

THE TEDWORTH CHARITABLE TRUST

ANNUAL REPORT

5 APRIL 2020

The Peak
5 Wilton Road
London SW1V 1AP

THE TEDWORTH CHARITABLE TRUST
5 April 2020

CONTENTS		PAGE
1	Report of the Trustees	2-7
2	Statement of Trustees' Responsibilities	8
3	Independent Auditor's Report	9-11
4	Statement of Financial Activities	12
5	Balance Sheet	13
6	Cash Flow Statement	14
7	Notes to the Accounts	15-23

THE TEDWORTH CHARITABLE TRUST

5 April 2020

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	Robert Bell Director (to 11 November 2019) Karen Everett Finance Director (to 11 November 2019) Karen Everett Chief Operating Officer (from 11 November 2019) Matthew Williams 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

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers who have 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.

REPORT OF THE TRUSTEES (continued)

Organisation

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

Trustees are appointed by existing Trustees 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 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.

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 page 7 by the award of grants.

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 £70,000. 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 2020, the Trust held total funds of £9,974,180 (2019: £12,750,149), comprising of an expendable endowment fund of £9,974,161 (2019: £12,660,896) and unrestricted funds of £19 (2019: £89,253).

REPORT OF THE TRUSTEES (continued)

Reserves Policy (continued)

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 -11.4%, which compares to the -7.7% 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 COVID-19 pandemic has not had a significant impact on the Charity's finances. The impact of the market turmoil in the period to 5th April 2020 contributed to a reduction of 13.7% in the value of the investment portfolio for the year. Valuations have improved since 5th April 2020 but uncertainty remains.

The Trust's principal source of income is investment income and it is likely to be lower going forward. Nevertheless, the endowment assets of the Trust remain significant, and these will continue to return income which the Trust will continue to pay out to its beneficiaries in accordance with the Trust's object.

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.

REPORT OF THE TRUSTEES (continued)

Risk Assessment (continued)

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 UK Charity Commission 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 asset value of the Trust decreased by 27.8% from £12,750,149 at 5 April 2019 to £9,974,180 at 5 April 2020, mostly as an effect of the COVID-19 pandemic on the global investment market. The net unrestricted income of the Trust for the year after charging support costs decreased to £296,613 (2019: £363,653).

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 £1,411,347.

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

THE TEDWORTH CHARITABLE TRUST**5 April 2020**

	Grants Paid	Value
Parenting, family welfare & child development	6	72,500
Arts & the environment	9	141,500
General	5	75,633
	<u>20</u>	<u>289,633</u>

GRANTS PAID**PARENTING, FAMILY WELFARE & CHILD DEVELOPMENT - £72,500****Best Beginnings - £15,000**

Towards core costs, and the evaluation of maternal mental health work in Newham and Birmingham.

Eton College - £10,000

Towards a scholarship.

Family Links - £20,000

Towards the salary of the Head of Programmes.

Home-Start Uganda - £20,000

Towards its running costs.

KAA Intrepidus Trust - £7,500

Towards establishing a Department of Edinburgh scheme at Kensington Aldridge Academy.

ARTS & THE ENVIRONMENT - £141,500**Ashden Sustainable Solutions, better lives - £20,000**

Towards the UK alumni network.

Global Canopy Programme - £20,000

Towards its running costs.

Poetry School - £5,000

Towards a new environmental poetry prize created by the Poet Laureate, Simon Armitage.

Resurgence Trust - £25,000

Towards its running costs.

THE TEDWORTH CHARITABLE TRUST

5 April 2020

REPORT OF THE TRUSTEES (continued)

Schumacher College - £55,000

Towards the employment of a gardener, a major fundraising appeal, and a pre-refurbishment survey of the Old Postern building on the Dartington Hall estate.

Tree Sisters - £10,000

Towards its running costs.

Women's Environmental Network - £6,500

Towards employment of a community gardener.

GENERAL - £75,633

Jangala - £20,000

Towards its running costs.

The Sainsbury Archive - £1,500

Towards annual running costs and a project archivist.

University of Oxford, Worcester College - £54,133

To cover preliminary costs of a new bridge, including professional fees incurred in connection with construction.

Approved by the Trustees on 7 October 2020 and signed on their behalf by:



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 for the year ended 5 April 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 5 April 2020 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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 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 trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 8] 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 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.

THE TEDWORTH CHARITABLE TRUST

5 April 2020

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

19 January 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 2020

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2020

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2020	2019
		£	£	£	£
Income					
Investment income	3	339,063	-	339,063	418,987
Bank deposit interest and other income		8,171	-	8,171	353
Total income and endowments		347,234	-	347,234	419,340
Expenditure					
Cost of raising funds:					
Investment management costs	4	-	49,740	49,740	71,333
Charitable activities					
Grant-making:					
Grant expenditure	5	1,411,347	-	1,411,347	257,886
Grant related support costs	6	50,621	-	50,621	55,687
Cost of grant-making		1,461,968	-	1,461,968	313,573
Total Expenditure		1,461,968	49,740	1,511,708	384,906
Net operative (deficit)/surplus		(1,114,734)	(49,740)	(1,164,474)	34,434
Net (losses) / gains on investment assets	9	-	(1,665,147)	(1,665,147)	496,816
Gains on foreign exchange		-	53,652	53,652	3,358
Transfers between funds		1,025,500	(1,025,500)	-	-
Net movement in funds		(89,234)	(2,686,735)	(2,775,969)	534,608
Reconciliation of funds					
Total funds brought forward	12	89,253	12,660,896	12,750,149	12,215,541
Total funds carried forward		19	9,974,161	9,974,180	12,750,149

The notes on pages 15 to 23 form part of these accounts.

THE TEDWORTH CHARITABLE TRUST
5 April 2020

BALANCE SHEET
AS AT 5 APRIL 2020

	<i>Notes</i>	<u>2020</u>	<u>2019</u>
		£	£
FIXED ASSETS			
Tangible fixed assets	8	1,460	2,190
Investments	9	10,336,123	11,838,563
		<u>10,337,583</u>	<u>11,840,753</u>
CURRENT ASSETS			
Debtors	10	41,053	43,910
Cash at bank and in hand		<u>903,301</u>	<u>1,066,715</u>
		944,354	1,110,625
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	11	<u>(1,307,757)</u>	<u>(201,229)</u>
NET CURRENT (LIABILITIES)/ASSETS		(363,403)	909,396
NET ASSETS		<u>9,974,180</u>	<u>12,750,149</u>
CAPITAL FUNDS			
Expendable endowment	12	9,974,161	12,660,896
INCOME FUNDS			
Unrestricted funds	12	19	89,253
		<u>9,974,180</u>	<u>12,750,149</u>

The financial statements were approved and authorised for issue by the Trustees on 7 October 2020 and were signed on their behalf by :


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TRUSTEE

The notes on pages 15 to 23 form part of these accounts.

THE TEDWORTH CHARITABLE TRUST

5 April 2020

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2020**

	<u>2020</u>	<u>2019</u>
	£	£
Cash flows from operating activities		
Net cash used in operating activities	<u>(352,619)</u>	<u>(418,802)</u>
Cash flows from investing activities:		
Dividends and interest	351,912	416,263
Purchase of investments	(1,112,550)	(2,811,974)
Sale of investments	929,554	2,811,054
Net cash provided by investing activities	<u>168,916</u>	<u>415,343</u>
Change in cash and cash equivalents in the year	(183,703)	(3,459)
Cash and cash equivalents at the beginning of the year	<u>2,118,569</u>	<u>2,122,028</u>
Cash and cash equivalents at the end of the year	<u><u>1,934,866</u></u>	<u><u>2,118,569</u></u>

Reconciliation of net expenditure to net cash inflow from operating activities

	<u>2020</u>	<u>2019</u>
	£	£
Net movement in funds as per statement of financial activities	(2,775,969)	534,608
Losses/ (gains) on investments	1,665,147	(496,816)
Dividends and interest	(351,912)	(416,263)
Effect of foreign exchange rate changes	53,652	3,358
Depreciation charges	730	730
(Increase)/decrease in debtors	2,857	21,064
Increase/(decrease) in creditors	1,106,528	(62,125)
Exchange losses	(53,652)	(3,358)
Net cash used in operating activities	<u><u>(352,619)</u></u>	<u><u>(418,802)</u></u>

Analysis of decrease in cash during the year

	<u>2020</u>	<u>2019</u>	<u>Change in year</u>
	£	£	£
Cash at bank and in hand	903,301	1,066,715	(163,414)
Cash held by investment manager for reinvestment	1,031,565	1,051,854	(20,289)
	<u><u>1,934,866</u></u>	<u><u>2,118,569</u></u>	<u><u>(183,703)</u></u>

The notes on pages 15 to 23 form part of these accounts.

NOTES TO THE ACCOUNTS

1. CHARITABLE STATUS

The Tedworth 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 Covid-19 pandemic has not had a significant impact on the Charity's finances. The impact of the market turmoil in the period to 5th April 2020 contributed to a reduction of 13.7% in the value of the investment portfolio for the year. Valuations have improved since 5th April 2020 but uncertainty remains.

The Trust's principal source of income is investment income and it is likely to be lower going forward. Nevertheless, the endowment assets of the Trust remain significant, and these will continue to return income which the Trust will continue to pay out to its beneficiaries in accordance with the Trusts object.

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 4).

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 £8,706k (2019: £10,224k)

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. The following rate has been used:

Leasehold improvements - 10% per annum

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.

In the view of the Trustees, 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.

Impact investments carried at cost are subject to annual impairment review by the Trustees in tandem with external expert advice on the current status of the related activities.

THE TEDWORTH CHARITABLE TRUST
5 April 2020

NOTES TO THE ACCOUNTS

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2020		2019	
	£	%	£	%
Fixed interest	45,942	14	33,134	8
UK equities	64,514	19	85,705	20
Overseas equities	80,365	24	63,990	17
Property	41,585	12	54,859	13
Alternatives	61,956	18	172,287	40
Social investment	44,701	13	9,012	2
	<u>339,063</u>	<u>100</u>	<u>418,987</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

	2020		2019	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at 6 April 2019		162,718		242,468
Grants not accrued at 6 April 2019	70,000		88,000	
Grants approved in the period	1,411,347		239,886	
Grants not accrued at 5 April 2020	<u>(70,000)</u>		<u>(70,000)</u>	
Grants payable for the period		1,411,347		257,886
Grants paid during the period		(289,633)		(337,636)
Commitments at 5 April 2020		<u>1,284,432</u>		<u>162,718</u>
Commitments at 5 April 2020 are payable as follows:				
		2020		2019
		£		£
Within one year (note 10)		<u>1,284,432</u>		<u>162,718</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 2019 was £70,000 (2019: £70,000).

THE TEDWORTH CHARITABLE TRUST

5 April 2020

NOTES TO THE ACCOUNTS

5. GRANTS PAYABLE (continued)

The amount payable in the period consisted of the following:

Parenting, Family Welfare & Child Development	£
Family Links	10,000
Journeyman UK	2,000
British Pilgrimage Trust	10,000
Home-Start Hellas	13,526
Art & the environment	
Ashden Sustainable Solutions, better lives	20,000
Resurgence Trust	8,321
Women's Environment Network	6,500
Global Canopy Programme	20,000
Jangala	20,000
General	
National Hearing Voices Network	1,100
Studio Upstairs	15,000
University of Oxford, Worcester College	30,485
Eton College	10,000
The Big Give Trust	12,500
Sainsbury Archive	5,000
University of Oxford, Worcester College	1,100,000
Total grants payable per Statement of Financial Activities	<u>1,284,432</u>

6. ALLOCATION OF SUPPORT COSTS

	2020	2020	2020	2019
	Grant- Making	Governance	Total	Total
	£	£	£	£
Staff costs	22,650	2,175	24,825	24,224
Share of joint office costs	7,280	-	7,280	7,567
Direct costs including travel	2,617	-	2,617	1,648
Legal and professional fees	11,239	-	11,239	17,702
Depreciation	730	-	730	730
Auditors' remuneration	-	3,930	3,930	3,816
	<u>44,516</u>	<u>6,105</u>	<u>50,621</u>	<u>55,687</u>

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

Included in legal and professional fees is £7,591 incurred for the Novarca review of investment management charges (2018/19: £8,930).

THE TEDWORTH CHARITABLE TRUST
5 April 2020

NOTES TO THE ACCOUNTS

7. ANALYSIS OF STAFF COSTS

	2020	2019
	£	£
Salaries and wages	20,089	19,708
Social security costs	2,328	2,269
Other pension costs	2,408	2,247
	24,825	24,224

The Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 0.3% (2019: 0.3%) of the total support and administration costs of these trusts have been allocated to the Tedworth Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2018/19.

The actual number of staff employed during the year was 10, all on a part-time basis (2018/19: 8). This equates to 0.3 full time employees (2018/19: 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 £10,403 (2018/19: £8,993).

No employee of the charity earned in excess of £60,000 (2019: nil).

8. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2020	2019
	£	£
Cost		
At 6 April 2019	7,300	7,300
At 5 April 2020	7,300	7,300
Depreciation		
At 6 April 2019	5,110	4,380
Charge for the period	730	730
At 5 April 2020	5,840	5,110
NET BOOK VALUE		
At 5 April 2020	1,460	2,190
NET BOOK VALUE		
At 5 April 2019	2,190	2,920

THE TEDWORTH CHARITABLE TRUST
5 April 2020

NOTES TO THE ACCOUNTS

9. FIXED ASSET INVESTMENTS

	2020	2019
	£	£
Market value 6 April 2019	10,786,709	10,288,973
Less: Disposals at proceeds	(929,554)	(2,811,054)
Add: Acquisitions at cost	1,112,550	2,811,974
Net (loss)/gain on investments	(1,665,147)	496,816
Market value 5 April 2020	9,304,558	10,786,709
Investment cash	1,031,565	1,051,854
Total investments	10,336,123	11,838,563
Historical cost 5 April 2020	10,668,363	10,500,524

The investments held as at 5 April 2020 were as follows:

	2020		2019	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Fixed Interest	1,729,773	1,644,957	1,529,858	1,562,004
UK Equities	1,804,094	1,219,428	2,381,572	2,385,524
Overseas Equities	3,554,151	3,852,795	3,158,063	4,093,498
Property	900,084	1,110,027	900,084	1,157,288
Alternatives	1,048,817	877,473	936,573	1,045,875
Social Investments	599,879	599,878	542,520	542,520
Cash held for re-investment	1,031,565	1,031,418	1,051,854	1,051,854
	10,668,363	10,335,976	10,500,524	11,838,563

During the year, £0 (2019: £0) was withdrawn from the investment portfolio to support the Trust's grant expenditure.

A specialist advisor has been appointed to advise the Trustees on social investment opportunities. During the year, fees totalled £6,763 (2019: £3,881).

THE TEDWORTH CHARITABLE TRUST**5 April 2020****NOTES TO THE ACCOUNTS****10. DEBTORS**

	2020	2019
	£	£
Income tax recoverable	5,850	3,185
Prepayments and accrued income	18,467	30,725
Other debtors	6,736	-
Loan	10,000	10,000
	<u>41,053</u>	<u>43,910</u>

11. CREDITORS - amounts falling due within one year

	2020	2019
	£	£
Grants payable within one year	1,284,432	162,718
Professional charges	6,228	5,880
Investment management fee	17,097	14,809
Other creditors	-	17,822
	<u>1,307,757</u>	<u>201,229</u>

THE TEDWORTH CHARITABLE TRUST

5 April 2020

NOTES TO THE ACCOUNTS

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	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 losses 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

A transfer of £1,025,500 (2019: £nil) was made from Expendable Endowment to Unrestricted funds to cover the deficit for the financial year.

Comparative analysis of net assets between funds for the year ended 5 April 2019

	Unrestricted Funds	Expendable Endowment	Totals 2019
	£	£	£
Fund balances at 5 April 2019 are represented by:			
Tangible fixed assets	-	2,190	2,190
Investments	-	11,838,563	11,838,563
Current assets	275,673	834,952	1,110,625
Current liabilities	(186,420)	(14,809)	(201,229)
Total net assets	89,253	12,660,896	12,750,149
Movement in the year			
Opening balance as at 5 April 2018	(16,514)	12,232,055	12,215,541
Total income and endowments	419,340	-	419,340
Cost of raising funds	-	(71,333)	(71,333)
Cost of grant-making	(313,573)	-	(313,573)
Net gains on investments	-	496,816	496,816
Gains on Foreign exchange	-	3,358	3,358
Closing balance as at 5 April 2018	89,253	12,660,896	12,750,149

THE TEDWORTH CHARITABLE TRUST
5 April 2020

NOTES TO THE ACCOUNTS

13. RELATED PARTY TRANSACTIONS

Included within grant-related support costs is a total of £3,648 (2019 : £4,020) payable for legal services to Portrait Solicitors, a firm in which Miss J S Portrait is a partner.

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2019

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2019
		£	£	£
Income				
Investment income	3	418,987	-	418,987
Bank deposit interest and other income		353	-	353
Total income and endowments		419,340	-	419,340
Expenditure				
<i>Cost of raising funds:</i>				
Investment management costs	4	-	71,333	71,333
<i>Charitable activities</i>				
Grant-making:				
Grant expenditure	5	257,886	-	257,886
Grant related support costs	6	55,687	-	55,687
Cost of grant-making		313,573	-	313,573
Total Expenditure		313,573	71,333	384,906
Net operative (deficit)/surplus		105,767	(71,333)	34,434
Net (losses) / gains on investment assets	9	-	496,816	496,816
Gains on foreign exchange		-	3,358	3,358
Net movement in funds		105,767	428,841	534,608
Reconciliation of funds				
Total funds brought forward	12	(16,514)	12,232,055	12,215,541
Total funds carried forward		89,253	12,660,896	12,750,149