

Charity Registration No. 1096359

Company Registration No. 4680886 (England and Wales)

THE FAIRSTEAD TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023



New Quadrant

Family Office & Fiduciary

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THE FAIRSTEAD TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Edward George Cox Mrs Wendy Marion Cox Miss Lucinda Jane Cox
Secretary	Miss Lucinda Jane Cox
Charity number	1096359
Company number	4680886
Accountants	Darren Austin-Smith TEP 1st Floor Holborn Gate 330 High Holborn London WC1V 7PP
Bankers	Coutts & Co 440 Strand London WC2A 3QG
Solicitors	New Quadrant Partners Limited 1st Floor Holborn Gate 330 High Holborn London WC1V 7PP
Investment advisors	Ruffer LLP 80 Victoria Street London SW1E 5JL

THE FAIRSTEAD TRUST

CONTENTS

	Page
Trustees report	1 - 4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7 - 10

THE FAIRSTEAD TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2023

The Trustees present their report and financial statements for the year ended 5 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out on page 8 of the attached financial statements and comply with the Charity's trust deed, applicable laws and the requirements of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

Objectives and activities

The Trustees operate a grant giving policy, providing funds for such charitable object or institution as the Trustees think fit.

Applications to the Charity for donations will be considered by UK registered charities, or from those individuals whose needs are considered to be of a charitable purpose.

All appeals will only be considered if received in writing and should contain the following:

- Aims and objectives of the Charity
- Nature of appeal
- Total target if for a specific project
- Contributions received against target
- Registered Charity Number
- Any other relevant factors

Applications should be accompanied by a set of the charitable organisation's latest report and full financial statements, where appropriate, and should be addressed to:

The Fairstead Trust
C/o New Quadrant Partners Ltd
1st Floor Holborn Gate
330 High Holborn
London
WC1V 7PP

The Trustees' aim is to distribute £100,000 per annum, although this only acts as a guide since additional payments may be made to appropriate causes.

Results for the year

Total dividend income received in the year amounts to £21,808 (2022: £8,799), which equates to a yield of 1.34% (2022: 0.48%) (based on the market valuation of the investments at the year end). Bank interest totalling £5 was received (2022: £nil).

The Trustees awarded grants totalling £102,000 (2022: £122,000) during the year in accordance with the Charity's grant making policy. A detailed list of all grants made in the year is included in the accounts notes.

However, the Trustees are aware that there are external factors which could affect the achievements of their objectives, as a significant part of the Charity's assets are made up of investments and cash, the results of which are dependent on the general performance of the UK and overseas stock markets.

In order to minimise this, the Trustees have set prudent investment policies and place reliance on the investment managers to monitor and advise on the necessary investment changes and suitable asset allocation.

THE FAIRSTEAD TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2023

Achievements and performance

During the year the Charity's investment assets achieved an income yield of 1.34% based on the valuation of the investments at the year end (2022 - 0.48%) and the Aspen Fund decreased by 3.25% (2022 increase: 9.49%). The investment managers continued to invest in accordance with the agreed investment strategy.

The Trustees are satisfied with the performance of the investments and remain content that their investment objectives are being met.

Financial review

A summary of the year's results can be found on page 5 of this report and financial statements.

During the year ended 5 April 2023, total incoming resources amounted to £21,813 (2022 - £8,799), being income arising from the Charity's investments (2022 - being income arising from the Charity's investments and donations).

The Trustees' charitable activities promoting and enhancing charitable work amounted to £102,000 (2022 - £122,000); this includes grant administration costs amounting to £nil (2022 - £nil). Governance costs amounted to £8,615 (2022 - £8,052). Aretian Wealth Management fees of £2,975 were paid in the year (2022 - £nil). The net outgoing resources were £91,777 (2022 - £121,253).

There were net investment losses during the year of £59,115 (2022 - gains of £165,361). This results in a net decrease during the year of £150,892 (2022 - net increase of £44,108) in the funds of the Charity.

The statement of financial activities shows total unrestricted funds of £1,758,390 (2022 - £1,909,282). The unrestricted fund comprises amounts which ultimately are free reserves but which are held by the Trustees for investment so as to ensure the continued generation of income in future periods, thereby helping the safeguard the long term existence of the Charity and the achievement of its objectives. The size of the unrestricted fund sustains and supports the level of donations which the Trustees wish to maintain and enhance over time. The Trustees consider free reserves to be adequate but not excessive in the light of the Charity's reserve policy set out above.

The unrestricted fund represents the funds received by the Charity on its creation, adjusted for net movements since that date. The Trustees have power to meet administrative expenses from this fund and may apply the income towards the general purposes of the Charity.

The Charity is operated as a grant giving Charity, and the Trustees' policy is to administer the investment assets on an absolute basis and seek to distribute £100,000 in each financial year (subject to regular review).

Investment Policy

The Charity has a portfolio of investments with a market value as at 5 April 2023 of £1,622,925 (2022 - £1,821,974).

There are no restrictions on the Charity's power to invest. The investment strategy is agreed between the Trustees and the investment managers, and is regularly reviewed. The investment objective of the Charity is to provide a balanced return between income and capital growth. This will be achieved by investment in a diversified global portfolio of equities and bonds.

The investment manager is invited to attend annual meetings of the Trustees to provide a report on the performance of the portfolio, comparison against the benchmark and general market issues.

THE FAIRSTEAD TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2023

Risk management

In line with the requirement for charity Trustees to undertake a risk assessment exercise the Trustees have identified three main areas where risks may occur:

- Governance
- Operational
- Financial

Governance looks at the continuity of trusteeship, the skills and background of the Trustees and the policies of regular meetings of the Trustees to review their aims and activities.

Operational looks at the risk inherent in the delegation of statutory and legal requirements of the Charity, its management and secretarial functions and the delegation those certain functions.

Having assessed the major risks to which the Charity is exposed, in particular those relating to its finances, the Trustees believe that by ensuring controls exist over key financial systems incorporating the systems and controls implemented by New Quadrant Partners Ltd, subject to regular monitoring, they have established effective systems to mitigate those risks.

The risk assessment is kept under regular review and is fully reassessed every three years.

The Trustees do not anticipate any significant changes to the Charity or its activities over the next two to five years. It is their intention to meet the following objectives:

- To ensure the investment performance achieves the criteria set by them so that there are sufficient funds to meet their grant giving activities.
- To continue to make grants at a similar, if not higher, level.

Structure, governance and management

The Charity was incorporated in England and Wales as a company limited by guarantee on 27 February 2003 (Company Registration No 4680886). In the event of the Charity being wound up, members are required to contribute an amount not exceeding £10. The Charity was registered as a Charity with the Charity Commission on 5 March 2003. It is governed by its Memorandum and Articles of Association. The Charity is registered under the Charities Act 1993, Charity Registration Number 1096359.

The statutory power of appointment of new Trustees lies with those Trustees in office at the time of appointment.

The names of the Trustees who served during the year are set out as part of the administrative information as well as below:

Edward George Cox
Mrs Wendy Marion Cox
Miss Lucinda Jane Cox

The Trustees are ultimately responsible for the policies, activities and assets of the Charity. They meet annually to review the developments with regard to the Charity, its grant giving activities and make any important decisions. When necessary, the Trustees seek advice and support from the Charity's professional advisors including solicitors and accountants. The day-to-day management of the Charity's activities, and the implementation of policies, is dealt with by the Trustees themselves. New Quadrant Partners Ltd ensure the grant applications are presented to the Trustees as appropriate; the firm maintains the accounting records of the Charity.

At their meetings the Trustees review the investment performance and the proposals for grants to be made and approve such grants as appropriate.

On agreeing to their appointment, the Trustees are thoroughly briefed by their co-Trustees on the history of the Trust, the day-to-day management, the responsibilities of the Trustees, the current objectives and future plans.

THE FAIRSTEAD TRUST
TRUSTEES REPORT
FOR THE YEAR ENDED 5 APRIL 2023

Trustees' responsibilities in relation to the financial statements

The Charity's Trustees (who are also directors of the Fairstead Trust for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the on going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The report was approved by the Board of Trustees.

Lucinda Cox
Lucinda Cox (Dec 12, 2023 11:38 GMT)
Miss Lucinda Jane Cox

Dated: 12/12/2023

THE FAIRSTEAD TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2023

	Notes	Unrestricted funds £	Total 2022 £
<u>Income from:</u>			
Investments	3	21,813	8,799
<u>Expenditure on:</u>			
Charitable activities	4	(113,590)	(130,052)
Net outgoing resources		(91,777)	(121,253)
 Net gains on investments	 6	 (59,115)	 165,361
Net movement in funds		(150,892)	44,108
Fund balances at 6 April 2022		1,909,282	1,865,174
Fund balances at 5 April 2023		<u>1,758,390</u>	<u>1,909,282</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE FAIRSTEAD TRUST

BALANCE SHEET

AS AT 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	6		1,622,925		1,821,974
Current assets					
Debtors	7	5,760		5,603	
Cash at bank and in hand		129,705		81,705	
		<u>135,465</u>		<u>87,308</u>	
Net current assets			135,465		87,308
Total assets less current liabilities			<u>1,758,390</u>		<u>1,909,282</u>
Income funds					
Unrestricted funds			1,758,390		1,909,282
			<u>1,758,390</u>		<u>1,909,282</u>

For the financial year ending 5 April 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 12/12/2023 and are signed on its behalf by:

Lucinda Cox
Lucinda Cox (Dec 12, 2023 11:38 GMT)
Miss Lucinda Jane Cox
Trustee

Company Registration No. 4680886

THE FAIRSTEAD TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

1.1 Accounting convention

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

The accounts have been prepared on 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 accounts, the Trustees have a reasonable expectation that the has adequate resources to continue in operational existence for the foreseeable future. Thus the continue to adopt the going concern basis of accounting in preparing the accounts.

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 accounts.

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

1.4 Incoming resources

Income is recognised when the 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 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 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.

1.5 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.

THE FAIRSTEAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

1.6 Financial instruments

The Company 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 when the becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts 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 trade and other receivables 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.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables 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 company's contractual obligations expire or are discharged or cancelled.

1.7 Cash flow

The accounts do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirement to prepare such a statement.

1.8 Staff Costs and Trustees' Remuneration

The Charity employed no staff during the period (2022: none).

No Trustee received any remuneration in respect of their services during the period (2022: £Nil).

None of the Trustees were reimbursed for travel expenses during the period (2022: £Nil).

1.9 Members Liability

The Charity is constituted as a company limited by guarantee. In the event of the Charity being wound up, members are required to contribute an amount not exceeding £10.

THE FAIRSTEAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

2 Critical accounting estimates and judgements

In the application of the 's accounting policies, the directors 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 Income from investments

	Total 2023 £	Total 2022 £
Income from listed investments	21,808	8,799
Interest receivable	5	-
	<u>21,813</u>	<u>8,799</u>

4 Charitable activities

	2023 £	2022 £
Grant funding of activities (see note 5)	102,000	122,000
Aretian Wealth Management fees	2,975	-
Share of governance costs (inclusive of Independent Examination fees)	8,615	8,052
	<u>113,590</u>	<u>130,052</u>

THE FAIRSTEAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

5 Grants payable

	2023 £	2022 £
Grants to institutions:		
Castlehaven Community Association	-	10,000
Change Foundation	10,000	10,000
Clic Sargent	-	10,000
DEC Afghanistan Appeal	-	5,000
Demelza Hospice	10,000	10,000
Hearing Dogs Trust	5,000	-
Hopefield Animal Sanctuary	-	1,000
Keech Hospice Care	10,000	10,000
MCC Foundation	15,000	15,000
REACT	10,000	10,000
Rennie Grove Hospice Care	10,000	10,000
St Alban's Cathedral Education Trust	-	10,000
St Christopher's Hospice	10,000	10,000
Streatham Youth and Community Trust	10,000	10,000
Worstead & District Riding for the Disabled	2,000	1,000
Young Lives Vs Cancer	10,000	-
	<u>102,000</u>	<u>122,000</u>

6 Investments

Investments: Listed on a recognised Stock Exchange	2023	2022
	£	£
Market value at 5 April 2022	1,821,974	1,755,717
Disposals (proceeds: £148,747 loss £4,876)	(153,623)	(100,177)
Additions	8,808	9,416
	<u>1,677,159</u>	<u>1,664,956</u>
Net unrealised gain/(loss) in year	(54,239)	157,018
	<u>1,622,920</u>	<u>1,821,974</u>
Market value at 5 April 2023		
Cash held with Investment Manager	5	-
	<u>570,724</u>	<u>613,893</u>
Cost of listed investments at 5 April 2023		

7 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Prepaid administration fees	<u>5,760</u>	<u>5,603</u>