The main risk in the year was the variability of investment returns.

Objectives and activities

The objectives of the charity are in perpetuity to pay or to apply the income from the trust fund for the benefit of the following charities, in equal proportions;

- Dr Barnardo's Homes
- Lord Mayor Treloar's Cripples Hospital (now known as Treloar Trust)
- Spurgeon's Orphan Homes Stockwell (now known as Spurgeon's Child Care)
- West London Hospital, Hammersmith (now known as Imperial College Healthcare)

The charity awards grants to these charitable institutions throughout the year.

Achievements and performance

During the year 18 (2020: 18) grants totalling £22,177 (2020: £33,608) were awarded to charitable institutions. Of the above no grants were awarded to individuals to cover refreshment and travel expenses to visit the grave of Mr Frederick George Dray, as detailed in his last will and testament. The beneficiaries are disclosed in Appendix 1 of the financial statements.

Financial review

The charity received donations from the estate of the late Mr Frederick George Dray to be held in perpetuity. These funds generate income, which is used for the purpose of grant making, in accordance with the objectives set out above. The fund generated investment income of £26,680 (2020: £33,212) in the year to fund its charitable activities. The expenditure on charitable activities was £22,428 (2020: £33,985), of which £22,177 (2020: £33,608) was charitable expenditure in the form of grants to charitable institutions.

FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

REPORT OF THE TRUSTEE cont. FOR THE YEAR ENDED 5 APRIL 2021

Investment policy

In accordance with the governing document, the Trustee has the power to invest in such stocks, shares, investments and property as they see fit. The Trustee engaged HSBC UK Bank plc as Investment Manager. The policy is to adopt a low to medium risk investment strategy to protect, in absolute terms, the capital value of the fund whilst producing a sustainable and growing level of income and providing the potential for longer term growth of capital in real terms.

Reserves policy

The unrestricted funds, which are the free reserves of the charity, and which are represented by the income arising, are paid over to beneficiaries throughout the year. It is not the policy of the charity to maintain specific reserves.

The restricted funds are held in a Spurgeon's Child Care Fund. These funds were set up in accordance with the will for the sole purpose of applying income thereon to Spurgeon's Child Care. The balance on the fund was:

	2021	2020
	£	£
Spurgeon's Child Care	2,159	1,754

The permanent endowment funds represent those assets which are held permanently by the charity and are principally investments. Income arising on the endowment fund can be used in accordance with the objectives of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management fees and certain management and administration costs are charged against the fund in accordance with the terms of the governing document.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustee considers how planned activities will contribute to the aims and objectives they have set.

Plans for the future

The Trustee intends to continue providing grants in a similar way to the recent past whilst retaining flexibility as to the timing and scale of grant making.

Related parties

The Corporate Trustee and the Investment Manager are both wholly owned subsidiaries of HSBC Holdings plc.

In addition to the fees shown on page 6, as a result of the acquisition and disposal of investments, the charity pays transaction charges to HSBC Bank PLC. The charges are calculated on a sliding scale at a percentage of the transactions value plus VAT and are added to or deducted from the cost of the investments or the disposal proceeds in accordance with UK standard accounting practice.

FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

REPORT OF THE TRUSTEE cont. FOR THE YEAR ENDED 5 APRIL 2021

Statement of Trustee's responsibilities in relation to the financial statements

The law applicable to charities in England and Wales requires the Trustee 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 those financial statements, giving a true and fair view, the Trustee 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 Trustee is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) 2008 Regulations and the provisions of the trust deed.

The Trustee is responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustee and signed on its behalf:

Nigel Millar
.....

HSBC Trust Company (UK) Limited

Date: 20 January 2022
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FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF THE FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

I report to the Trustee on my examination of the financial statements of the Frederick George Dray, Residuary Estate Trust for the year ended 5 April 2021, which are set out on pages 6 to 7.

Responsibilities and basis of report

As the Trustee of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's financial statements 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 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

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 reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

Frances Millar

Frances Millar ACA
The Institute of Chartered Accountants in England and Wales
Chartered Accountant

On behalf of RSM UK Tax and Accounting Limited
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Date: 21-Jan-2022

FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 5 APRIL 2021

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £	Total 2020
Receipts					
Investment income	26,680	-	-	26,680	33,212
	<u>26,680</u>	<u>-</u>	<u>-</u>	<u>26,680</u>	<u>33,212</u>
Investment sale proceeds					
Proceeds from the sale of investments	-	-	988,441	988,441	546,370
	<u>-</u>	<u>-</u>	<u>988,441</u>	<u>988,441</u>	<u>546,370</u>
Total receipts	<u>26,680</u>	<u>-</u>	<u>988,441</u>	<u>1,015,121</u>	<u>579,582</u>
Payments					
Cost of generating funds					
Investment service charge	-	-	2,956	2,956	1,216
	<u>-</u>	<u>-</u>	<u>2,956</u>	<u>2,956</u>	<u>1,216</u>
Charitable activities					
Grants paid	22,177	-	-	22,177	33,608
Other allocated costs	251	-	-	251	377
	<u>22,177</u>	<u>-</u>	<u>-</u>	<u>22,177</u>	<u>33,608</u>
	<u>251</u>	<u>-</u>	<u>-</u>	<u>251</u>	<u>377</u>
Governance costs					
Independent examiner's fee	2,088	-	-	2,088	2,028
	<u>2,088</u>	<u>-</u>	<u>-</u>	<u>2,088</u>	<u>2,028</u>
	<u>24,516</u>	<u>-</u>	<u>2,956</u>	<u>27,472</u>	<u>37,229</u>
Investment purchases					
Payments for purchases of investments	-	-	1,004,815	1,004,815	534,073
	<u>-</u>	<u>-</u>	<u>1,004,815</u>	<u>1,004,815</u>	<u>534,073</u>
Total payments	<u>24,516</u>	<u>-</u>	<u>1,007,771</u>	<u>1,032,287</u>	<u>571,302</u>
Net receipts/(payments)	2,164	-	(19,330)	(17,166)	8,280
Transfers between funds	(2,348)	-	2,348	-	-
Cash invested at 6 April 2020	560	15	42,746	43,321	35,041
Cash invested at 5 April 2021	<u>376</u>	<u>15</u>	<u>25,764</u>	<u>26,155</u>	<u>43,321</u>

These unaudited financial statements have been subjected to independent examination. See report on page 5.

FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

**STATEMENT OF ASSETS AND LIABILITIES
AT 5 APRIL 2021**

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £	Total 2020 £
Investments					
UK Fixed Interest Collectives	-	-	-	-	127,587
UK Collectives	-	-	42,832	42,832	19,744
Overseas Collectives	-	2,144	1,024,434	1,026,578	658,205
UK Equities	-	-	20,463	20,463	-
Overseas Equities	-	-	282,488	282,488	296,314
Cash	376	15	25,764	26,155	43,321
Total assets	<u>376</u>	<u>2,159</u>	<u>1,395,981</u>	<u>1,398,516</u>	<u>1,145,171</u>
Liabilities					
Professional fees payable	<u>2,155</u>	<u>-</u>	<u>-</u>	<u>2,155</u>	<u>2,088</u>

Approved by the Trustee and authorised for issue on 20 January 2022. and signed on their behalf:

Nigel Millar
.....
HSBC Trust Company (UK) Limited

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These unaudited financial statements have been subjected to independent examination. See report on page 5.

FREDERICK GEORGE DRAY, RESIDUARY ESTATE TRUST

**APPENDIX 1
BREAKDOWN OF CHARITABLE GRANTS**

Institution	Number of grants	Amount £
Dr Barnardo's Homes	4	5,534
Imperial College Healthcare	4	5,534
Spurgeon's Child Care	6	5,575
Treloar Trust	4	5,534
	18	22,177
