

PETER & TERESA HARRIS CHARITABLE TRUST

Annual report and unaudited financial statements

For the year ended 5 April 2019

PETER & TERESA HARRIS CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Rabagliati Mr Timothy Barnes
Charity number	1161183
Independent examiner	WSM Advisors Limited Connect House 133-137 Alexandra Road Wimbledon London SW19 7JY
Solicitors	Gregsons Solicitors St Christopher's House Tabor Grove Wimbledon London SW19 4EX

PETER & TERESA HARRIS CHARITABLE TRUST

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PETER & TERESA HARRIS CHARITABLE TRUST

TRUSTEES' REPORT

For the year ended 5 April 2019

The trustees present their report and financial statements for the year ended 5 April 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's deed dated 25 November 2010, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The trust's objects are namely charitable purposes for the public benefit as are exclusively charitable according to the Laws of England and Wales as the Trustees may from time to time determine. The policies adopted in furtherance of these objects are to make grants and there has been no change in these during the year.

Grants are considered by all trustees on a regular basis throughout the year while having regard to the trust's aims and objectives, and investments. When grants are approved, the trustees instruct the Solicitors to organise the making of such grants. A detailed register of grants made is kept and updated by the Solicitors and circulated amongst the trustees.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

The trustees continue to seek for grant making opportunities to fulfil the charity's objectives.

Achievements and performance

During the year the trust made donations to other charitable bodies of £189,994 (2018: £193,190). Applications are made in writing or via email and are considered on a case-by-case basis. The trust will consider applications by charitable organisations that it has not previously supported. In principle all applications by registered charities in England and Wales will be considered on their merits in accordance with the Charity's areas of interest as outlined in the objectives.

The trust plans to continue making grants in line with its objectives.

Financial review

During the year the trust received a total income of £53,763 (2018: £59,343) and total expenditure was £209,203 (2018: £211,268), giving rise a net expense of £29,397 (2018: £129,720) after gain on sale of investment. This resulted in a total funds carried forward as at 5 April 2019 of £2,910,297 (2018: £2,939,693).

The trust does not fundraise and its income is comprised wholly of income arising on the trust's investment portfolio which was funded by gifts of expendable endowment from the charity's founders, Peter and Teresa Harris. The trust received a lump sum gift of expendable endowment from Peter and Teresa Harris during the year to 6 April 2016 in the sum of £2,954,586. This has been invested by the trust's Investment Managers.

The trust's Investment Managers have discretionary management over the trust's investment portfolio and are instructed to maximise income return within the constraints of a medium risk portfolio. There are no ethical constraints in place with regard to investment.

The Investment Managers' report for the year to 5 April 2019 showed a satisfactory performance.

The trustees aim to continue with the grant making. Given that the current reserves, they are sufficient to meet any unexpected grant application. The trust seeks to use income earned from investments to make grants but has an expendable endowment fund if required.

The trustees has assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

PETER & TERESA HARRIS CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

For the year ended 5 April 2019

Structure, governance and management

The trust was established by a charitable trust deed on 25 November 2010 and deed of amendment of 1 April 2015.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr D Rabagliati

Mr Timothy Barnes

The trust deed states there shall be at least two trustees. Every future trustee shall be appointed by a resolution of the trustees passed at a special meeting.

In selecting persons to be appointed as trustees, the trustees shall take into account the benefits of appointing a person who is able by virtue of their personal or professional qualifications to make a contribution to the pursuit of the objects of the management of the charity.

The trustees hold at least one ordinary meeting a year.

There are no related parties apart from the trustees.

The trustees' report was approved by the Board of Trustees.

Mr D Rabagliati

Trustee

Dated: 23 January 2020

PETER & TERESA HARRIS CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PETER & TERESA HARRIS CHARITABLE TRUST

I report on the financial statements of the trust for the year ended 5 April 2019, which are set out on pages 4 to 13.

Respective responsibilities of trustees and examiner

The trust's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015. In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Annie Lee FCA
For and on behalf of WSM Advisors Limited
ICAEW
Connect House
133-137 Alexandra Road
Wimbledon
London
SW19 7JY

Dated: 22 January 2020

PETER & TERESA HARRIS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 5 April 2019

	Notes	Unrestricted funds 2019 £	Endowment funds 2019 £	Total 2019 £	Unrestricted funds 2018 £	Endowment funds 2018 £	Total 2018 £
<u>Income from:</u>							
Donations and legacies	3	-	38	38	-	-	-
Investments	4	-	53,725	53,725	-	59,343	59,343
Total income and endowments		-	53,763	53,763	-	59,343	59,343
<u>Expenditure on:</u>							
Raising funds	5	-	14,889	14,889	-	14,478	14,478
Charitable activities	6	194,314	-	194,314	196,790	-	196,790
Total resources expended		194,314	14,889	209,203	196,790	14,478	211,268
Net gains/(losses) on investments	11	-	126,043	126,043	-	22,205	22,205
Net (outgoing)/incoming resources before transfers		(194,314)	164,917	(29,397)	(196,790)	67,070	(129,720)
Gross transfers between funds		194,314	(194,314)	-	196,790	(196,790)	-
Net movement in funds		-	(29,397)	(29,397)	-	(129,720)	(129,720)
Fund balances at 6 April 2018		-	2,939,694	2,939,694	-	3,069,413	3,069,413
Fund balances at 5 April 2019		-	2,910,297	2,910,297	-	2,939,693	2,939,693

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

All income and expenditure derive from continuing activities.

PETER & TERESA HARRIS CHARITABLE TRUST

BALANCE SHEET

As at 5 April 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Investments	12		2,253,879		2,210,540
Current assets					
Debtors	13	1		1,344	
Cash at bank and in hand		660,599		731,949	
		<u>660,600</u>		<u>733,293</u>	
Creditors: amounts falling due within one year	14	(4,182)		(4,140)	
		<u></u>		<u></u>	
Net current assets			656,418		729,153
Total assets less current liabilities			<u>2,910,297</u>		<u>2,939,693</u>
Capital funds					
<u>Endowment funds - general</u>					
General endowment funds		2,910,297		2,939,693	
		<u>2,910,297</u>		<u>2,939,693</u>	
Permanent endowment		-		-	
Expendable endowment		<u>2,910,297</u>		<u>2,939,693</u>	
	15		2,910,297		2,939,693
Income funds					
Unrestricted funds			-		-
			<u>2,910,297</u>		<u>2,939,693</u>

The financial statements were approved by the Trustees on 22 January 2020

Mr D Rabagliati
Trustee

PETER & TERESA HARRIS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 5 April 2019

1 Accounting policies

Charity information

Peter & Teresa Harris Charitable Trust is a charitable trust constituted under a Trust deed dated 25 November 2010. The trust is a registered charity number 1161183. The trust was established by Peter and Teresa Harris by an initial gift of expendable endowment funds.

1.1 Accounting convention

The accounts have been prepared in accordance with the trust's deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

PETER & TERESA HARRIS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 5 April 2019

1 Accounting policies

(Continued)

1.5 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

PETER & TERESA HARRIS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 5 April 2019

2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2019	2018
	£	£
Endowment funds:		
Legacies receivable	38	-
	<u> </u>	<u> </u>

The trust received the residual balance from the monies from the late Louis Walsh Harris (also known as Peter Harris) and Teresa Harris as set out in their wills in accordance with their wishes.

4 Investments

	2019	2018
	£	£
Income from investments	41,140	48,821
Interest receivable	12,585	10,522
	<u> </u>	<u> </u>
Endowment funds	53,725	59,343
	<u> </u>	<u> </u>

5 Raising funds

	2019	2018
	£	£
Investment management	14,889	14,478
	<u> </u>	<u> </u>
Endowment funds	14,889	14,478
	<u> </u>	<u> </u>

PETER & TERESA HARRIS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 5 April 2019

6 Charitable activities

	2019 £	2018 £
Grant funding of activities (see note 7)	189,994	193,190
Share of governance costs (see note 8)	4,320	3,600
	<u>194,314</u>	<u>196,790</u>

PETER & TERESA HARRIS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 5 April 2019

7	Grants payable	2019	2018
	Grants to institutions:	£	£
	Accrington Stanley Community Trust	2,000	-
	Alfège Church Greenwich	-	50,000
	ATD - 4th World	5,000	3,000
	Blackheath Conservatoire	10,000	10,000
	Bradfield Club Peckam	5,000	-
	Budiriro Trust	3,000	-
	Christ Co of E Primary School	2,500	-
	Christchurch West Wimbledon	5,000	-
	Christian care association	3,000	-
	Dyfodol Powys Futures	2,000	-
	Emergency Exit Arts	1,000	-
	Emergency Exit Arts	4,344	-
	Families Need Fathers	3,000	-
	Friends of Westcombe Woodlands	500	-
	Greenwich and Bexley Community Hospice	-	15,000
	Greenwich Cricket Limited	20,000	20,000
	Greenwich Society	-	6,000
	Greenwich Theatre	6,000	10,000
	Greenwich Winter Night Shelter	500	-
	Lewisham, Greenwich & Southwark	10,000	10,000
	Linden Lodge Charitable Trust	2,000	-
	Music All	3,000	-
	Opera North: Community Partnership	3,000	-
	Oxford Hospitals Charity	1,000	-
	Pugin Place Appeal Fund	4,000	-
	Royal Borough of Greenwich Destination Management Company	4,000	-
	Samaritans	-	20,000
	Second Chance	2,250	-
	Sedbergh School Foundation	3,000	-
	St Andrew's Society	3,000	-
	Super Kidz	12,000	-
	Talk about art	7,500	-
	The 999 Club Trust	-	10,000
	The Makes Guild in Wales	3,000	-
	Tower Hamlets Opportunity Group	2,000	-
	Trinity Laban Conservatoire of Music and Dance	15,000	-
	Trinity Laban Conservatoire of Music and Dance	5,000	-
	Unitarian Chapel Billingshurst	3,000	-
	University of Greenwich	10,000	-
	Warwick Landscaping	-	3,865
	Water City Music	400	-
	Welsh Religious Buildings Trust	2,000	-
	Wide Horizon	15,000	10,000
	Woolwich Garrison Church	5,000	-
	Youth on the Move	2,000	-
	Other	-	25,325
		<u>189,994</u>	<u>193,190</u>

PETER & TERESA HARRIS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 5 April 2019

8 Support costs

	Support costs	Governance costs	2019	2018	Basis of allocation
	£	£	£	£	
Accountancy	-	4,320	4,320	3,600	Governance
	<u>-</u>	<u>4,320</u>	<u>4,320</u>	<u>3,600</u>	
	<u>-</u>	<u>4,320</u>	<u>4,320</u>	<u>3,600</u>	
Analysed between					
Charitable activities	-	4,320	4,320	3,600	
	<u>-</u>	<u>4,320</u>	<u>4,320</u>	<u>3,600</u>	

Governance costs includes payments to the independent examiner of £1,800.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

10 Employees

There were no employees during the year.

11 Net gains/(losses) on investments

	2019	2018
	£	£
Revaluation of investments	65,809	30,375
Gain/(loss) on sale of investments	60,234	(8,170)
	<u>126,043</u>	<u>22,205</u>
Endowment funds	<u>126,043</u>	<u>22,205</u>

PETER & TERESA HARRIS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 5 April 2019

12 Fixed asset investments

	Listed investments £
At 6 April 2018	2,210,540
Additions	122,770
Valuation changes	65,808
Disposals	(145,239)
	<hr/>
At 5 April 2019	2,253,879
	<hr/>
Carrying amount	
At 5 April 2019	2,253,879
	<hr/> <hr/>
At 5 April 2018	2,210,540
	<hr/> <hr/>

13 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	-	1,344
	<hr/>	<hr/>
	-	1,344
	<hr/> <hr/>	<hr/> <hr/>

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	-	540
Accruals and deferred income	4,182	3,600
	<hr/>	<hr/>
	4,182	4,140
	<hr/> <hr/>	<hr/> <hr/>

PETER & TERESA HARRIS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 5 April 2019

15 Endowment funds

Endowment funds represent assets which must be held permanently by the trust. Income arising on the endowment funds can be used in accordance with the objects of the trust and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 6 April 2018	Incoming resources	Movement in funds Resources expended	Transfers	Revaluations gains and losses	Balance at 5 April 2019
	£	£	£	£	£	£
Expendable endowments						
General	2,939,694	53,763	(14,889)	(194,314)	126,043	2,910,297
	<u>2,939,694</u>	<u>53,763</u>	<u>(14,889)</u>	<u>(194,314)</u>	<u>126,043</u>	<u>2,910,297</u>
	<u><u>2,939,694</u></u>	<u><u>53,763</u></u>	<u><u>(14,889)</u></u>	<u><u>(194,314)</u></u>	<u><u>126,043</u></u>	<u><u>2,910,297</u></u>

The transfer represents the net cost of the grant making for the year.

16 Analysis of net assets between funds

	Unrestricted £	Endowment £	Total £
Fund balances at 5 April 2019 are represented by:			
Investments	-	2,253,879	2,253,879
Current assets/(liabilities)	-	656,418	656,418
	<u>-</u>	<u>2,910,297</u>	<u>2,910,297</u>
	<u><u>-</u></u>	<u><u>2,910,297</u></u>	<u><u>2,910,297</u></u>