

THE TEDWORTH CHARITABLE TRUST

ANNUAL REPORT

5 APRIL 2021

The Peak
5 Wilton Road
London SW1V 1AP

THE TEDWORTH CHARITABLE TRUST
5 April 2021

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THE TEDWORTH CHARITABLE TRUST

5 April 2021

REPORT OF THE TRUSTEES

Legal and Administrative

The Tedworth Charitable Trust (No. 328524) was established under a Trust Deed dated 6 February 1989.

Trustees	James Sainsbury OBE Margaret Sainsbury Jessica Sainsbury Judith Portrait OBE
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP
Principal Officers	Karen Everett Chief Operating Officer Matthew Williams Executive (to 1 May 2020) Elaine Ponte Executive All the Principal Officers are employed on a part-time basis.
Bankers	Child & Co 1 Fleet Street, London EC4Y 1BD
Solicitors	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Investment Advisers	Cazenove Capital Management 12 Moorgate London EC2R 6DA Whitley Asset Management Ltd 116 Princedale Road London W11 4NH

REPORT OF THE TRUSTEES (continued)

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers who have the discretion to invest the funds of the Trust within guidelines established by the Trustees.

Objects

The objects of the Trust as given in the Trust Deed are for general charitable purposes. The current areas of interest are reflected in the grant-making activities, as detailed on page 6 of the Report of the Trustees.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts (SFCT) which share a common administration.

Trustees are appointed by the Settlor, James Sainsbury, and are provided with relevant information relating to their responsibilities as Trustees. The day-to-day running of the Trust and grant management is delegated to trust executives, with strategic decisions undertaken by the Trustees.

Trustees are aware of the Charity Governance Code published in 2017 (refreshed 2020) which sets out the principles and recommended practice for good governance within the sector. The Trust has reviewed its governance arrangements against the principles within the Code and believes that it is compliant, whilst maintaining its need to operate its governance efficiently. Trustees have had due regard to the guidance published by the Charity Commission when reviewing the Trust's aims and objectives and planning future activities.

The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

The Trust and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under SI 62A of the Charities Act 2011.

Grant-making Policy

Proposals are generally invited by the Trustees or initiated at their request. Unsolicited applications are unlikely to be successful, even if they fall within an area in which the Trustees are interested. Grants are not normally made to individuals. There have been no significant changes in the grant making policies of the Trust during the year under review and the Trustees' objective for the year is to continue grant making as described above.

In future the Trust will continue to support the activities set out on pages 6-8 by the award of grants.

REPORT OF THE TRUSTEES (continued)

Reserves Policy

It is the policy of the Trustees to approve grants for payment over a period of years, subject to certain conditions over the life of the grant. Grants that are expected to be paid within twelve months of the year-end are accrued in the accounts, whilst those due to be paid later than this are not accrued. Grants not accrued are referred to in note 5 to the accounts and amount to £45,000. Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available reserves is adequate and that the Trust is in a position to meet all its commitments.

As at 5 April 2021, the Trust held total funds of £11,336,690 (2020: £9,974,180), comprising of an expendable endowment fund of £11,336,666 (2020: £9,974,161) and unrestricted funds of £10,024 (2020: £19).

The Trustees consider that when possible it is appropriate to hold free funds, both to meet the short-term working capital needs of the Trust and in anticipation of the potential payment of subsequent grants. In the unlikely event that the Trustees find themselves unable to meet commitments from unrestricted reserves, they would be willing to draw on expendable endowment in order to meet those commitments, as they see fit.

Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information which follows in this annual report about the Trust's aims, activities and achievements, and that the areas of interest the Trust supports demonstrates the benefit to its beneficiaries, and through them to the Public, that arise from those activities.

Investment Policy

Trustees meet with their investment managers regularly to discuss investment strategy and also to seek to ensure that the Trust's income requirements are met and that long term capital growth is in line with relevant indices. The Trustees normally hold investments for the long term.

During the period, the investments under management returned 12.04%, which compares to the 10.59% return on the ARC Steady Growth Index.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis. The investment portfolio has performed strongly during the year and has recovered the reduction in value, caused by the impact of the Covid-19 pandemic, reported for last year.

The Charity has adopted a total return basis to budget for its annual income. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

REPORT OF THE TRUSTEES (continued)

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as have been drawn to the Trustees' attention. The Trustees continue to be vigilant and to keep processes under review.

The Trustees identified the uncertainty of financial returns to constitute the Trust's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review investments strategy and monitor financial performance. They also operate a grant distribution formula which helps to ensure the stability of resources available for grant awards in any given year.

The Trustees have identified as a key risk the misuse of funds by a grantee Charity. To mitigate this risk, the Trustees normally restrict grants to charities registered with the Charity Commission (England and Wales) or equivalent bodies. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

Environmental Policy

The Trustees are committed to using some of the Trust's expendable endowment for impact investing that will not only result in a financial return, but also produce social and environmental benefits that accord with the Trust's objectives. The Trustees are interested in sharing their experience in impact investing with other investors to improve their own knowledge in these areas, and also to encourage more investors to adopt this approach. A specialist advisor has been appointed by the Trustees to advise on investment opportunities in this area.

Divest Invest is a global movement of investors including foundations, faith organisations, pension funds, sovereign wealth funds and universities with collectively more than \$6 trillion of assets under management. The Trust is a signatory to Divest Invest, which commits the Trust to sell any shares in fossil fuel holdings and invest a proportion of the endowment in 'climate solutions', such as renewable energy, energy efficiency and clean tech. It is a powerful acknowledgement from the financial community of the urgency to end dependence on fossil fuels.

Review of the Past Year

During the year the net asset value of the Trust increased by 13.7% from £9,974,180 at 5 April 2020 to £11,336,666 at 5 April 2021, due to a change in investment policy to focus on return, rather than income generation. The performance of the expendable endowment has also rebounded following the significant impact of the Coronavirus pandemic on investment valuation in 2019-20. The net unrestricted income of the Trust for the year after charging support costs decreased to £71,756 (2020: £296,613).

The Trustees met twice during the year to make grants and twice to review investment activity. During the year, the Trustees approved 19 grants to the value of £289,633.

REPORT OF THE TRUSTEES (continued)

Review of the Past Year (continued)

Grants paid during the year may be analysed by number and by value in the categories set out below.

	Grants Paid	Value
		£
Arts & the Environment	13	137,321
General	6	50,377
Parenting, family welfare & child development	9	83,000
	28	270,698

GRANTS PAID

ARTS & THE ENVIRONMENT - £137,321

361 Community Energy - £5,000

Towards operational costs to launch its Smart Living website.

Ashden Climate Solutions - £20,000

Towards the UK alumni network.

Berkeley Reafforestation Trust - £5,000

Towards its UK Forest School programme in 2021.

Campaign for the Protection of Rural Wales (CPRW) - £10,000

Towards the salary costs of its part-time chief executive.

Global Canopy - £20,000

Towards core costs.

Resurgence Trust - £58,321

Four grants were paid to the organisation towards core costs, refurbishment of a cottage at the Resurgence Centre, and development of its strategic plan.

The Sainsbury Archive - £5,000

Towards core costs.

Two Moors Festival - £2,500

Towards the Young Musicians' Competition in 2020.

Vision Nexus CIC - £5,000

Towards the development of a web-based Virtual Reality (WebVR) interactive tool and documentary.

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REPORT OF THE TRUSTEES (continued)

Women's Environmental Network - £6,500

Towards employment of a community gardener.

GENERAL - £50,377

British Pilgrimage Trust - £10,000

Towards publication of an illustrated guide to Britain's holy sites of pilgrimage.

Eton College - £10,000

Towards a scholarship.

Home-Start Hellas - £13,377

Towards the costs of providing volunteer-led family support in Piraeus, Greece.

Home-Start Uganda - £5,000

To provide relief for families living in Western Uganda.

Sheringham and District Society - £2,000

Towards core costs to maintain the Peter Coke Shell Gallery and the Fishermen's Heritage Centre.

Voices Foundation - £10,000

Towards core costs.

PARENTING, FAMILY WELFARE & CHILD DEVELOPMENT - £83,000

Best Beginnings - £10,000

Towards its Big Give Christmas Appeal to support the further development of the online content of its Baby Buddy app.

Big Give Trust, The - £12,500

To 'The Big Give Trust COVID-19 Emergency Appeal'.

Family Links - £10,000

Towards pilot imaginative play courses in 12 areas.

Frontline Immune Support - £1,000

To provide free of charge important infection-fighting supplements, notably Liposomal Vitamin C, Vitamin D and zinc, and other self-care items to frontline NHS staff.

Home-Start UK - £20,000

Towards its Covid-19 related work with local Home-Starts.

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REPORT OF THE TRUSTEES (continued)

Institute of Imagination - £5,000

Towards a new digital programme in Newham.

Jangala - £20,000

Towards running costs.

Muscular Dystrophy UK - £2,500

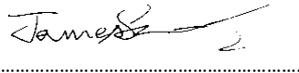
Towards its work.

Retina UK - £2,000

Towards its core costs.

At the October 2020 AGM meeting, Trustees approved the conversion of a loan of £10,000 to a grant to Fundatia ADEPT. The loan was paid to Fundatia ADEPT in December 2017 and, as it has been converted to a grant, no further funds are due to be paid.

Approved by the Trustees on 13 October 2021 and signed on their behalf by:


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TRUSTEE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under Charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its net outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Opinion

We have audited the financial statements of The Tedworth Charitable Trust ('the Charity') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 5 April 2021 and of 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

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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 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 and proper accounting records have not been kept by the Charity; 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 Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 9, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters 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 Acts 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further

THE TEDWORTH CHARITABLE TRUST

5 April 2021

removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

London

5 November 2021

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.

THE TEDWORTH CHARITABLE TRUST
5 April 2021

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2021

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2021	2020
		£	£	£	£
Income					
Investment income	3	126,294	-	126,294	339,063
Bank deposit interest and other income		634	-	634	8,171
Total income and endowments		126,928	-	126,928	347,234
Expenditure					
Cost of raising funds:					
Investment management costs	4	-	65,504	65,504	49,740
Charitable activities					
Grant-making:					
Grant expenditure	5	256,251	-	256,251	1,411,347
Grant related support costs	6	55,172	-	55,172	50,621
Cost of grant-making		311,423	-	311,423	1,461,968
Total Expenditure		311,423	65,504	376,927	1,511,708
Net operating deficit		(184,495)	(65,504)	(249,999)	(1,164,474)
Net gains / (losses) on investment assets	9	-	1,737,440	1,737,440	(1,665,147)
(Losses)/gains on foreign exchange		-	(114,931)	(114,931)	53,652
Transfers between funds		194,500	(194,500)	-	-
Net movement in funds		10,005	1,362,505	1,372,510	(2,775,969)
Reconciliation of funds					
Total funds brought forward	12	19	9,974,161	9,974,180	12,750,149
Total funds carried forward		10,024	11,336,666	11,346,690	9,974,180

The notes on pages 17 to 25 form part of these accounts.

THE TEDWORTH CHARITABLE TRUST
5 April 2021

BALANCE SHEET
AS AT 5 APRIL 2021

	<i>Notes</i>	<u>2021</u>	<u>2020</u>
		£	£
FIXED ASSETS			
Tangible fixed assets	8	2,918	1,460
Investments	9	12,539,630	10,336,123
		<u>12,542,548</u>	<u>10,337,583</u>
CURRENT ASSETS			
Debtors	10	43,275	41,053
Cash at bank and in hand		87,856	903,301
		<u>131,131</u>	<u>944,354</u>
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	11	<u>(1,336,989)</u>	<u>(1,307,757)</u>
NET CURRENT LIABILITIES		(1,205,858)	(363,403)
NET ASSETS		<u>11,336,690</u>	<u>9,974,180</u>
CAPITAL FUNDS			
Expendable endowment	12	11,336,666	9,974,161
INCOME FUNDS			
Unrestricted funds	12	10,024	19
		<u>11,346,690</u>	<u>9,974,180</u>

The financial statements were approved and authorised for issue by the Trustees on 13 October 2021 and were signed on their behalf by :



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TRUSTEE

The notes on pages 17 to 25 form part of these accounts.

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5 April 2021

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2021**

	2021	2020
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(467,893)	(352,619)
Cash flows from investing activities:		
Addition of fixed assets	(2,553)	-
Dividends and interest	131,068	351,912
Purchase of investments	(8,884,587)	(1,112,550)
Sale of investments	9,735,288	929,554
Net cash provided by investing activities	979,216	168,916
Change in cash and cash equivalents in the year	511,323	(183,703)
Cash and cash equivalents at the beginning of the year	1,934,866	2,118,569
Cash and cash equivalents at the end of the year	2,436,189	1,934,866

Reconciliation of net expenditure to net cash inflow from operating activities

	2021	2020
	£	£
Net movement in funds as per statement of financial activities	1,372,510	(2,775,969)
(Gains)/ losses on investments	(1,737,440)	1,665,147
Dividends and interest	(131,068)	(351,912)
Effect of foreign exchange rate changes	(114,931)	53,652
Depreciation charges	1,095	730
(Increase)/decrease in debtors	(2,222)	2,857
Increase in creditors	29,232	1,106,528
Exchange gains/(losses)	114,931	(53,652)
Net cash used in operating activities	(467,893)	(352,619)

Analysis of decrease in cash during the year

	2021	2020	Change in year
	£	£	£
Cash at bank and in hand	87,856	903,301	(815,445)
Cash held by investment manager for reinvestment	2,348,333	1,031,565	1,316,768
	2,436,189	1,934,866	501,323

The notes on pages 17 to 25 form part of these accounts.

NOTES TO THE ACCOUNTS

1. CHARITABLE STATUS

The Tedworth Charitable Trust is an unincorporated charity (Charity registration number 328524), registered in England and Wales. The address of the registered office is the Peak, 5 Wilton Road, London, SW1V 1AP.

2. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with 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 financial statements have been prepared to give a 'true and fair view' and 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS 102.

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

The investment portfolio has performed strongly during the year and has recovered the reduction in value, caused by the impact of the Covid-19 pandemic, reported for last year.

The Charity has adopted a total return basis to budget for its annual income. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

b) Income

- i) Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- ii) Dividends are included by reference to their due dates.
- iii) Interest is included when receivable.

c) Expenditure

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant-related support costs.

Grants for which there is a legally binding commitment are accounted for within the Statement of Financial Activities. Payments that are due within one year of the period-end date are included within grants payable in the Statement of Financial Activities. Other grants are accounted for in the Statement of Financial Activities when conditions attaching to the grant are fulfilled.

Grants approved subject to conditions that have not been met at the period-end are noted as a commitment but not accrued as expenditure (see note 5).

Grant-related support costs represent staff, office and governance costs incurred in managing the grant award programme.

NOTES TO THE ACCOUNTS

2. ACCOUNTING POLICIES (cont ...)

d) Cost of administration

These costs include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

e) Governance cost

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.

f) Investments

- i) Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities.
- ii) Investments are shown at mid market value.
- iii) Impact investments are carried at cost less any necessary provision for impairment.

g) Financial Instruments

The 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 accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals.

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.

At the balance sheet date the charity held financial assets at fair value of £9,572k (2020: £8,706k)

h) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and any short term deposits.

i) Fixed assets

Fixed assets are depreciated at rates which reflect their useful life to the Trust. Leasehold improvements are depreciated over the remaining life of the lease.

j) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in Note 2, Trustees are 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 ongoing 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.

THE TEDWORTH CHARITABLE TRUST

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NOTES TO THE ACCOUNTS

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2021		2020	
	£	%	£	%
Fixed interest	14,480	11	45,942	14
UK equities	37,620	30	64,514	19
Overseas equities	43,895	35	80,365	24
Property	14,224	11	41,585	12
Alternatives	16,075	13	61,956	18
Social investment	-	-	44,701	13
	<u>126,294</u>	<u>100</u>	<u>339,063</u>	<u>100</u>

4. COST OF GENERATING FUNDS

These costs relate to the investment manager's fees. The Trustees are of the opinion that these relate to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

5. GRANTS PAYABLE

	2021		2020	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at 6 April 2020		1,284,432		162,718
Grants not accrued at 6 April 2020	70,000		70,000	
Grants approved in the period	242,500		1,411,347	
Loans converted to grants	(10,000)		-	
Grants cancelled	(1,249)		-	
Grants not accrued at 5 April 2021	(45,000)		(70,000)	
Grants payable for the period		256,251		1,411,347
Grants paid during the period		(270,698)		(289,633)
Commitments at 5 April 2021		<u>1,269,985</u>		<u>1,284,432</u>
Commitments at 5 April 2021 are payable as follows:				
		2021		2020
		£		£
Within one year (note 11)		<u>1,269,985</u>		<u>1,284,432</u>

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued as expenditure at 5 April 2021 was £45,000 (2020: £70,000).

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NOTES TO THE ACCOUNTS

5. GRANTS PAYABLE (cont.)

The amount payable in the period consisted of the following:

Parenting, Family Welfare & Child Development	£
Family Links	10,000
Journeyman UK	2,000
Home- Start UK	25,000
Art & the environment	
Ashden Climate Solutions	15,000
Resurgence Trust	50,000
General	
Studio Upstairs	15,000
University of Oxford, Worcester College	1,100,000
Eton College	10,000
Sainsbury Archive	5,000
University of Oxford, Worcester College	30,485
Keats-Shelley Memorial Association	2,500
Vision Nexus CIC	5,000
Total grants payable per Statement of Financial Activities	1,269,985

6. ALLOCATION OF SUPPORT COSTS

	2021	2021	2021	2020
	Grant- Making	Governance	Total	Total
	£	£	£	£
Staff costs	29,809	2,528	32,337	24,825
Share of joint office costs	8,012	-	8,012	7,280
Direct costs including travel	796	-	796	2,617
Legal and professional fees	6,792	-	6,792	11,239
Depreciation	1,095	-	1,095	730
Auditors' remuneration	-	6,140	6,140	3,930
	46,504	8,668	55,172	50,621

No Trustee received remuneration or was reimbursed expenses during the period.

Included in legal and professional fees is £nil (2020: £7,591) incurred for the Novarca review of investment management charges.

THE TEDWORTH CHARITABLE TRUST

5 April 2021

NOTES TO THE ACCOUNTS

7. ANALYSIS OF STAFF COSTS

	2021	2020
	£	£
Salaries and wages	26,329	20,089
Social security costs	3,047	2,328
Other pension costs	2,961	2,408
	32,337	24,825

The Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 0.4% (2020: 0.3%) of the total support and administration costs of these trusts have been allocated to The Tedworth Charitable Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2021.

The actual number of staff employed during the year was 8, all on a part-time basis (2020: 10). This equates to 0.4 full time employees (2020: 0.3)

The Trust considers its key management personnel to comprise the Principal Officers. The total employment benefits, including employer pension contributions, of these key management personnel, were £19,546 (2020: £10,403).

No employee of the charity earned in excess of £60,000 (2020: none).

8. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2021	2020
	£	£
Cost		
At 6 April 2020	7,300	7,300
Addition for year	2,553	-
At 5 April 2021	9,853	7,300
Depreciation		
At 6 April 2020	5,840	5,110
Charge for the period	1,095	730
At 5 April 2021	6,935	5,840
NET BOOK VALUE		
At 5 April 2021	2,918	1,460
NET BOOK VALUE		
At 5 April 2020	1,460	2,190

THE TEDWORTH CHARITABLE TRUST
5 April 2021

NOTES TO THE ACCOUNTS

9. FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Market value 6 April 2020	9,304,558	10,786,709
Less: Disposals at proceeds	(9,735,288)	(929,554)
Add: Acquisitions at cost	8,884,587	1,112,550
Net gain/(loss) on investments	1,737,440	(1,665,147)
Market value 5 April 2021	10,191,297	9,304,558
Investment cash	2,348,333	1,031,565
Total investments	12,539,630	10,336,123
Historical cost 5 April 2021	11,918,487	10,668,363

The investments held as at 5 April 2021 were as follows:

	2021		2020	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Fixed Interest	1,166,684	1,167,379	1,729,773	1,644,957
UK Equities	-	-	1,804,094	1,219,428
Overseas Equities	7,431,498	7,923,650	3,554,151	3,852,795
Property	350,075	478,371	900,084	1,110,027
Alternatives	-	-	1,048,817	877,473
Social Investments	621,897	621,897	599,879	599,878
Cash held for re-investment	2,348,333	2,348,333	1,031,565	1,031,565
	11,918,487	12,539,630	10,668,363	10,336,123

During the year, £0 (2020: £0) was withdrawn from the investment portfolio to support the Trust's grant expenditure.

10. DEBTORS

	2021	2020
	£	£
Income tax recoverable	5,850	5,850
Prepayments and accrued income	13,692	18,467
Other debtors	23,733	6,736
Loan	-	10,000
	43,275	41,053

THE TEDWORTH CHARITABLE TRUST

5 April 2021

NOTES TO THE ACCOUNTS

11. CREDITORS - amounts falling due within one year

	2021	2020
	£	£
Grants payable within one year	1,269,985	1,284,432
Professional charges	8,564	6,228
Investment management fee	23,084	17,097
Other creditors	35,356	-
	1,336,989	1,307,757

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2021
	£	£	£
Fund balances at 5 April 2021 are represented by:			
Tangible fixed assets	-	2,918	2,918
Investments	-	12,539,630	12,539,630
Current assets	1,323,929	(1,182,798)	141,131
Current liabilities	(1,313,905)	(23,084)	(1,336,989)
Total net assets	10,024	11,336,666	11,346,690
Movement in the year			
Opening balance as at 5 April 2020	19	9,974,161	9,974,180
Total income and endowments	126,928	-	126,928
Cost of raising funds	-	(65,504)	(65,504)
Cost of grant-making	(311,423)	-	(311,423)
Net gains on investments	-	1,737,440	1,737,440
Losses on Foreign exchange	-	(114,931)	(114,931)
Transfers between funds	194,500	(194,500)	-
Closing balance as at 5 April 2021	10,024	11,336,666	11,346,690

A transfer of £194,500 (2020: £1,025,500) was made from Expendable Endowment to Unrestricted funds to cover the deficit for the financial year.

THE TEDWORTH CHARITABLE TRUST
5 April 2021

NOTES TO THE ACCOUNTS

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS (cont.)

Comparative analysis of net assets between funds for the year ended 5 April 2020

	Unrestricted Funds	Expendable Endowment	Totals 2020
	£	£	£
Fund balances at 5 April 2020 are represented by:			
Tangible fixed assets	-	1,460	1,460
Investments	-	10,336,123	10,336,123
Current assets	1,290,679	(346,325)	944,354
Current liabilities	(1,290,660)	(17,097)	(1,307,757)
Total net assets	19	9,974,161	9,974,180
Movement in the year			
Opening balance as at 5 April 2019	89,253	12,660,896	12,750,149
Total income and endowments	347,234	-	347,234
Cost of raising funds	-	(49,740)	(49,740)
Cost of grant-making	(1,461,968)	-	(1,461,968)
Net gains on investments	-	(1,665,147)	(1,665,147)
Gains on Foreign exchange	-	53,652	53,652
Transfers between funds	1,025,500	(1,025,500)	-
Closing balance as at 5 April 2020	19	9,974,161	9,974,180

13. RELATED PARTY TRANSACTIONS

Included within grant-related support costs is a total of £6,792 (2020 : £3,648) payable for legal services to Portrait Solicitors, a firm in which Miss J S Portrait is a partner.

During the year, three grants totalling £110,000 were approved where a conflict of interest with the beneficiary was identified.

All grant-making is made at arm's length, and in the normal course of the trusts' activities. Where any conflicts of interest may occur, appropriate action is taken to mitigate any risk of undue influence or control in the decision-making process. Applicant organisations are not controlled by The Tedworth Charitable Trust, and the Trustees are mindful of the need to consider any potential conflicts of interest when making grant awards.

THE TEDWORTH CHARITABLE TRUST

5 April 2021

NOTES TO THE ACCOUNTS

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2020

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2020
		£	£	£
Income				
Investment income	3	339,063	-	339,063
Bank deposit interest and other income		8,171	-	8,171
Total income and endowments		347,234	-	347,234
Expenditure				
<i>Cost of raising funds:</i>				
Investment management costs	4	-	49,740	49,740
<i>Charitable activities</i>				
Grant-making:				
Grant expenditure	5	1,411,347	-	1,411,347
Grant related support costs	6	50,621	-	50,621
Cost of grant-making		1,461,968	-	1,511,708
Total Expenditure		1,461,968	49,740	1,511,708
Net operative (deficit)/surplus		(1,114,734)	(49,740)	(1,164,474)
Net (losses) / gains on investment assets	9	-	(1,665,147)	(1,665,147)
Gains on foreign exchange		-	53,652	53,652
Transfer between Funds		1,025,500	(1,025,500)	-
Net movement in funds		(89,234)	(2,686,735)	(2,775,969)
Reconciliation of funds				
Total funds brought forward	12	89,253	12,660,896	12,750,149
Total funds carried forward		19	9,974,161	9,974,180