

**THE SEARLE CHARITABLE TRUST**

**REPORT AND STATUTORY ACCOUNTS**

**YEAR ENDED 5 APRIL 2017**

# THE SEARLE CHARITABLE TRUST

## I N D E X

Year ended 5 April 2017

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# THE SEARLE CHARITABLE TRUST

## REPORT OF THE TRUSTEES

**Year ended 5 April 2017**

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The Trustees present their annual report and accounts of the Charity for the year ended 5 April 2017. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements. The statements comply with the Charity's Trust Deed, the Charities Act 2011 and 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 (SORP FRS 102) (effective 1 January 2015).

### **Structure, governance and management**

The Trust was constituted on 14 January 1982, and is governed by the Trust Deed. The Trustees who served during the year are shown in the 'Reference and administrative details' section below. New Trustees may be appointed by the existing Trustees by virtue of a power contained within the Trust Deed. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

The Trustees have assessed the risks to which the charity might be exposed and consider them to be minimal. The Trustees have addressed such risks that exist.

### **Objectives and activities for the public benefit**

The object of the Charity, under the terms of the Trust Deed, is to make donations to any charitable body, association or organisation at the discretion of the Trustees.

The Trust Deed provides that the income and (at the Trustees' discretion) the whole or part of the Trust fund be applied for charitable purposes.

The Trustees having regard to the public benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011 consider that the purpose and activities of the Charity satisfy the requirements of the public benefit test set out in section 4 of the same act.

### **Organisation**

The Charity is governed by its Trustees who may exercise all the powers contained within the Trust Deed.

In accordance with the Trust Deed, the Trustees have power to invest in such stocks, shares, investments and property in any part of the world as they see fit. The Trustees appointed Standard Life Wealth Management as investment managers on a discretionary basis to invest for a balanced return of income and capital growth in the long term.

### **Financial review**

In total, funds increased by £908,722 in the year to £5,730,806 (2016 - decreased by £103,364 to £4,822,084).

The Trustees make donations and grants on a discretionary basis. The Trustees have continued with their policy of supporting the Rona Trust. During the year the Trustees made grants of £62,500 (2016 - £62,500) to the Rona Trust.

During the year the Charity also made grants to:

NECCR

The Dallaglio Foundation

Hire a Hero

### **Reserves policy**

At 5 April 2017 there was £619,199 of undistributed income (2016 - £573,092). The Trustees consider the aggregate level of capital and undistributed income sufficient to meet their objectives. The Trustees have the power to invest as they think fit any funds not immediately required.

# THE SEARLE CHARITABLE TRUST

## REPORT OF THE TRUSTEES

Year ended 5 April 2017

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### Investment policy

The Trustees' principal resources arise from investment income. In this regard the Trustees have noted the statutory duty of care required by the Trustee Act 2000, in relation to their holding suitable investments and the need for diversification of investments so far as is appropriate to the circumstances of the Trust. Given the Trustees' distribution policy their view is that the retention of the excess assets of the Trust in cash pending their distribution reflects suitable investment of the Charity's funds.

### Reference and administrative details

<b>Settlor</b>	Andrew Donald Searle
<b>Date of settlement</b>	14 January 1982
<b>Charity registration number</b>	288541
<b>Trustees</b>	Andrew Donald Searle Victoria Caroline Searle
<b>Registered address</b>	c/o Dixon Wilson 22 Chancery Lane London WC2A 1LS
<b>Independent Examiner</b>	S M Rose ACA CTA Dixon Wilson 22 Chancery Lane London WC2A 1LS
<b>Investment Advisors</b>	Standard Life Wealth Limited 1 George Street Edinburgh EH2 2LL
<b>Banker</b>	Coutts & Co Campbell's Office 440 Strand London WC2R 0QS

Approved by the Trustees on 2 July 2018 and signed on their behalf by:

A D SEARLE  
Chairman

# THE SEARLE CHARITABLE TRUST

## I N D E P E N D E N T   E X A M I N E R ' S   R E P O R T

Year ended 5 April 2017

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### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SEARLE CHARITABLE TRUST

I report to the Trustees on my examination of the accounts of the Trust for the year ended 5 April 2017.

#### 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'). You are satisfied that an audit is not required for this year under charity law and that an independent examination is needed.

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.

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 than an auditor considers in giving their opinion on the accounts. 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 accounts 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 am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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 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.
4. The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (SORP FRS 102).

I have no concerns and have come across no 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.

SUZANNE ROSE ACA CTA  
Dixon Wilson  
22 Chancery Lane  
London  
WC2A 1LS

2 July 2018

# THE SEARLE CHARITABLE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended 5 April 2017

	Note	Unrestricted Income Fund £	Expendable Endowment Fund £	2017 £	2016 £
<b>Income and endowments from:</b>					
<i>Investments:</i>					
Investment income	2	113,281	-	113,281	112,299
<b>Total income and endowments</b>		<u>113,281</u>	<u>-</u>	<u>113,281</u>	<u>112,299</u>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Investment management fees	3	-	28,209	28,209	24,700
<i>Charitable activities:</i>					
Grants made	4	64,500	-	64,500	62,500
Accountancy fees	4	2,305	-	2,305	2,295
Bank charges	4	369	-	369	362
<b>Total expenditure</b>		<u>67,174</u>	<u>28,209</u>	<u>95,383</u>	<u>89,857</u>
Net gains/(losses) on investments	5	-	890,824	890,824	(125,806)
<b>Net income/(expenditure)</b>		<u>46,107</u>	<u>862,615</u>	<u>908,722</u>	<u>(103,364)</u>
<b>Net movement in funds</b>		<u>46,107</u>	<u>862,615</u>	<u>908,722</u>	<u>(103,364)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		573,092	4,248,992	4,822,084	4,925,448
<b>Total funds carried forward (page 6)</b>		<u>619,199</u>	<u>5,111,607</u>	<u>5,730,806</u>	<u>4,822,084</u>

The notes on pages 7 to 12 form part of these financial statements.

All amounts relate to continuing operations.

The charity has no recognised gains and losses other than as stated above.

**THE SEARLE CHARITABLE TRUST****B A L A N C E   S H E E T****At 5 April 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Fixed assets</b>			
Investments at market value	5	<u>5,025,758</u>	<u>4,163,332</u>
<b>Current assets</b>			
Cash at bank	6	<u>717,161</u>	<u>669,592</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	7	<u>(12,113)</u>	<u>(10,840)</u>
<b>Net current assets</b>		<u>705,048</u>	<u>658,752</u>
<b>Total net assets</b>		<u>5,730,806</u>	<u>4,822,084</u>
 <b>The funds of the charity</b>			
Unrestricted Income Fund (page 5)		619,199	573,092
Expendable Endowment Fund (page 5)		<u>5,111,607</u>	<u>4,248,992</u>
<b>Total charity funds</b>		<u>5,730,806</u>	<u>4,822,084</u>

The financial statements on pages 5 to 12 were approved by the Trustees on 2 July 2018.

A D SEARLE  
Trustee

V C SEARLE  
Trustee

# THE SEARLE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2017

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### I. Accounting Policies

#### (a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared under the historical cost convention modified to include the revaluation of investments. The financial statements are presented in sterling which is the financial currency of the Trust and rounded to the nearest £.

The Trustees consider that there are no material uncertainties about the Trusts ability to continue as a going concern.

#### (b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The Charity transitioned from previously extant UK GAAP as at 6 April 2015. No restatements were required.

#### (c) Fund accounting policy

The Charity comprises of an Unrestricted Income Fund and an Expendable Endowment Fund. Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Charity. Expendable Endowment Funds are capital funds that may be freely converted into spendable income as the Trustees see fit.

#### (d) Income

Investment gains and losses includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Dividends and similar income are recognised on the date the Trust becomes entitled to the income. Interest is recognised on an accruals basis.

#### (e) Expenditure and liabilities

Donations are recognised when the Charity is committed to making the donations. All other expenditure is based on an accruals basis. The Charity has creditors which are measured at settlement amounts.

#### (f) Assets

Fixed asset investments in quoted shares, traded bond and similar investments are initially recognised at transaction price and subsequently measured at fair value. All realised and unrealised gains are taken to the statement of financial activities.

#### (g) Taxation

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its Charitable Objectives.

#### (h) Trustees' remuneration and expenses

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind.

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# THE SEARLE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2017

### 2. Investment income

	Unrestricted Income Fund £	Expendable Endowment Fund £	Total 2017 £	Unrestricted Income Fund £	Expendable Endowment Fund £	Total 2016 £
UK equities	80,313	-	80,313	85,995	-	85,995
Overseas	32,780	-	32,780	25,900	-	25,900
Deposit interest	146	-	146	370	-	370
Fixed interest	42	-	42	34	-	34
	<u>113,281</u>	<u>-</u>	<u>113,281</u>	<u>112,299</u>	<u>-</u>	<u>112,299</u>

### 3. Raising funds

	Unrestricted Income Fund £	Expendable Endowment Fund £	Total 2017 £	Unrestricted Income Fund £	Expendable Endowment Fund £	Total 2016 £
Investment management fees	-	28,209	28,209	-	24,700	24,700

### 4. Charitable activities

The Charity undertakes its charitable activities through grant making and awards grants to institutions in furtherance of its charitable objectives.

	Grant-funded activity £	Governance costs £	Total 2017 £
Funded from Unrestricted Income Fund:			
Grant making	64,500	2,674	67,174
Total	<u>64,500</u>	<u>2,674</u>	<u>67,174</u>

#### Governance costs

	2017 £	2016 £
Bank charges	369	362
Accountancy fees	1,560	1,565
Bookkeeping fees	745	730
	<u>2,674</u>	<u>2,657</u>

#### Accountancy fees payable to the Independent Examiner's firm as follows:

	2017 £	2016 £
- Examination	1,000	1,000
- Accountancy	560	565
	<u>1,560</u>	<u>1,565</u>

# THE SEARLE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2017

	2017 £	2016 £
<b>Recipients of institutional grants:</b>		
Rona Trust – London Sailing Project	62,500	62,500
NECCR	500	-
The Dallaglio Foundation	1,000	-
Hire a Hero Charity	500	-
	<u>64,500</u>	<u>62,500</u>

The Trustees did not receive remuneration or reimbursed expenses in the year.

### 5. Fixed asset investments

	Unrestricted Income Fund £	Expendable Endowment Fund £	Total 2017 £	Unrestricted Income Fund £	Expendable Endowment Fund £	Total 2016 £
<b>Market value</b>						
At 6 April 2016	-	4,163,332	4,163,332	-	4,306,791	4,306,791
Additions at cost	-	581,353	581,353	-	331,367	331,367
Disposals at carrying value	-	(391,237)	(391,237)	-	(387,691)	(387,691)
Unrealised gains/(losses) on investments	-	851,696	851,696	-	(113,594)	(113,594)
Movement in cash balance	-	(179,386)	(179,386)	-	26,459	26,459
At 5 April 2017	-	<u>5,025,758</u>	<u>5,025,758</u>	-	<u>4,163,332</u>	<u>4,163,332</u>
<b>Historical cost</b>	-	<u>2,407,822</u>	<u>2,407,822</u>	-	<u>2,259,826</u>	<u>2,259,826</u>

	2017 £	2016 £
<b>Investments at market value consists of</b>		
UK listed investments	4,991,654	3,949,842
Cash held for investment	34,104	213,490
	<u>5,025,758</u>	<u>4,163,332</u>

### Reconciliation of realised and unrealised gains on investments

Unrealised gains/ (losses)	851,694	(113,594)
Realised gains/ (losses)	39,130	(12,212)
	<u>890,824</u>	<u>(125,806)</u>

The following investment holdings are in the opinion of the Trustees material:

	Market value £	Portfolio %
Findlay Park Funds Plc American Fund	400,026	7.96

# THE SEARLE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2017

6. Cash at bank	2017 £	2016 £
Coutts & Co current account	715,103	668,383
Standard Life income account	2,058	1,209
	<u>717,161</u>	<u>669,592</u>

7. Creditors: amounts falling due within one year	2017 £	2016 £
Investment manager's fees	7,486	6,225
Accountancy and independent examination fees	4,627	4,615
	<u>12,113</u>	<u>10,840</u>

### 8. Related party disclosures

A D Searle is also a Trustee of the Rona Trust - London Sailing Project. An unconditional grant of £62,500 (2016 - £62,500) was made to the Rona Trust – London Sailing Project during the year.

9. Unrestricted Funds	Funds brought forward £	Incoming resources £	Outgoing resources £	Funds carried forward £
Unrestricted Income Fund	573,092	113,281	(67,174)	619,199
Expendable Endowment Fund	4,248,992	890,824	(28,209)	5,111,607
	<u>4,822,084</u>	<u>1,004,105</u>	<u>(95,383)</u>	<u>5,730,806</u>

### 10. Analysis of total net assets between funds

	Unrestricted Income Fund £	Expendable Endowment Fund £	Total 2017 £	Unrestricted Income Fund £	Expendable Endowment Fund £	Total 2016 £
Investments	-	5,025,758	5,025,758	-	4,163,332	4,163,332
Current assets	623,826	93,335	717,161	577,707	91,885	669,592
Current liabilities	(4,627)	(7,486)	(12,113)	(4,615)	(6,225)	(10,840)
	<u>619,199</u>	<u>5,111,607</u>	<u>5,730,806</u>	<u>573,092</u>	<u>4,248,992</u>	<u>4,822,084</u>