

Charity No. 206926

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2018

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Contents	Pages
Reference and Administrative Information	1
Trustees' Report and Related Notes	2-11
Auditors' Report	12-13
Statement of Cash Flows	14
Notes to the Statement of Cash Flows	15
Statement of Financial Activities	16
Summary Income and Expenditure Account	17
Balance Sheet	18
Notes to the Financial Statements	19-29
Detailed Investment Holdings (For the information of the trustees)	Appendix

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

REFERENCE AND ADMINISTRATIVE INFORMATION
AS AT 31 DECEMBER 2018

TRUSTEES

John Ward (Chairman)
Mrs Anne E Brownlie
Martin P Coultas
R Barry Kay
Dr P Rosemary Livingstone
Dr Michael W McEvoy
Peter G Rous (Retired 04/12/2018)
Mrs Sara L Buchan
Ms Elaine Morrison (Appointed 04/12/2018)

STOCKBROKERS & INVESTMENT ADVISORS

UBS Wealth Management
3 Finsbury Avenue
London
EC2M 2AN

ACCOUNTANTS, TAX ADVISORS & TREASURER

John O Campbell, FCA CTA CA(SA) AIIT
DSC Accountants Limited
Chartered Accountants
Tattersall House
East Parade
Harrogate
HG1 5LT

SOLICITORS & SECRETARY

Neil J Shaw, LLB TEP
LCF Law Limited
First Floor
The Exchange
Station Parade
Harrogate
HG1 1TS

BANKERS

Barclays Bank PLC
James Street
Harrogate
HG1 1QX

AUDITORS

HPH Accountants LLP
Chartered Accountants
and Registered Auditors
13 Hornbeam Square South
Harrogate
HG2 8NB

CUSTODIAN TRUSTEE

UBS AG
Newcastle Branch
2 St James' Gate
Newcastle
NE4 7JH

REGISTERED OFFICE

First Floor
The Exchange
Station Parade
Harrogate
HG1 1TS

CHARITY NUMBER

206926

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT

The trustees present their annual report with the financial statements of the Trust for the year ended 31 December 2018.

The financial statements have been prepared in accordance with the accounting policies set out on pages 19 to 21 and comply with the Trust's trust deed and applicable law.

CONSTITUTION, OBJECTIVES AND ACTIVITIES

The Charles Sykes Trust is an unincorporated association, governed by a trust deed and scheme. The Trust initially arose from Charles Sykes in 1954, when the sum of £100,000 was settled. This has been further increased over the years by substantial funds from various sources, particularly the late Mr and Mrs Sykes and six figure contributions from the late William Powell and Miss I L McDowall.

The objectives are to distribute the whole of each year's income after expenses arising from the settled endowment amongst registered charities, at the absolute discretion of the trustees.

The main activity undertaken in order to achieve these objectives are regular meetings throughout the year in order to evaluate investment performance, consider applications, and distribute grants in accordance with the policies detailed in this report. The trustees also read correspondence with applicants, and make visits to past and potential applicants in order to understand the nature of the charitable activities undertaken, and ensure that grants are being spent in line with the Sykes Trust's objectives.

The Trust's aim is to support charitable activity in line with the Trust's constitution, with a focus on Yorkshire. It aims to do this by:

- 1) Managing the Trust's permanent reserves well, in order to gain income which can then be distributed.
The Trust measures its performance against a customised portfolio benchmark.
- 2) Assessing applications for funding to ensure that the benefit of the funds distributed is maximised across the area and across charitable sectors. The Trust measures its performance with reference to how many applications which fit the Trust's criteria have been assessed, and whether grants have been made in line with the annual budget.

The Trust does not focus on one specific issue or charitable sector, it assesses each application for funding on its own merits. However there is a preference for those causes which relieve the hardship of children, the elderly and those with disabilities, for medical research projects and local charitable projects involving music linked to education and accessibility of the less fortunate to musical events. These charity sectors are in line with the philosophy of the founder, Charles Sykes.

Achievement of these aims will maximise the income available to distribute, thus achieving the objectives set out in the Trust Deed. The Trust has operated in this way for many years and whilst regularly reconsidering the strategy to achieve these aims, it is still considered that the methods currently adopted continue to serve the Trust well.

MANAGEMENT AND GOVERNANCE

The Trust is run by the Board of Trustees who meet periodically. They do not receive remuneration, nor do they normally seek reimbursement of expenses. The day to day financial and secretarial matters are dealt with by employees of DSC Chartered Accountants and LCF Law who report to the treasurer and secretary respectively.

The trustees at 31 December 2018 are named on page 1. The appointment of new trustees is governed by the Trust Deed. Trustees are appointed for a period of 5 years. The board is authorised to appoint new trustees to fill any vacancies. Trustees are eligible for re-election.

If there is a requirement for new trustees, these are identified and appointed by the remaining trustees. The Chairman is responsible for initiating the induction of any new trustee, which involves awareness of a trustee's responsibilities, the governing document, administrative procedures and the historical and philosophical approach of the Trust. A new trustee receives copies of the previous year's annual report and accounts. Most of the existing trustees have held office for more than one term. Ongoing training is provided as necessary, including attendance at relevant courses.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT (cont'd)

MANAGEMENT AND GOVERNANCE - cont'd

Fees are paid to the custodian trustee and to the officers of the Trust as detailed in the governance costs note 2, investment management costs note 3 and related parties note 6. Fee proposals are reviewed annually by the trustees.

Mr Neil Shaw acts as the Trust's secretary and is a partner in LCF Law, who act as solicitors for the Trust. Mr John Campbell acts as treasurer and is a director at DSC Chartered Accountants who act for the Trust as accountants and tax advisors.

INVESTMENT POWERS

The Trust deed authorises the trustees to make and hold investments using the general funds of the Trust. The Investment subcommittee of the Trust meet with investment advisors to consider the investments and thereafter report to the next meeting of the Board of Trustees.

GRANTS / GRANT MAKING POLICY

The trustees have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives set.

All applications received must have a balance sheet and the subcommittee receiving these applications will then scrutinise the information to ensure, as far as can be ascertained, that any monies given will be used for public benefit.

The Trust has established a grant making policy to achieve its objectives for the public benefit to improve the lives of all beneficiaries of the charities to whom we make grants. The Trust receives and considers direct applications for assistance. Preference is given to applications from Yorkshire, applications received from outside the region are unlikely to be successful, as are those which are received from individuals or without the most recent examined/audited accounts.

The Trust also makes annual grants to a number of registered charities (upon annual production of satisfactory accounts) where regular support is perceived to be desirable and proper. This is not guaranteed and is subject to review. The trustees yet again note a number of those charities on the 'annual' list failed to provide proper information about their accounts.

The trustees meet periodically in subcommittees to advise the board as to:

- 1) Medical Grants,
- 2) Annual Grants,
- 3) Special Grants.

Medical Grants (Medicals) are related to healthcare and medical research.

Annual Grants (Annuals) refer to grants that are for on-going programmes and are repeated over a number of years, provided satisfactory up to date accounts are received each year.

Special Grants (Specials) are for one-off charitable projects.

The final category is Exceptional Grants (Super Specials). These grants are for amounts usually well in excess of the normal level of giving and are often associated with a special anniversary of the Sykes Trust (a golden or diamond anniversary for example). Detailed consideration is given to each application on the basis of: information provided; additional information the trustees see as necessary to form an opinion; visits and follow up reports.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT (cont'd)

RESERVES POLICY

The trustees continue to consider that a reserve of unrestricted funds should be maintained at a level approximating to one half of a year's net income excluding grants and the financial budgets are drawn up to reflect this. The size of the reserve is kept under constant review. The reserve exists because:

- a) occasional applications are received meriting unusually large grants at what could be disadvantageous times,
- b) trust income does not accrue on an even basis,
- c) each charity on the annual list may expect a continuance of their grant if they comply with the Trust rules.

The total permanent and unrestricted reserves held at the end of 2018 was £16,508,311 of which £16,199,817 forms the permanent endowment fund.

An increase in the unrestricted reserves from £197,231 to £308,494 was seen in 2018. This puts unrestricted reserves at 64.2% which meets the stated reserves policy target, and an improvement on last year's position where reserves stood at 41.6%. The large increase in reserves is primary due to the subcommittees underspending their donation budgets for the year, and these amounts will be carried forward into next year's budgets.

It should also be noted that the Trust has provided for £136,000 donations which have not yet been paid but which are committed to be given in upcoming years.

RISK MANAGEMENT

The trustees have examined the major governance, compliance, reputation, financial, and operational risks which the Trust faces and confirm that the systems in place enable regular reports to be produced so that the necessary steps can be taken to reduce these risks. The risks relating to the assets of the trust are mitigated by having a wide spread of investments; professional advice on the choice of investments is given by UBS who are also the custodian trustee. The trustees are aware that the Trust's holding of the UBS Investment Funds ICVC S&P500 Index security represents 7.34% of the value of investments held, but also note that this asset is an index fund following the performance of 500 companies in diverse markets and so judge the risk associated with the holding to be acceptable. A review of the risk assessment has been undertaken.

Whilst the trustees make suitable enquiries into the activities of charities when deciding where to make grants, they take no part in day to day running of those charities. On the rare occasions where a trustee is personally involved with a charity which is a recipient of a grant, the trustee declares their interest in a general meeting.

FINANCIAL REVIEW AND PERFORMANCE

The trustees consider that the Trust has had a successful year. Enjoying strong portfolio growth throughout the year which has been reflected by an increase in actual donations to beneficiaries.

Having built up reserves in the previous year, the budgets for donations were increased, but cautiously. The strong income performance during the year has allowed the Trust to continue to build its reserves, and with little need for them to increase any further, donations in 2019 should continue to increase, and budgets for the current year have been set with this in mind.

The grants were given across a wide range of charities, predominately in the Yorkshire area, or to national charities for a "Yorkshire" requirement. There are a number of donations made which are to charities domiciled in other areas of the country, these tend to be specialist medical organisations as the trustees are cognisant of the fact that the best research is not necessarily being conducted in Yorkshire.

The gross investment income for the year increased by £3,738 to £533,085, which was well above the budget. The governance costs were £52,286 compared with £55,257 last year, with the small decrease attributed to a larger proportion of the portfolio administration costs billed via means of commission, which was more cost effective.

TRUSTEES' REPORT (cont'd)

FINANCIAL REVIEW AND PERFORMANCE - cont'd

The total grants donated during the year decreased from £383,000 to £369,620, which was due to individual committees under spending their budgeted amounts. This total includes amounts which have been committed by the Trust, and are to be donated in the upcoming years. £55,000 to Ripon Cathedral, which would support the restoration of their choir stalls which have been in place since the late 1400's. £20,000 to Opera North, to continue funding their "In Harmony" project. £24,000 to St Michael's Hospice, as part of a special donation to mark St Michael's 30-year anniversary. This donation will be spread over four years.

The trustees' personal donations amounted to £17,500 in the year.

INVESTMENT POLICY AND PERFORMANCE

As a minimum, the investment subcommittee meets with the investment advisors on a quarterly basis to ensure the portfolio is kept in line with the Trust's investment policy.

The investment policy of the Trust is the enhancement and the preservation of the real value of the capital and income of the Trust by investment in a well diversified portfolio of high quality, easily negotiable assets. In pursuit of this policy the majority of the investment is in equities, approximately half of which are UK equities. The portfolio mandate is for a long-term discretionary portfolio aiming to achieve a mixture of capital and income growth. The investment advisors of the trust classify the portfolio held as having a 'diversified growth' risk profile, which aims for long-term appreciation and has high volatility. This is managed to a customised benchmark and there are minor restrictions placed on the investments which can be held, which are reviewed regularly by the investment sub-committee.

Financial derivatives are used as and when the custodian trustee deems this necessary. Usually this is to manage foreign currency risk on investment income.

The investments at the year-end are shown at their market values. These investments and the liquid funds totalled £16,200,675 at 31 December 2018 compared with £17,827,184 at 31 December 2017, an change by -9.1%. The revaluation of the investments held at year-end created a loss of £1,604,856. Reasons for the significant fall in value of the investments are explained below.

The Trust aims to gain a return on its portfolio which is higher than the customised benchmark. The one year benchmark for this year was -5.91% (2017: 10.93%) and the return achieved was -6.22% (2017: 11.74%). Over a longer term of 5 years the return achieved has been 5.67% compared to a benchmark of 5.85%. The trustees remain satisfied with portfolio performance.

During 2018 investment income was £531,000, which was a small increase by 0.31% from last year. The capital value of the fund was £16,199,817 (2017: £17,816,788).

Markets began the year strongly, benefitting from the fallout of tax reforms in the US and robust company earnings. However, an unexpected escalation of trade tensions between US and China, political uncertainty in Europe and higher interest rates in America lead to uncertainty with investors and one of the most volatile years on record.

The investment advisors indicate that a projected income for 2019 would be £475,000. The trustees reviewed the Trust's position and the potential to change investment managers during the year, but remain satisfied with the service received from the current advisors and believe their fee levels are in line with market conditions and so no change was made.

ACHIEVEMENTS AND PERFORMANCE

For financial achievements and performance please refer to the Financial Review and Performance paragraph and the Investment Policy and Performance paragraph earlier in this report.

TRUSTEES' REPORT (cont'd)

ACHIEVEMENTS AND PERFORMANCE - cont'd

Every year the Trust receives many more applications for grants from worthy causes than it could possibly satisfy. The trustees aim to review all applications which fit the requirements of the Trust, in order to determine those most in need of grants. A budget is set each year by the treasurer taking into account the reserve requirements of the Trust. The budget is agreed by the Trustees, who then aim to meet that budget when grant making.

During the year 512 (2017: 510) applications were received. Of these, 149 (2017: 164) did not meet the Trust's requirements. The most frequent reasons for this were: accounts were not provided; the applicant had no Yorkshire, or medical link; the relevant application form (available at www.charlesandelsiesykestrust.co.uk/how-to-apply/) was not completed; or, the application was for a building maintenance project. 363 (2017: 346) applications were appraised by the trustees in the year, being 100% of eligible applications.

The trustees aim to continue to assess all applications which fit the requirements of the Trust and to make grants in line with each committee's budget.

For further detail on the achievements of the largest grants made during the year, the note following the trustees report discloses grants of £5,000 and over.

An analysis of the grants between the various categories of charities supported in 2018 can be found in note 7 of the accounts.

With the General Data Protection Regulations coming into effect during the year, the secretary carried out an information audit based on the information held by the Trust. A Privacy Policy was created and data holding policies were reviewed to ensure that the Trust was GDPR compliant.

FUTURE PLANS

The trustees intend to continue providing grants in a similar way to the recent past, an approach which they consider to have been very successful. The grant making policy remains as set out earlier in this report and the trustees consider that this enables them to achieve the objectives of the trust.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Trust (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Peter G Rous, a longstanding trustee retired from the Trust on the 04/12/2018. The trustees and officials would like to thank Peter for his contribution to the Trust.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT (cont'd)

TRUSTEES' RESPONSIBILITIES - cont'd

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information. The trustees confirm that there is no relevant information that they know and which they know the auditors are unaware of.

Approved by the trustees and signed on their behalf by:

.....

John Ward (Chairman)

Approved by the Board: 10 June 2019

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT (cont'd)

RELATED NOTES

GRANTS PAYABLE OF £5,000 AND OVER

Details of the grants are shown below and in note 7 of the financial statements. The following large grants are represented in those notes:

	2018	2017
	£	£
Opera North, Leeds £4,000 for the general education fund. £20,000 is specifically for the <i>In Harmony</i> Opera North programme which provides musical experience to children across south Leeds. In September 2018 Opera North expanded the <i>In Harmony</i> programme into a further school, Richmond Hill Academy, Leeds. A total of 1,700 pupils in Richmond Hill Academy, Windmill Primary School and Children's Centre, Low Road Primary School and New Beverley Community School and Children's Centre are taking part in weekly orchestral, instrumental and choral tuition as part of the school curriculum. During the year, further funding in 2019 and 2020 has also been committed to, which was an extension of the Diamond Anniversary Grant originally proposed in 2014.	24,000	22,000
Yorkshire Cancer Research, Harrogate Agreed level of funding for research projects. Subject to review this grant will be repeated in 2019.	17,000	17,000
Girlguiding North Yorkshire West, Harrogate To support the redevelopment of the Birk Crag Centre in Harrogate.	10,000	-
St. Peter's Church, Harrogate For their charities fund which gives support to the most needy in society.	10,000	10,000
National Gulf Veterans and Families Association (N.G.V.F.A), Hull Towards a fund to take a number of Veterans and their families on a respite holiday to Skegness in 2019.	7,500	-
Designability, Bath The charity has designed and made specialist medical equipment for over 50 years and have created 300 products and assisted more than 250,000 people. In addition to the annual grant of £2,000 a special grant of £5,000 was made towards the building of new workshops and offices.	7,000	2,000
Yorkshire Dales Millennium Trust, Clapham To support their work which looks after the unique heritage, habitats and communities of the Dales.	6,500	-
Archbishop of York Youth Trust, York Encourages youth led volunteering/community outreach and positive social action. The grant will provide the cost for 500 Yorkshire pupils to go through the leadership programme.	6,250	-
St Michael's Hospice, Harrogate In recognition of 30 years of St Michael's Hospice, the Trust has committed to donate £6,000 a year over the next five years to total a £30,000 donation.	6,000	-
Bierley Community Association Ltd, Bradford To support the The Life Centre, a community centre on the Brierley estates in Bradford, who help provide a good quality and accessible service that meets the needs of the neighbourhood.	5,000	-

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT (cont'd)

	2018 £	2017 £
The Welcome Centre, Huddersfield Grant in aid to support the costs of the Development Workers, who provides on to one support.	5,000	-
St Peter's Singers, Leeds Grant in support of their charity fund in order to foster public knowledge and appreciation of choral and orchestral music by means of public performance. This was the personal donation of Mr P Rous on his retirement from the Trust.	5,000	-
Safe and Sound Homes, SASH, York Grant in aid of their work across York, North & East Yorkshire supporting young people aged 16-25 facing homelessness.	5,000	-
Alzheimer's Research UK, Cambridge Improving the quality of life of those affected by dementia. The objectives of the charity are to preserve and protect the health of the public, predominantly by endorsing or assisting the promotion of research into the causal mechanisms of neuro-degenerative diseases. In 2018 the £5,000 was put towards thier research conference in Harrogate.	5,000	5,000
Police Treatment Centres, Harrogate Provides psychological wellbeing programmes to over 700 police officers from Yorkshire a year, plus thousands more from across the UK, including those who provided support following the Westminster and Manchester Terror attacks.	-	7,500
Northern College for Residential Adult Education, Barnsley Help with the cost of providing community based courses for adults with learning difficulties or a residential course for those living outside Barnsley. Voluntary work can lead to a Duke of Edinburgh Gateway Award.	-	7,000
Hull Community and Voluntary Services Ltd, Hull 45.9% of Hull neighbourhoods are in the 10% most deprived neighbourhoods nationally. It is the 4th most deprived city in Great Britain. Help to support a range of services.	-	5,400
Antibiotic Research UK (ANTRUK), York Funds towards research into making antibiotic resistance breakers- existing drugs, combined with current antibiotics to overcome the resistance of superbugs.	-	5,000
Haxby Village Hall, Haxby The Haxby Memorial Hall has served the village's residents for over a century. It requires funding for an extension to house their local library.	-	5,000
Hearing Dogs for Deaf People, Princes Risborough Currently supporting 61 hearing dog partnerships in Yorkshire with some still desperate for their own. It costs £25,000 to fund the breeding, socialisation, training and placement of a hearing dog over 18-24 months, plus £1,500 each year throughout its 10 year average working life.	-	5,000
Tuberous Sclerosis Association, London For medical research at Queens Medical Centre, Nottingham.	-	5,000

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT (cont'd)

	2018 £	2017 £
Hive Bradford, Bradford Expansion of their "Make@Hive creative" programme providing progressive steps for people suffering from a wide variety of mental health problems. There is growing demand for treatment and group participation.	-	5,000
Hull Churches Home from Hospital Service, Hull Working with the "Families Together Service," to provide fun days out, bereavement books, craft activities, cancer awareness resources, memory boxes and general family support for cancer sufferers and their loved ones.	-	5,000
Matthew Nelson Braithwaite Educational Trust, Harrogate Restoration and resitting of 1923 War Memorial for rededication on Remembrance Day at the Dacre Braithwaite Church of England School.	-	5,000
Meanwood Urban Valley Farm, Leeds Well established farming educational centre since 1999. Last year provided environmental services to schools and on-site to 9,985 children and teachers. Urgent flood repairs needed to its river bridge and some of the banking.	-	5,000
National Trust, York Fountains Abbey and Studley Royal achieved World Heritage Site status in 1986. The National Trust is starting an extensive programme of restoration in the gardens and an early feature is a replacement copy of the "dying gladiator" statue, removed in 1873 from the lawn beside Drum Fall.	-	5,000
Preston Road Women's Centre Ltd, Hull Established 1999, currently supports 5,500 women (usually suffering domestic abuse) and children per year, and this is increasing. Funds for the renovation of their current premises.	-	5,000
Ruskin Mill Land Trust, Nailsworth Furnishings and fittings for the specialised therapeutic educational method of rehabilitation at Croft-on-Tees, some 10 miles North of Catterick Garrison for parents and children needing specialised rehabilitative care.	-	5,000
Sheffield Environmental Movement, Sheffield Provides outdoor learning activities (Open Air Laboratory Explore Nature surveys) with children and young people from mixed backgrounds living in urban areas of Sheffield. Learning by Doing in the countryside.	-	5,000
St Cuthbert's Parish Church, Patley Bridge Constructed 1827, grade 2 listed church surrounded by large churchyard maintained by volunteers. A dangerous steep ramp and main steps cause the necessity for a gentle, smooth and slip-resistant alternative.	-	5,000
St James' Church, Selby Provision of bus to enable development of support for young and vulnerable people in Flaxley Road Estate with varied programme in tackling identity and antisocial behaviour in area of seriously high deprivation.	-	5,000

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

TRUSTEES' REPORT (cont'd)

	2018	2017
	£	£
Vision Care for Homeless People, London	-	5,000
Starting up a new clinic at St George's Crypt in Leeds to provide much needed sight tests, glasses and eye care to homeless people using generously donated equipment by the optical industry and trained volunteers.		
York MIND, York	-	5,000
Provides high quality, recovery-focussed mental health services to over 1,000 people every year. Helps towards recovery, social inclusion and integration in mainstream learning, volunteering and employment.		

Further analysis of the grants made in the year is provided in note 7 of the notes to the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CHARLES AND ELSIE SYKES TRUST

OPINION

We have audited the financial statements of The Charles and Elsie Sykes Trust for the year ended 31 December 2018 which comprises Statement of cash flows, Statement of Financial Activity, 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditor's 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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.

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 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CHARLES AND ELSIE SYKES TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report ; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 6, 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 controls as the 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 related 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

.....
Sarah Wearing, FCA, DChA (Senior Statutory Auditor)
For and on behalf of HPH, Statutory Auditor
13 Hornbeam Square South
Hornbeam Park
Harrogate
HG2 8NB

10 June 2019

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted Fund £	Permanent Endowment Fund £	Totals 2018 £	Totals 2017 £
Cash flows from operating activities					
Net cash used in operating activities	CF1	(360,073)	(21,654)	(381,727)	(443,481)
Cash flows from investing activities					
Dividends and interest from investments		533,085	-	533,085	529,347
Proceeds from sale of investments		-	4,796,696	4,796,696	5,373,211
Purchase of investments		-	(5,048,576)	(5,048,576)	(5,224,453)
Net cash provided by/(used in) investing activities		533,085	(251,880)	281,205	678,105
Cash flows from financing activities					
Receipt of endowment		-	-	-	41,323
Net cash provided by financing activities		-	-	-	41,323
Change in cash and cash equivalents in the year		173,012	(273,534)	(100,522)	275,948
Cash and cash equivalents at the beginning of the year		274,538	584,736	859,274	583,326
Cash and cash equivalents at the end of the year	CF2	447,550	311,202	758,752	859,274

The notes on page 15 form part of this Cash Flow Statement

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

CF1 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM

	Unrestricted Fund £	Permanent Endowment Fund £	Totals 2018 £	Totals 2017 £
Net income/(expenditure) for the year as per the Statement of Adjustments for:	111,263	(1,616,971)	(1,505,708)	1,508,253
(Gains)/losses on investments	-	1,604,856	1,604,856	(1,397,824)
Dividends and interest from investments	(533,085)	-	(533,085)	(529,347)
Increase in debtors	(1)	-	(1)	(3)
Increase/(decrease) in creditors	61,750	(9,539)	52,211	16,763
Receipt of endowment	-	-	-	(41,323)
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash used in operating activities	<u>(360,073)</u>	<u>(21,654)</u>	<u>(381,727)</u>	<u>(443,481)</u>

CF2 ANALYSIS OF CASH AND CASH EQUIVALENTS

	Unrestricted Fund £	Permanent Endowment Fund £	Totals 2018 £	Totals 2017 £
Cash in hand	447,550	311,202	758,752	859,274
	<hr/>	<hr/>	<hr/>	<hr/>
Total cash and cash equivalents	<u>447,550</u>	<u>311,202</u>	<u>758,752</u>	<u>859,274</u>

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted Fund £	Permanent Endowment Fund £	Totals 2018 £	Totals 2017 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	16	-	-	-	41,323
Investments	5				
Bonds		127,113	-	127,113	118,349
Equities		384,442	-	384,442	398,194
Other securities		19,445	-	19,445	12,556
Bank interest		2,085	-	2,085	248
TOTAL INCOME		533,085	-	533,085	570,670
EXPENDITURE ON:					
Raising funds					
Investment management costs	3	-	12,031	12,031	21,983
Charitable activities	7				
Grants - Annuals		94,300	-	94,300	102,000
Grants - Medicals		90,000	-	90,000	113,000
Grants - Specials		157,320	-	157,320	145,000
Grants - Super Specials		28,000	-	28,000	23,000
Governance costs	2 & 6	52,202	84	52,286	55,257
TOTAL EXPENDITURE		421,822	12,115	433,937	460,240
Net gains / (Losses) on investments	9	-	(1,604,856)	(1,604,856)	1,397,824
NET MOVEMENTS IN FUNDS		111,263	(1,616,971)	(1,505,708)	1,508,254
RECONCILIATION OF FUNDS					
Total funds brought forward	16	197,231	17,816,788	18,014,019	16,505,765
TOTAL FUNDS CARRIED FORWARD	16 & 17	308,494	16,199,817	16,508,311	18,014,019

The notes on pages 19 to 29 form part of these financial statements

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

SUMMARY OF INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	£	£
Total income of continuing operations	533,085	570,670
Total expenditure of continuing operations	(433,937)	(460,240)
Net income for the year	99,148	110,430

A detailed analysis of income by source is provided in the Statement of Financial Activities.

A detailed analysis of expenditure is provided in the Statement of Financial Activities and notes 2, 3, 6 and 7.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 16 which, together with the notes to the accounts, provides full information on the movements during the year on all the funds of the Trust.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	Unrestricted Fund £	Permanent Endowment Fund £	Totals 2018 £	Totals 2017 £
FIXED ASSETS					
Investments	9	-	15,889,473	15,889,473	17,242,448
Cash held by investment managers	11 & 12	-	311,202	311,202	584,736
		-	16,200,675	16,200,675	17,827,184
CURRENT ASSETS					
Debtors	10	4	-	4	3
Cash at bank	12	364,615	-	364,615	228,714
Cash held by investment managers	12	82,935	-	82,935	45,824
		447,554	-	447,554	274,541
LIABILITIES					
CREDITORS - Amounts falling due within one year	13	(101,060)	(858)	(101,918)	(50,707)
NET CURRENT ASSETS / (LIABILITIES)		346,494	(858)	345,636	223,834
TOTAL ASSETS LESS CURRENT LIABILITIES					
		346,494	16,199,817	16,546,311	18,051,019
CREDITORS - Amounts falling due after one year	14	(38,000)	-	(38,000)	(37,000)
TOTAL NET ASSETS		308,494	16,199,817	16,508,311	18,014,019
THE FUNDS OF THE CHARITY	16 & 17	308,494	16,199,817	16,508,311	18,014,019

The financial statements were prepared in accordance with the Financial Reporting Standards for Smaller Entities and were approved by the trustees and signed on their behalf by:

.....
John Ward (Chairman)
10 June 2019

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1 STATEMENT OF ACCOUNTING POLICIES

Statutory information

The Sykes Trust is an unincorporated association, governed by a trust deed and scheme. Its registered office is First Floor, The Exchange, Harrogate, HG1 5PA. It is a charity registered in England and Wales and it is a public benefit entity.

Basis of Preparation

The financial statements have been prepared on the basis of historical costs, as modified by the revaluation of the investments, and in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland: the Charities Statement of Recommended Practice (SORP (FRS 102)); Financial Reporting Standard 102 (FRS 102); and the Charities Act 2011, except a departure from the requirement to allocate support costs under the SORP (FRS 102) to the extent necessary to give a true and fair view.

The Trust activities are described in the trustees' report, and all are continuing activities.

The following is a summary of the significant accounting policies adopted by the Trust in the preparation of the financial statements.

Going concern

The accounts are prepared on the going concern basis. There are no material uncertainties about the Trust's ability to continue.

Fund accounting

Permanent Endowment Fund

This represents the initial funds settled, together with any further legacies received and is permanent.

Unrestricted fund

This represents funds which can be used in accordance with the charitable objects at the sole discretion of the trustees.

Distribution of Income

The income arising from the endowment funds is used to make charitable donations, with any excess in the year being retained for donations in future periods as described in the trustees' report. The trust deed contains no restriction on the distribution of income generated, although the trustees generally retain a reserve of accumulated income, as detailed in the trustees' report.

Fixed Interest Securities

The interest accrual arising on the buying and selling of fixed interest securities is treated as an adjustment to the investment income.

The year-end value of fixed interest securities excludes accrued interest.

Investment Income

Interest earned by the Trust is included in the Statement of Financial Activities when the Trust is legally entitled to the income and the amount can be quantified with reasonable accuracy. Dividends are brought to account in the statement of financial activities when received.

All realised gains and losses on disposals, and unrealised gains on revaluation are retained within the endowment fund. The net gains and losses arising on revaluations and disposals throughout the year are shown on the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1 STATEMENT OF ACCOUNTING POLICIES (Cont'd)

Resources Expended and Irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. The grants are accounted for where trustees have agreed to pay the grant and the recipient has a reasonable expectation that they will receive a grant.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Apportionment of Governance Costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. This includes costs related to statutory audit, legal and bookkeeping fees. These are apportioned entirely to expenditure on charitable grant making activities on the basis that this is the area where most trustee and officer time is spent, such that the time spent on fundraising activities is considered to be immaterial.

Departure from the SORP (FRS 102) - Support Costs

A true and fair override has been used to apply the Charities SORP (FRS 102) under the Charities (Accounts and Reports) Regulations 2008.

Governance costs are not allocated to separate charitable activities, but instead are disclosed in total, separately on the face of the SOFA. It is considered to be more useful to the users of these Financial Statements to show the costs separately, such that the cost of each grant making activity disclosed for each activity on the SOFA reflects the cost of the grants given. To follow the recommendations of the SORP (FRS 102) would require showing totals for the charitable activities with the governance costs allocated between them and included. These figures would not match the sums granted in the year, which is expected by the users of the financial statements. The trustees therefore consider that this departure from the SORP (FRS 102) allows the financial statements to give a true and fair view.

The SORP (FRS 102) requires disclosure of the allocation of support costs to activities. The support costs are not being allocated to activities, and the other information that would have been contained in this disclosure is shown on the face of the SOFA, so this disclosure has not been provided.

There is no financial effect of this departure. The total charitable expenditure remains the same as that which would be disclosed following the SORP (FRS 102).

Fixed Asset Investments

The trustees have wide ranging investment powers to amend the investment portfolio as deemed appropriate. The range of investments held are detailed in note 9, and the appendix. The investments are revalued and shown at their market value on the balance sheet date.

Investments are measured at fair value at the balance sheet date, as determined by the Trust's investment advisors.

Bonds are measured at the mid-price, equity valuations are taken from the relevant exchange and funds are measured at their net asset value on the balance sheet date. All prices are provided by reliable financial sources: the relevant exchange; Bloomberg; Reuters; or Six Financial.

Debtors

Accrued income is recognised as the Trust becomes entitled to it and is measured at fair value.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1 STATEMENT OF ACCOUNTING POLICIES (Cont'd)

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term, highly liquid investments.

Highly liquid investments are defined to be those instruments judged by our investment advisors to have their main exposure in money markets and foreign exchange markets, for example cash or term deposits, short term bonds and currency certificates/derivatives.

Creditors and provisions

Creditors and provisions are recognised where the Trust 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 and provisions are recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

Financial derivatives are used as and when the custodian trustee deems this necessary. Usually this is to manage foreign currency risk on investment income.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange prevailing at the date of payment. Foreign exchange differences are posted to the Statement of Financial Activity when incurred.

2 GOVERNANCE COSTS	2018	2017
	£	£
Secretarial fees (note 6)	29,520	30,420
Meeting expenses	1,592	3,404
Accountancy fees (note 6)	17,190	17,592
Audit fee	3,080	2,907
Bank charges paid	12	12
Sundry expenses	808	759
	<hr/>	<hr/>
	52,202	55,094
	<hr/>	<hr/>

The audit costs are entirely for external scrutiny and no other services are provided by the auditor.

3 INVESTMENT MANAGEMENT COSTS

Payments to the investment managers, UBS Wealth Management, comprise a management charge and commission on transactions made during the year.

The commission is included within investments' costs and proceeds as a cost of purchase/sale respectively and so is not included within the management charges figure on the face of the Statement of Financial Activity.

All management charges are attributable to endowment funds.

	2018	2017
	£	£
Investment management charges		
Management charge	12,031	21,983
Commission	39,143	28,985
	<hr/>	<hr/>
	51,174	50,968
	<hr/>	<hr/>

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4 TRUSTEE REMUNERATION AND EXPENSES

The trustees receive no remuneration or other benefits for their work with the Trust.

During the year one trustee received an expense payment of £1,717 in reimbursement for meeting expenses (£1,592) and leaving gifts (£125), all of which was paid on the Trust's behalf.

5 INVESTMENT INCOME	2018	2017
	£	£
Bonds investment income		
Gross treasury and bond income	127,113	118,349
	<hr/>	<hr/>
	127,113	118,349
	<hr/>	<hr/>
Equity investment income		
Net listed equity investment income	384,442	398,194
	<hr/>	<hr/>
	384,442	398,194
	<hr/>	<hr/>
Other securities investment income		
Income from property funds	19,445	12,556
	<hr/>	<hr/>
	19,445	12,556
	<hr/>	<hr/>
Interest received on cash held		
Gross bank deposit interest	2,085	248
	<hr/>	<hr/>
	2,085	248
	<hr/>	<hr/>
Total investment income	<hr/>	<hr/>
	533,085	529,347
	<hr/>	<hr/>

6 RELATED PARTY TRANSACTIONS

The Trust's secretary, Mr Neil Shaw, is also a partner in LCF Law who act as solicitors for the Trust. For the secretarial services provided by his firm, fees were incurred during the year amounting to £29,520 (2017 - £30,420).

Mr John Campbell acts as the treasurer and is a director at DSC Chartered Accountants who also act for the trust as accountants and tax advisors. During the year the following fees were incurred for the treasurer's duties totalling £17,190 (2017 - £17,592).

There were no outstanding balances at the balance sheet date or in that of the previous period.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7 CHARITABLE EXPENDITURE

The donations paid in the year are all to institutions, which are registered charities, and are from the unrestricted fund. The 50 largest donations, plus those of equal value of the 50th, are detailed as follows:

Institution:	£
Ripon Cathedral, Ripon (£55,000 to be paid in future years)	55,000
St Michael's Hospice, Harrogate (£24,000 to be paid in future years)	30,000
Opera North, Leeds (£20,000 to be paid in future years)	24,000
Girlguiding North Yorkshire West, Harrogate	10,000
St Peter's Church, Harrogate	10,000
National Gulf Veterans and Families Association (N.G.V.F.A), Hull	7,500
Designability, Bath	7,000
Yorkshire Dales Millennium Trust, Lancaster	6,500
Archbishop of York Youth Trust, York	6,250
Alzheimer's Research UK, Cambridge	5,000
Bierley Community Association Ltd, Bradford	5,000
St Peter's Singers, Leeds	5,000
Safe and Sound Homes, SASH, York	5,000
The Welcome Centre, Huddersfield	5,000
Muscular Dystrophy Campaign, London	4,500
Harrogate International Festival, Harrogate	4,000
Motor Neurone Disease Association, Northampton	4,000
Reds in the Community, Barnsley	3,300
Alcohol Education Trust, Rossendale	3,000
Bag Books, London	3,000
Bradford Nightstop, Bradford	3,000
British Heart Foundation, London	3,000
Clothing Solutions for Disabled People, Bradford	3,000
Craven & Harrogate Districts Citizens Advice Bureau, Ripon	3,000
Exodus Project, Barnsley	3,000
Happy Wanderers Ambulance Organisation, Harrogate	3,000
Harrogate & Ripon Centres for Voluntary Service Ltd, Harrogate	3,000
Humbercare Ltd, Hull	3,000
Jennyruith Workshops Ltd, Ripon	3,000
Kidz Club, Leeds	3,000
Learning Partnerships, Leeds	3,000
Leven Playing Field Association, Beverley	3,000
Listening Books, London	3,000
Live Music Now, Bristol	3,000
Macular Society	3,000
Martin House Hospice, Wetherby	3,000
Movement for Non-Mobile Children, London	3,000
Ruddi's Retreat, Huddersfield	3,000
Samaritans of Harrogate and District, Harrogate	3,000
Sunbridge Road Mission, Bradford	3,000
West Yorkshire Community Chaplaincy Project, Leeds	3,000
Bold Balladiers, Lymington	2,500
Cleveland Housing Advice Centre, Middlesbrough	2,500
Disability Action Yorkshire, Harrogate	2,500
Harold Styan Charity for Youth, Harrogate	2,500

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7 CHARITABLE EXPENDITURE - cont'd

Institution:	£
Kyra Women's Project, York	2,500
Mencap, Barnsley	2,500
The Principle Trust Children's Charity, Skipton	2,200
The Back-Up Trust, London	2,000
The British Stammering Association, London	2,000
Camphill Village Trust Limited, Botton	2,000
Caring for Life, Leeds	2,000
Caring Together in Woodhouse and Little London, Leeds	2,000
Changing Faces, London	2,000
Contact the Elderly, London	2,000
Crafts Council, London	2,000
The Cure Parkinson's Trust, Reading	2,000
Cystic Fibrosis Trust, London	2,000
Diabetes UK, London	2,000
Fight for Sight, London	2,000
Harrogate MIND, Harrogate	2,000
Harrogate, Craven and York Crossroads Care, Harrogate	2,000
Hawker Blackburn Squadron 1324, Brough	2,000
Kidney Research UK, Peterborough	2,000
Kids Yorkshire and the Humber, Hull	2,000
Leeds MIND, Leeds	2,000
Lupus UK, Romford	2,000
The Muir Maxwell Trust, Musselburgh	2,000
New Hall Kidz Ltd, Wakefield	2,000
Orb Community Enterprise, Knaresborough	2,000
Orthopaedic Institute Limited, Oswestry	2,000
Paperworks, Harrogate	2,000
Relate Pennine, Keighley and Craven, Keighley	2,000
Revitalise, London	2,000
Ripon Cathedral Development Campaign - The Music Fund, Ripon	2,000
Ripon Community Link, Ripon	2,000
Spinal Muscular Athrophy Support UK, Stratford-upon-Avon	2,000
St Wilfred's Church	2,000
The Inspire Foundation, Salisbury	2,000
The Island, York	2,000
Tuberous Sclerosis Association, London	2,000
Whirlow Hall Farm Trust, Sheffield	2,000
York Blind and Partially Sighted Society, York	2,000
Total amount of smaller grants	16,370
	<hr/>
	369,620
	<hr/>

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7 CHARITABLE EXPENDITURE - cont'd

	<u>No.</u>	<u>£</u> 2018	<u>£</u> 2017
The total grants are analysed as follows			
Blind and Partially Sighted	1	2,000	11,000
Children and Youth	11	35,200	17,500
Cultural and Environmental Heritage	11	33,000	40,500
Deaf, Hard of Hearing and Speech Impaired	2	5,000	14,000
Disabled and Physically Handicapped	9	21,000	40,800
Education	8	41,250	22,000
Hospices and Hospitals	4	34,000	4,500
Medical Research	26	51,000	70,000
Medical Welfare	8	16,000	17,000
Mental Health and Mentally Handicapped	4	10,300	30,500
Miscellaneous	1	55,000	-
Old People's Welfare	8	23,500	8,800
Services and Ex-Services	2	9,500	7,500
Social and Moral Welfare	16	32,870	64,900
	<u>111</u>	<u>369,620</u>	<u>349,000</u>

8 Staff costs

The trustees receive no remuneration or other benefits for their work with the Trust.

The Trust employed no staff in in the year to 31 December 2018 and the preceding period.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9 INVESTMENTS

	Investments listed on UK Stock Markets	Cash held as investments	Totals 2018	Totals 2017
	£	£	£	£
Opening valuation at 1st January 2018	17,242,450	584,734	17,827,184	16,402,821
Additions in year	5,048,575	-	5,048,575	5,224,453
Disposals	(4,720,983)	-	(4,720,983)	(5,188,354)
Revaluations	(1,680,569)	-	(1,680,569)	1,212,967
Net movement in cash	-	(273,532)	(273,532)	175,297
Market values at 31st December 2018	15,889,473	311,202	16,200,675	17,827,184
Historical cost at 31st December 2018	14,051,912	311,202	14,363,114	12,979,071
			2018	2017
			£	£
The stock market investment portfolio is split as follows:				
Cash and cash equivalents			311,202	584,734
Equities			12,169,326	13,378,235
Bond interest holdings			2,851,095	3,010,516
Hedge funds			410,844	407,909
Property funds			458,208	445,789
Total investments			16,200,675	17,827,184

Individual investments held at the end of the period which represent over 5% of the portfolio value are:

	Number Held	Market Value	Cost
		£	£
UBS Investment Funds ICVC S&P500 Index	7,222	1,166,905	767,124
		1,166,905	767,124
		2018	2017
		£	£
Stock market investment disposals:			
Proceeds		4,796,696	5,373,211
Less: Opening valuation or cost if purchased after 31st December 2017		(4,720,983)	(5,188,354)
Gains on disposals in the year		75,713	184,857
Revaluations		(1,680,569)	1,212,967
Net gains/(Losses) on investments		(1,604,856)	1,397,824

The individual holdings on the investments are detailed in the appendix.

All of the fixed asset investments are held in the endowment fund.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10	DEBTORS	2018	2017
		£	£
	Accrued income	4	3
		<hr/>	<hr/>
		4	3
		<hr/>	<hr/>
11	CASH OR CASH EQUIVALENTS WITHIN PERMANENT ENDOWMENT FUND	2018	2017
		£	£
	Cash and cash equivalents within the endowment fund	311,202	584,739
		<hr/>	<hr/>
		311,202	584,739
		<hr/>	<hr/>
<p>The cash and cash equivalents held in the endowment fund are unavailable for use to further charitable activities, as the cash held in this fund must be invested in order to comply with the terms of the Trust Deed. The funds invested provide the Trust with the unrestricted income from which grants are made.</p>			
12	RECONCILIATION OF CASH AND CASH EQUIVALENTS IN BALANCE SHEET TO CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT	2018	2017
		£	£
	Cash and cash equivalents as shown in the Balance Sheet		
	Cash held by investment managers within fixed assets	311,202	584,736
	Cash held by investment managers within current assets	82,935	45,824
	Cash at bank	364,615	228,714
		<hr/>	<hr/>
	Total cash within Balance Sheet	758,752	859,274
		<hr/>	<hr/>
	Total cash within Cash Flow Statement	758,752	859,274
		<hr/>	<hr/>
13	CREDITORS: amounts falling due within one year	2018	2017
		£	£
	Expense accruals	3,060	3,310
	Accrued investment management costs	858	10,397
	Accruals for grants payable (note 15)	98,000	37,000
		<hr/>	<hr/>
		101,918	50,707
		<hr/>	<hr/>
14	CREDITORS: amounts falling due after more than one year	2018	2017
		£	£
	Accruals for grants payable (note 15)	38,000	37,000
		<hr/>	<hr/>
		38,000	37,000
		<hr/>	<hr/>

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

15 ACCRUALS FOR GRANTS PAYABLE

	2018	2017
	£	£
Carrying amount at 1 January 2018	74,000	65,000
Additional pledges	369,620	349,000
Settled in the year	(307,620)	(340,000)
	<hr/>	<hr/>
Carrying amount at 31 December 2018	136,000	74,000
	<hr/>	<hr/>
Due within one year	98,000	37,000
Due in after more than one year	38,000	37,000
	<hr/>	<hr/>
	136,000	74,000
	<hr/>	<hr/>

All of the accruals for grants payable in this period and the previous period relate to donations committed to beneficiaries. A liability is recognised for any donations which have been announced to the beneficiaries which have not yet been paid. These donations will be paid over the next four years.

16 SUMMARY OF FUND MOVEMENTS

	Balance at 1 January 2018 £	Incoming resources	Outgoing resources £	Gain/(Loss) on investments £	Balance at 31 December 2018 £
Unrestricted funds	197,231	533,085	(421,822)	-	308,494
Permanent endowments	17,816,788	-	(12,115)	(1,604,856)	16,199,817

	Balance at 1 January 2017 £	Incoming resources	Outgoing resources £	Gain/(Loss) on investments £	Balance at 31 December 2017 £
Unrestricted funds	105,978	529,347	(438,094)	-	197,231
Permanent endowments	16,399,787	41,323	(22,146)	1,397,824	17,816,788

The unrestricted fund can be used for any charitable purpose at the sole discretion of the trustees.

The permanent endowment arose initially from Charles Sykes, in 1954, when the sum of £100,000 was settled. This has been further increased over the years by substantial funds from various sources, including the late Mr and Mrs Sykes. The permanent endowment fund and any donations and gifts to the Trust must be invested, as stated in the terms of the Trust Deed.

As all legacies are for the same purpose, with no restriction on the distribution of income, no separate analysis of the various sources of endowment are shown.

THE CHARLES SYKES TRUST
(THE CHARLES AND ELSIE SYKES TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

17 ANALYSIS OF FUNDS BETWEEN NET ASSETS

Year ended 31 December 2018	Unrestricted Income Fund £	Permanent Endowment fund £	Totals 2018 £
Investments	-	16,200,675	16,200,675
Current assets	447,554	-	447,554
Current liabilities	(101,060)	(858)	(101,918)
Non-current liabilities	(38,000)	-	(38,000)
	<hr/>	<hr/>	<hr/>
	308,494	16,199,817	16,508,311
	<hr/>	<hr/>	<hr/>
Year ended 31 December 2017	Unrestricted Income Fund £	Permanent Endowment fund £	Totals 2017 £
Investments	-	17,827,184	17,827,184
Current assets	274,541	-	274,541
Current liabilities	(40,310)	(10,397)	(50,707)
Non-current liabilities	(37,000)	-	(37,000)
	<hr/>	<hr/>	<hr/>
	197,232	17,816,787	18,014,019
	<hr/>	<hr/>	<hr/>

The Charles and Elsie Sykes Trust
SCHEDULE OF INVESTMENTS ON CAPITAL ACCOUNT DURING 2018

	Number held	Cost 31.12.18	Valuation 1.1.18	Additions	Disposals	Valuation 31.12.18	Unrealised Gains / (Losses)	Proceeds	Realised Gains / (Losses)
<u>Bond Investments UK and Overseas</u>									
Aberdeen Global	15,038	1 MINC HGD (GBP)	137,758	-	137,758	-	129,318	(8,440)	-
Ashmore Sicav Emg Mkts Corp Debt	-	Z (GBP)	-	76,391	-	(76,391)	-	72,099	(4,292)
Bluebay Fnds Sicav Emg Market Bond Fund	-	class C shares	-	153,603	-	(153,603)	-	144,182	(9,421)
Fidelity Institute UK Corporate Bond Fund	95,580	GBP Inc	107,457	127,599	-	121,769	(5,830)	-	-
Focused Sicav High Grade Long Term Bond	2,167	class A shares (GBP)	262,757	490,523	50,415	(286,686)	248,555	(5,697)	279,323
Focused Sicav High Grade Long Term Bond	-	class A shares	-	841,886	588,459	(1,430,345)	-	1,405,975	(24,370)
Goldman Sachs Global High Yield Portfolio	17,162	shares R GBP	167,729	163,554	-	145,877	(17,677)	-	-
Goldman Sachs Growth Emg Mkts Deb P/F	84,943	R Hdgd Dist GBP	792,192	276,442	781,316	(266,568)	693,135	(98,054)	248,998
Insight Inv Disc UK Corporate All Mat Bond	114,873	class P	118,146	126,452	-	118,940	(7,513)	-	-
iShares Core GBP Corporate Bond Fund	1,525	shares (GBP)	205,564	171,768	50,243	-	211,304	(10,707)	-
JP Morgan Funds Emerg Market	2,692	C GBP Dist	270,148	-	270,148	-	261,689	(8,459)	-
M&G Invest Fund 3 Corp Bond	560,509	class I (GBP) inc	212,346	197,939	36,174	-	221,345	(12,768)	-
Neuberger Berman High Yield Bond	17,876	class I2	172,146	168,213	-	-	152,661	(15,552)	-
Nordea 1 Sicav Euro H/Y Bond Fund	37,133	sh hai GBP	357,919	-	357,919	-	342,366	(15,552)	-
Royal London Bond Sterling Credit	35,931	class Z GBP Inc	46,877	50,591	-	-	47,968	(2,623)	-
UBAM Sicav Global H/Y Solution	1,444	IHD GBP	168,356	165,555	-	-	156,169	(9,386)	-
			3,019,394	3,010,515	2,272,432	(2,213,593)	2,851,095	(218,259)	2,150,577
									(63,016)
<u>Equity Investments UK and Overseas</u>									
Astrazeneca PLC	4,998	com stock USD 0.25 (GBP)	121,524	288,364	-	(32,416)	293,533	37,585	4,259
Aviva PLC	74,312	ord 25p shares	391,180	170,392	210,577	-	279,042	(101,927)	-
Barclays PLC	106,987	ord 25p shares	278,243	217,291	-	-	161,037	(56,254)	-
Beazley PLC	63,506	ord 0.05 GBP shares	128,981	339,757	-	-	321,023	(18,734)	-
Blackrock European Dynamic Fund	256,091	CLS FD GBP inc	209,014	476,555	-	(55,029)	362,369	(59,157)	544
Blackrock Global Fund Asian Growth Leaders	12,143	D2RF GBP	171,779	193,924	-	-	164,902	(29,022)	-
BP PLC	45,036	USD 0.25 (GBP)	205,146	276,231	-	(40,828)	223,356	(12,047)	44,986
British American Tobacco	16,984	ord 25p shares	587,949	461,455	273,861	-	424,600	(310,716)	-
BT Group PLC	46,545	ord 5p shares	199,898	126,463	-	-	110,824	(15,639)	-
Close Brothers Group	17,035	ord 25p shares	190,178	214,304	67,388	(33,316)	245,304	(3,072)	36,291
Diageo PLC	12,708	ord GBP 0.28935 shares	29,440	346,293	-	-	355,189	8,896	-
DS Smith PLC	-	ord 10p shares	-	301,687	-	(301,687)	-	-	294,075
Eaton Vance International Parametric Emg Mkt	5,231	accum shs class I2	61,157	77,210	-	-	69,049	(8,160)	-
Elementis PLC	53,033	ord 5p shares	138,508	122,229	16,123	-	96,573	(41,779)	-
Findlay Park American Fund	4,413	dollar CL (USD)	239,691	392,251	-	(40,992)	375,941	24,682	46,217
First State Asia Stewart Investors Asia Pacific	25,484	class B shares (OEIC) accum	112,353	179,086	-	-	188,750	9,664	-
Gam Multibond Lcl Emrg	-	Bnd Shs -Ra- Dist	-	-	269,931	(269,931)	-	-	270,474
Glaxosmithkline	25,846	ord 25p shares	367,435	341,813	-	-	385,416	43,602	-
Hermes Inv Fds PLC Glb Emg Mkt Fund	39,990	class F GBP	49,528	61,869	-	-	54,654	(7,214)	-
HSBC Holdings PLC	59,175	USD 0.50 (GBP)	396,305	400,859	49,050	-	382,803	(67,105)	-
IG Group Holdings PLC	29,488	ord 0.005p shares	142,190	211,576	-	-	168,082	(43,495)	-
Imperial Brands	6,034	ord 10p shares	225,742	191,036	-	-	143,428	(47,608)	-
Informa PLC	49,131	GBP 0.001	247,441	216,192	217,416	(135,595)	309,820	11,807	190,387
iShares FTSE 250	4,097	GBP shares	58,623	133,382	-	(52,424)	68,502	(12,456)	51,966
iShares Inc Shares MSCI Europe Ex UK Fund	11,246	fund units	284,486	437,519	53,958	(171,323)	280,953	(39,202)	163,425
iShares PLC MSCI Japan	4,328	UCITS ETF USD (dist)	30,940	48,685	-	-	43,843	(4,842)	-
Jo Hambro Capital Management Continental European	68,357	class A	172,762	347,676	-	(35,900)	275,479	(36,298)	36,281
Lazard Inv Funds Emg Mkt Fd Inst	43,272	class S Inc	48,992	54,090	-	-	45,998	(8,092)	-
Lloyds Banking Group	459,693	ord 10p shares	313,297	198,277	105,443	-	238,351	(65,369)	-
Man GLG Japan Core Alpha Fund Pro Acc	91,839	class C shares	109,810	174,127	-	-	157,596	(16,531)	-
Money Supermarket.com Group	36,720	ord GBP 0.0002 shares	106,124	130,797	-	-	101,164	(29,633)	-
Morgan Stanley Inv US Advantage Fund	3,875	ZX shares	96,932	275,834	-	(76,272)	214,481	14,919	84,540
NEX Group Plc	-	Regd GBP 0.175	-	-	128,078	(128,078)	-	-	212,719
Old Mutual Global Investment N. American Equity Fund	31,440	P2 GPB	316,915	314,142	(274)	-	301,617	(12,252)	-
Pearson PLC	13,300	ord 25p shares	88,880	97,888	-	-	124,807	26,919	-
Prudential PLC	20,049	ord 5p shares	86,312	342,990	36,078	-	281,087	(97,981)	-
Reckitt Benckiser	4,886	ord 10p shares	89,839	281,465	47,316	-	293,795	(34,986)	-
RELX PLC	22,204	ord 14.44p shares	247,894	386,128	-	-	358,928	(27,200)	-
Royal Dutch Shell	25,136	class B Euro 0.07 shares (GBP)	498,775	683,817	38,940	(95,111)	588,182	(39,464)	101,719
Sage Group PLC	48,619	GBP 0.01051948	213,900	342,638	70,642	(47,014)	291,422	(74,843)	44,495
Schroder Tokyo	122,636	fund units class Z GBP income	80,386	131,466	-	-	116,566	(14,900)	-
SSE PLC	13,334	ord 50p shares	210,939	176,009	-	-	144,207	(31,802)	-
UBS ETF PLC MSCI ACWI	4,024	UCITS ETF Class A GB	510,565	363,727	501,988	(344,257)	472,492	(48,966)	343,900
UBS Investment Funds ICVC S&P500 Index	7,222	J inc	767,124	1,306,003	99,774	(239,802)	1,166,905	930	252,793
UBS ETF MSCI Emerg	2,034	A shares dist (GBP)	145,497	195,281	136,311	(154,523)	154,533	(22,537)	149,718
UBM PLC	-	common stock 0.1125 GBP	-	252,894	-	(252,894)	-	-	229,885
Unilever PLC	9,263	ord GBP 0.03111 shares	130,970	336,022	47,555	-	380,570	(3,007)	-
Vanguard Funds PLC	23,712	FTSE 100 UCITS ETF GBP Inc	761,376	471,218	334,101	-	707,922	(97,397)	-
Vodafone Group PLC	159,734	USD 0.2095238 (GBP)	358,874	289,325	71,889	-	244,233	(116,980)	-
			10,223,892	13,378,236	2,776,144	(2,507,390)	12,169,326	(1,477,665)	2,646,119
									138,729
<u>Hedge Funds</u>									
Key Multi-Key Multi Manager Hedge Fund Diversified Ltd	21,975	GBP 0.001	288,569	304,523	-	-	304,730	207	-
Key Multi-Key Multi Manager Hedge Fund Focused Ltd	8,248	class A GBP shares	94,395	103,386	-	-	106,114	2,728	-
			382,964	407,909	-	-	410,844	2,935	-
<u>Real Estate Investments</u>									
Charity Property Fund	352,820	income units (GBP)	425,663	445,789	-	-	458,208	12,419	-
			425,663	445,789	-	-	458,208	12,419	-
Total									
Bond Investments UK and Overseas			3,019,394	3,010,515	2,272,432	(2,213,593)	2,851,095	(218,259)	2,150,577
Equity Investments UK and Overseas			10,223,892	13,378,236	2,776,144	(2,507,390)	12,169,326	(1,477,665)	2,646,119
Hedge Funds			382,964	407,909	-	-	410,844	2,935	-
Real Estate Investments			425,663	445,789	-	-	458,208	12,419	-
			14,051,912	17,242,450	5,048,576	(4,720,983)	15,889,473	(1,680,569)	4,796,696
									75,713

N.B. The Trust's holding of UBS Investment Funds ICVC S&P500 Index securities amounts to 7.34% of the portfolio value (excluding cash).
All other holdings are less than 5% of the portfolio value.