

**OVE ARUP PARTNERSHIP CHARITABLE TRUST
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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FOR THE YEAR ENDED 31 MARCH 2019

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OVE ARUP PARTNERSHIP CHARITABLE TRUST**REFERENCE AND ADMINISTRATIVE DETAILS****FOR THE YEAR ENDED 31 MARCH 2019****Address**

13 Fitzroy Street
London
W1T 4BQ

Trustee

Ove Arup Partnership Trust Corporation Limited

The directors of which are:

J Baster
A K C Chan
R E Downhill
A R Gaba
T M Hill
E M Hinkers (Resigned 31/03/2019)
M Kang (Resigned 31/03/2019)
C C Lee (Appointed 01/04/2019)
M T Lethco (Appointed 01/04/2019)
R M Nicholls
M Raman (Appointed 01/04/2018)
D A Whittleton

Company Secretary

M J Ansley-Young

Bankers

HSBC Bank Plc
City Corporate Banking Centre
60 Queen Victoria Street
London EC4N 4TR

Solicitors

Berwin Leighton Paisner LLP
Adelaide House
London Bridge
London EC4R 9HA

Auditors

Crowe U.K. LLP
St. Bride's House
10 Salisbury Square
London EC4Y 8EH

OVE ARUP PARTNERSHIP CHARITABLE TRUST

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Establishment and objectives of The Charitable Trust

Ove Arup Partnership Charitable Trust (the "Charitable Trust") was established by a Trust Deed on 7 January 1978 and is a registered charity, number 1038737. The holding of the shares in Arup Group Limited is a long-standing investment, held as a social investment, in order to achieve the charitable purpose of promoting sustainable development for the benefit of the public. It fulfils its objective to benefit and further such charitable purposes as the Trustee sees fit, by making donations to charitable organisations and for charitable purposes. Donations are considered under the following categories in particular: education, social care, health and welfare; disaster relief and poverty alleviation; local community development; sustainability, environment and technology.

The Trustee confirms that it has due regard to the general guidance issued by the Charity Commission on public benefit in relation to Charities Act 2011. The aims of the Charity are carried out for the public benefit.

Management

The Charitable Trust is managed by the Trustee, Ove Arup Partnership Trust Corporation Limited, which was appointed by the Original Trustees.

Trust Fund

The Trust Fund consists of the initial fund of the original settlement and any additional property which may be received by the Trustee to be held on the trust of the Charitable Trust. The Trustee has power to retain and invest income, within legal constraints, until it is decided how it should be distributed.

Investment

The Trustee has wide powers of investment. Disclosures of investments are shown in note 5 of the accounts.

Activities

The Charitable Trust is not in receipt of a regular income and relies on gifts from Arup Group Limited, a limited company registered in England and Wales (Company number 1312454). During the financial year, £843,090 was received by way of a gift from Arup Group Limited (2018: £528,440). The Charitable Trust aims to disburse all monies received to organisations working in line with the Charitable Trust objectives.

In the year the Charitable Trust made donations of £852,920 (2018: £487,584) as shown in note 3 of the financial statements. Unrestricted funds retained for future use amount to £47,969 (2018: £59,010). Whilst not all monies were disbursed, the monies disbursed went to activities in line with the Charitable Trust objectives, and the remaining money held in reserves will be disbursed on a similar basis in the next financial year.

The Charitable Trust does not raise funds from the public.

Grant making policy

The Trustee considers causes and charities that operate in areas related to Arup's skills and business activities where these are aligned with Arup's values, as expressed in Ove Arup's 'Key Speech', of doing socially useful work and of being engaged in activities for the benefit of society at large.

In deciding on specific recipients, the Trustee has regard to the size and structure of the recipient organisation in relation to the size of donation in order to maximise the impact and effectiveness of that donation.

Principal risks and uncertainties

Due to the size of operations and the secure funding received by the Charitable Trust, there are few significant risks. The biggest risk facing the Charitable Trust is finding appropriate organisations to make donations of funds to in line with the Charitable Trust objects.

Reserves

At the balance sheet date unrestricted funds were £47,969 (2018: £59,010). The Trustee's policy is to expend unrestricted funds in making grants at the earliest opportunity.

Auditor

Crowe U.K. LLP has indicated its willingness to be re-appointed as statutory auditor.

Future plans

The potential recipients of charitable donations are considered on an annual basis in the context of the available funds, and are also reviewed regularly during the year. Where appropriate, depending on the charitable purpose and previous experience of the organisation concerned, donations may be committed to for multiple years (typically up to three years), but are still subject to annual review.

OVE ARUP PARTNERSHIP CHARITABLE TRUST

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards). The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Trust and of the incoming resources and application of resources for that period.


In preparing the financial statements the Trustee is required to:

- select suitable accounting policies and applied them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (Charities SORP);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statement on the going concern basis, unless it is inappropriate to assume that the Charitable Trust will continue in operation.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Trust which enable them to ensure that the financial statements comply with the Charity Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charitable Trust's constitution.

They are also responsible for safeguarding the assets of the Charitable Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Trustee



M J Ansley-Young
Secretary of Ove Arup Partnership Trust Corporation Limited

Date: 14 November 2019
Registered Office: 13 Fitzroy Street, London W1T 4BQ

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

OVE ARUP PARTNERSHIP CHARITABLE TRUST

FOR THE YEAR ENDED 31 MARCH 2019

Opinion

We have audited the financial statements of Ove Arup Partnership Charitable Trust for the year ended 31 March 2019 which comprises Statement of Financial Activities, Balance Sheet, 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 Financial Reporting Standard 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 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustee has 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 Trustee is responsible for the other information. The other information comprises the information included in the Trustee's report and financial statements, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee's 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 Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 3, the Trustee is 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 Trustee determines 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 Trustee is 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 Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
OVE ARUP PARTNERSHIP CHARITABLE TRUST (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 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.

Use of our report

This report is made solely to the charity's Trustee, 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 Trustee 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 Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

London

Date:

19 December 2019

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

OVE ARUP PARTNERSHIP CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2019

	<u>Note</u>	<u>Endowment funds 2019</u>	<u>Unrestricted funds 2019</u>	<u>Total Funds 2019</u>	<u>Total Funds 2018</u>
		£	£		
INCOME AND ENDOWMENTS					
Donations and gifts		-	843,090	843,090	528,440
Interest received		-	594	594	233
		-	843,684	843,684	528,673
EXPENDITURE					
Charitable expenditure	1e) & 3	-	854,725	854,725	487,311
Net (expenditure) / income		-	(11,041)	(11,041)	41,362
Reconciliation of funds:					
Total funds brought forward		100	59,010	59,110	17,748
Total funds carried forward	6	100	47,969	48,069	59,110

The statement of financial activities contains all the gains and losses recognised in the year.

All amounts relate to continuing activities.

The notes on pages 9 to 12 form part of these financial statements.

OVE ARUP PARTNERSHIP CHARITABLE TRUST

BALANCE SHEET

AS AT 31 MARCH 2019

	<u>Note</u>	<u>2019</u>	<u>2018</u>
		£	£
FIXED ASSETS			
Investments	5	<u>101</u>	<u>101</u>
CURRENT ASSETS			
Cash at bank and in hand		<u>47,968</u>	<u>59,009</u>
NET CURRENT ASSETS		<u>47,968</u>	<u>59,009</u>
TOTAL ASSETS	6	<u>48,069</u>	<u>59,110</u>
UNRESTRICTED FUND			
Trust Fund - Income Account	1b)	47,969	59,010
PERMANENT ENDOWMENT			
Trust Fund - Capital Account	1b)	<u>100</u>	<u>100</u>
		<u>48,069</u>	<u>59,110</u>

The financial statements on pages 6 to 12 were approved by the Trustee and authorised for issue on 14 November 2019 and signed on its behalf :



for Ove Arup Partnership Trust Corporation Limited
D A Whittleton
Date: 14 November 2019



J Baster
Date: 14 November 2019

The notes on pages 9 to 12 form part of these financial statements.

OVE ARUP PARTNERSHIP CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	<u>2019</u>	<u>2018</u>
	£	£
Cash flows from operating activities:		
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(11,041)	41,362
Net cash (used in) / provided by operating activities	<u>(11,041)</u>	<u>41,362</u>
Change in cash and cash equivalents in the reporting period	(11,041)	41,362
Cash and cash equivalents at the beginning of the reporting period	59,009	17,647
Cash and cash equivalents at the end of the reporting period	<u>47,968</u>	<u>59,009</u>
 Analysis of cash and cash equivalents		
	<u>2019</u>	<u>2018</u>
	£	£
Cash at bank and in hand	47,968	59,009
Total cash and cash equivalents	<u>47,968</u>	<u>59,009</u>

OVE ARUP PARTNERSHIP CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 ACCOUNTING POLICIES

The Charitable Trust (charity number 1038737) is unincorporated and registered in England and Wales. The address of the registered office is 13 Fitzroy Street, London, W1T 4BQ, UK.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102), applicable to charities preparing their financial statements in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Ove Arup Partnership Charitable Trust meets the definition of a public benefit entity under FRS 102.

Having assessed the Charitable Trust's financial position and plans for the foreseeable future, the Trustee is satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

b) Trust Fund

The Trust Fund consists of a permanent endowment and an income fund to be applied as the Trustee sees fit for the charitable objectives of the Charitable Trust. The permanent endowment consists of the property received to be held on the trust of the Charitable Trust. It also includes the capital gains on any investments. The Unrestricted Funds consist of the balance of undistributed income which the Trustee has power to retain in accordance with the law and the Trust deed.

c) Financial instruments

The Ove Arup Partnership Charitable Trust has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

d) Income

Income is included gross and includes any associated tax credit unless such credit is considered irrecoverable. Interest and donations are recorded when received. Donated services are included in income and expenditure at a value agreed with the donor.

e) Expenditure

Expenditure is accounted for on an accruals basis. Governance costs are those costs incurred in respect of compliance with statutory and constitutional requirements.

Donations payable are recognised when there is a constructive obligation to make the payment.

f) Going concern

There are no material uncertainties about the Charitable Trust's ability to continue in operational existence for the foreseeable future.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described in note 1, the Trustee is required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustee, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the Balance Sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

OVE ARUP PARTNERSHIP CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

	<u>2019</u> £	<u>2018</u> £
3 CHARITABLE ACTIVITIES		
Donations of £500 or more		
Barnabus (Manchester)	4,000	-
Bethel	-	1,000
British Red Cross	24,000	-
Catholic Agency For Overseas Development (CAFOD)	17,200	-
Cardiac Risk in the Young (CRY)	1,572	-
Cardiff Pedal Power	1,000	-
Class Of Your Own	20,000	20,000
Drukpa Trust	50,000	-
Earthlinks UK	86,515	-
Engineering Development Trust	20,000	10,000
Engineers for Overseas Development	21,378	22,292
Engineers Without Borders	-	20,050
Fields of Life	7,444	-
Frank Water	73,649	23,718
Habitat for Humanity Great Britain	-	1,000
Headway Bristol	-	1,316
Help Bristol's Homeless	1,559	-
Home Leone	4,000	-
International Organisation for Migration (IOM)	10,000	-
MS Trust	-	572
Medecins Sans Frontieres (UK)	23,200	-
RedR UK	1,038	22,062
Save the Children	32,550	-
Social Mobility Foundation	20,000	20,000
Summerfield Stables	4,000	-
The Christie Charity	-	3,085
The Kensington & Chelsea Foundation	-	10,000
The Ove Arup Foundation	400,000	300,000
The Prince's Trust	24,161	23,666
The Shakespeare Hospice	-	748
Velindre Cancer Centre	554	854
Weston Park Cancer Charity	-	1,000
	<hr/> 847,820	<hr/> 481,363
Other donations less than £500	<hr/> 5,100	<hr/> 6,221
	852,920	487,584
Donations written off less than £500	<hr/> (404)	<hr/> (2,473)
	852,516	485,111
Support costs		
Governance costs (note 4)	2,209	2,200
	<hr/> 854,725	<hr/> 487,311
	<hr/> <hr/>	<hr/> <hr/>

OVE ARUP PARTNERSHIP CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

4 GOVERNANCE COSTS

	<u>2019</u> £	<u>2018</u> £
Audit fees	2,200	2,150
Other costs	<u>9</u>	<u>50</u>
	<u>2,209</u>	<u>2,200</u>

The Trustee receives no remuneration or reimbursement of expenses for the services provided to the Charitable Trust. Management functions are performed by the Trustee. The audit fee is paid by Ove Arup & Partners International Limited, a subsidiary of Arup Group Limited, on behalf of the Charitable Trust and is included in income and expenditure as a gift in kind.

5 INVESTMENTS

	<u>2019</u> £	<u>2018</u> £
Original cost		
At 1 April	101	101
Acquired during the year	<u>-</u>	<u>-</u>
At 31 March	<u>101</u>	<u>101</u>
Analysis of investments at 31 March		
Unquoted voting shares at cost	<u>101</u>	<u>101</u>

Market values

The unquoted voting shares represent the entire voting share capital of Arup Group Limited (a limited liability company registered in England and Wales) and do not give any rights to income nor to surpluses on a winding-up. Consequently, the Trustee believes that the shares have a limited market value (but not less than cost) and that this value cannot be easily assessed. It was the settlor's original intention that the shares be held in perpetuity. Therefore the shares have been included at cost as permitted by Charities SORP 2015.

6 NET ASSETS BY FUND

The fund balances at 31 March were represented by:

	<u>2019</u>		<u>2018</u>	
	Unrestricted Funds	Endowment Funds	Unrestricted Funds	Endowment Funds
	£	£	£	£
Fixed Assets - Investments	1	100	1	100
Current assets	<u>47,968</u>	<u>-</u>	<u>59,009</u>	<u>-</u>
	<u>47,969</u>	<u>100</u>	<u>59,010</u>	<u>100</u>
	<u>48,069</u>		<u>59,110</u>	

7 FUNDS

Unrestricted funds comprise those funds which the Trustee is free to use in accordance with the charitable objects.

8 RELATED PARTIES

The Charitable Trust holds shares in Arup Group Limited as a social investment. During the year, the Charitable Trust received £843,090 (2018: £528,440) in donations from Arup Group Limited.

Two of the directors of Ove Arup Partnership Trust Corporation Limited, the Trustee of the Ove Arup Partnership Charitable Trust, are also Trustees of the Ove Arup Foundation. During the year the Charitable Trust made a donation of £400,000 to the Ove Arup Foundation (2018: £300,000).

OVE ARUP PARTNERSHIP CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

9 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Endowment funds <u>2018</u>	Unrestricted funds <u>2018</u>	Total Funds <u>2018</u>
	£	£	£
INCOME AND ENDOWMENTS			
Donations and gifts	-	528,440	528,440
Interest received	-	233	233
	-	528,673	528,673
EXPENDITURE			
Charitable expenditure	-	487,311	487,311
Net income	-	41,362	41,362
Reconciliation of funds:			
Total funds brought forward	100	17,648	17,748
Total funds carried forward	100	59,010	59,110