

STOLLER CHARITABLE TRUST

**REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2018**

Registered Charity Number: 285415

WRIGLEY PARTINGTON

Chartered Accountants
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

STOLLER CHARITABLE TRUST

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STOLLER CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2018

The Trustees present their Annual Report together with the financial statements of Stoller Charitable Trust for the year ended 5 April 2018.

Reference and Administrative Information

Charity number: 285415

Project Manager and Principal Address: Mr S M Lowe DL
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

Trustees:
The trustees serving during the year were: Sir Norman Stoller, CBE KStJ DL - Chairman
J R B Gould
Lady Stoller
KSL Trustees Limited
A P Dixon

Accountants: Wrigley Partington
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

Auditors: James Scott
Chartered Certified Accountants
Balmoral House
Warwick Court
Park Road
Middleton
Manchester
M24 1AE

Investment managers: ACPI
56 Conduit Street
London
W1S 2YZ

Bankers: National Westminster Bank PLC
1 Waterhouse Street
Halifax
HX1 1JE

Solicitors: Kuit Steinart Levy
3 St Mary's Parsonage
Manchester
M3 2RD

STOLLER CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2018 *continued*

Structure, Governance and Management

The Trust is an unincorporated trust constituted under a Trust Deed dated 21 April 1982 and is a registered charity, number 285415. The Trust was established by an initial gift from Sir Norman Stoller in 1982 and this has been followed in later years by additional substantial gifts by Sir Norman to the Trust. The Trust does not actively fundraise and seeks to continue the philanthropic work desired by the donor through the careful stewardship of its existing resources.

The Trustees are appointed by the Board of Trustees and serve for an indefinite period. The Trust Deed provides for a maximum of 10 trustees to serve at any one time.

The Trustees aim to meet on a regular basis when they agree the broad strategy and areas of activity for the Trust, including consideration of grant making, investment, reserves and risk management policies and performance. The day-to day administration of grants and the processing and handling of applications prior to consideration by the Board of Trustees is delegated to the Project Manager Stephen Lowe.

Risk Management

The Trust Deed gives the trustees wide powers. During the year all of its investments were administered by a professional investment manager, whose brief is to maximise long-term total return subject to the risks associated with a balanced portfolio. The Trustees consider that the Trust is subject to no other major risks.

Objectives and Activities for the Public Benefit

The Trustees support a wide variety of charitable causes, but with particular emphasis on those which are in Greater Manchester, medically-related or supportive of children. They also endeavour to maintain a balance between regular and occasional donations and large and small ones. Applications are normally reviewed on a regular basis and over 80 donations were made in the year.

The Trustees confirm that they have referred to the Charity Commission guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities and setting the grant making policy for the year. They are confident that the support the Trust gives to other charitable organisations as outlined above fulfils the public benefit test.

Achievements, Performance and Plans for Future Periods

The Trust achieved a satisfactory financial return on its investments when considering the market place generally and met its targets with donations to relevant charitable bodies and other beneficiaries. The level of donations will continue in the future. The Trust is satisfied that donations paid have enabled beneficiaries to meet their stated goals and where appropriate the trust receives confirmation from recipients of donations regarding the status of funded projects.

Financial Review

Income is derived solely from donations and returns on investments, but the Trustees have decided to use Trust capital to make donations well in excess of annual income in appropriate cases.

Total incoming resources exceeded £1.3m, with net investment losses of £0.7m. Donations during the year totalled £0.9m, with the result that the Trust balances were reduced by £300,823.

The Trust had financial commitments totalling £16,288,825 (2017 : £10,418,239) at the year end. The amounts will be paid over the next three years. Reserves held at the year end are sufficient to meet these commitments.

Reserves Policy

The trust deed does not refer to a specific reserves policy. The trustees are empowered to expend the annual income of the trust fund, together with as much of the capital thereof as they shall think fit in order to achieve the aims and objectives of the trust.

STOLLER CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2018 *continued*

Trustees' Responsibilities in Relation to the Financial Statements

Law applicable to charities in England and Wales requires the trustees to prepare accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (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.

Compliance with Accounting Standards

The trustees confirm that the financial statements comply with the current statutory requirements, the Charities Act 2011, the provisions of the trust deed and the requirements of the Charities SORP (FRS 102).

Declaration

The trustees declare that they have approved the Trustees' Report above.

Signed on behalf of the Charity's Trustees

.....
Sir Norman Stoller, CBE KStJ DL
Chairman

Date 4th February 2019

STOLLER CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF STOLLER CHARITABLE TRUST

Opinion

We have audited the financial statements of Stoller Charitable Trust for the year ended 5 April 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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, 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 5 April 2018 and of its incoming resources and application of resources 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 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. 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 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee's 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 other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 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.

STOLLER CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF STOLLER CHARITABLE TRUST (continued)

Opinions on other matter prescribed by the Charities Act 2011.

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

- the information given in the trustees' report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters relating 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

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. This description forms part of our auditor's report.

James Scott

Chartered Certified Accountants
Statutory Auditor

Date : 4th February 2019

Balmoral House
Warwick Court
Park Road
Middleton
Manchester
M24 1AE

STOLLER CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account) FOR THE YEAR ENDED 5 APRIL 2018

		<u>Unrestricted funds</u>		<u>Unrestricted funds</u>	
		2018		2017	
	Note	£	£	£	£
<u>INCOME</u>					
Donations and legacies	2	404,600		493,500	
Investment income	3	<u>917,624</u>		<u>1,868,784</u>	
Total income			1,322,224		2,362,284
<u>EXPENDITURE</u>					
Charitable activities	4	<u>921,595</u>		<u>13,277,696</u>	
Total expenditure			<u>(921,595)</u>		<u>(13,277,696)</u>
Net income (expenditure) before other recognised gains and losses			400,629		(10,915,412)
<u>OTHER RECOGNISED GAINS AND LOSSES:</u>					
Gains and losses on investment assets	5		(701,452)		454,757
Net income (expenditure) and net movement in funds for the year			<u>(300,823)</u>		<u>(10,460,655)</u>
Reconciliation of funds					
Total funds brought forward			<u>20,656,660</u>		<u>31,117,315</u>
Total funds carried forward			<u><u>20,355,837</u></u>		<u><u>20,656,660</u></u>

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities.

The accompanying notes are an integral part of this statement of financial activities.

STOLLER CHARITABLE TRUST

BALANCE SHEET AS AT 5 APRIL 2018

	Note	2018 £	2017 £
<u>FIXED ASSETS</u>			
Investments	6	21,651,205	25,648,358
Tangible fixed assets	7	1,290,282	-
Total fixed assets		<u>22,941,487</u>	<u>25,648,358</u>
<u>CURRENT ASSETS</u>			
Debtors	8	18,160	5,500
Cash at bank and in hand	9	769,003	1,368,324
Total current assets		<u>787,163</u>	<u>1,373,824</u>
<u>CREDITORS</u>			
Amounts falling due within one year	10	<u>3,372,813</u>	<u>6,365,522</u>
Net current assets		(2,585,650)	(4,991,698)
Net assets		<u>20,355,837</u>	<u>20,656,660</u>
<u>THE FUNDS OF THE CHARITY</u>			
Unrestricted funds		20,355,837	20,656,660
Total charity funds		<u>20,355,837</u>	<u>20,656,660</u>

These accounts were approved by the board on 4th February 2019 and signed on its behalf by:

..... Trustee
J R B Gould

The accompanying notes are an integral part of this balance sheet.

STOLLER CHARITABLE TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 5 APRIL 2018

	<i>Note</i>	2018 £	2017 £
NET CASH USED IN OPERATING ACTIVITIES	11	<u>(3,522,364)</u>	<u>(6,459,843)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		663	1,590
Income from Managed Funds		916,961	1,867,194
Income from Unmanaged Funds		-	-
Purchase of investments		(404,600)	(493,500)
Purchase of tangible fixed assets		(1,290,282)	-
Other investment portfolio transactions		3,700,301	6,268,886
Cash provided by investing activities		<u>2,923,043</u>	<u>7,644,170</u>
Increase (Decrease) in cash and cash equivalents in the year		(599,321)	1,184,327
Cash and cash equivalents at the beginning of the year		1,368,324	183,997
Cash and cash equivalents at the end of the year	12	<u>769,003</u>	<u>1,368,324</u>

STOLLER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018

1) **ACCOUNTING POLICIES**

1.1 **Basis of preparation of accounts**

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 the Republic of Ireland (FRS 102) and the Charities Act 2011.

1.2 **Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Donations are recognised once received. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Investment income is recognised when receivable.

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

1.3 **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Governance costs are those incurred in connection with the constitutional and statutory requirements of the charity.

1.4 **Tangible fixed assets and depreciation**

Land acquired for charitable purposes is stated at cost, and not depreciated.

1) **ACCOUNTING POLICIES CONTINUED**

1.5 **Investments**

Investments quoted on a recognised Stock Exchange are valued at market value at the year end.

1.6 **Short term debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

1.7 **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand.

1.8 **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the SOFA.

1.9 **Fund accounting**

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and that have not been designated for other purposes.

Restricted funds are funds subject to restrictions imposed by the donor or by the specific terms of the appeal under which the funds are raised.

1.10 **Assessment of going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern and the Financial Statements have been drawn up on the going concern basis which assumes that the charity will continue in operational existence for the foreseeable future.

STOLLER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018 continued

2) <u>Income from donations and legacies</u>			2018	2017
			£	£
Donations			404,600	493,500
3) <u>Investment income</u>			2018	2017
			£	£
Interest received			663	1,590
Income from Managed Funds			916,961	1,867,194
			917,624	1,868,784
4) <u>Cost of charitable activities</u>	Donations made	Governance Costs	2018	2017
	£	£	Total	Total
			£	
Costs directly allocated to activities:				
Donations	708,933	-	708,933	13,070,556
Support Costs:				
Investment Management Costs	-	115,185	115,185	132,630
Administration Fees	-	36,250	36,250	32,250
Legal Fees	-	35,640	35,640	18,837
Bank Interest and Charges	-	1,004	1,004	1,130
Accountancy Fees	-	16,410	16,410	15,120
Auditors Remuneration	-	3,960	3,960	3,960
Other	-	4,213	4,213	3,213
	-	212,662	212,662	207,140
Total Expenditure	708,933	212,662	921,595	13,277,696
5) <u>Gains and losses on investment assets</u>			2018	2017
			£	£
Gain/(loss) on sale of investments			(85,015)	2,893,705
Gain/(loss) resulting from revaluation to market value			(616,437)	(2,438,948)
			(701,452)	454,757
6) <u>Fixed asset investments</u>			2018	2017
			£	£
Investments listed on recognised Stock Exchange				
<u>Cost or valuation</u>				
At 6 April 2017			25,648,358	30,968,987
Additions			404,600	493,500
Private Equity Payments			(1,234,941)	-
Net Transfer to Current Assets			(3,700,301)	(6,268,886)
Revaluation			(616,437)	(2,438,948)
Movements on Disposals at Carrying Value			(85,015)	2,893,705
At 5 April 2018			20,416,264	25,648,358
Other Investments				
<u>Cost or valuation</u>				
At 6 April 2017			-	-
Additions - Private Equity Payments			1,234,941	-
Net Transfer to Current Assets			-	-
Revaluation			-	-
Movements on Disposals at Carrying Value			-	-
At 5 April 2018			1,234,941	-
Total			21,651,205	25,648,358

STOLLER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018 continued

7) <u>Tangible fixed assets</u>	2018	2017
	£	£
Land		
Additions at cost:	1,290,282	-
	<u>1,290,282</u>	<u>-</u>
8) <u>Debtors</u>	2018	2017
	£	£
Prepayments	<u>18,160</u>	<u>5,500</u>
9) <u>Cash at bank and in hand</u>	2018	2017
	£	£
Cash at bank	<u>769,003</u>	<u>1,368,324</u>
10) <u>Creditors: Amounts falling due within one year</u>	2018	2017
	£	£
Contractual commitments	3,330,153	6,299,918
Accruals	42,660	65,604
	<u>3,372,813</u>	<u>6,365,522</u>
11) <u>Reconciliation of net movement in funds to net cash flow from operating activities</u>	2018	2017
	£	£
Net movement in funds	(300,823)	(10,460,655)
Investment income	(917,624)	(1,868,784)
Loss on revaluation of investments	616,437	2,438,948
Movement on sale of investments	85,015	(2,893,705)
(Increase) Decrease in debtors	(12,660)	(5,500)
Increase (Decrease) in creditors	(2,992,709)	6,329,853
Net cash used in operating activities	<u>(3,522,364)</u>	<u>(6,459,843)</u>
12) <u>Analysis of cash and cash equivalents</u>	2018	2017
	£	£
Cash at bank and in hand	769,003	1,368,324
Total cash and cash equivalents	<u>769,003</u>	<u>1,368,324</u>

STOLLER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018 *continued*

13) Related party transactions

During the year the charity made payments in respect of accountancy services of £16,410 (2017 : £15,120) to a partnership in which A.P.Dixon is a partner, and in respect of legal services of £35,640 (2017 : £18,837) to Kuit Steinart Levy a partnership connected to KSL Trustees Limited (a trustee). The land held by the trust is in the name of KSL Nominees Limited who are connected to KSL Trustees Limited.

No expenses were claimed by any of the trustees during the year.