

# **THE MONDAY CHARITABLE TRUST**

**Registered Charity No. 1174232  
Company no. 10910936**

## **REPORT AND AUDITED FINANCIAL STATEMENTS**

**For the year ended 31 March 2019**

# THE MONDAY CHARITABLE TRUST

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YEAR ENDED 31 MARCH 2019

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## THE MONDAY CHARITABLE TRUST

### Trustees' Report for the year ended 31 March 2019

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#### Reference & Administrative Information

<b>Official Charity Name</b>	The Monday Charitable Trust (the Charity)
<b>Company Registration No.</b>	10910936
<b>Charity Registration No</b>	1174232
<b>Registered office/address</b>	50 Broadway, London SW1H 0BL
<b>Investment Advisors</b>	Quilter Cheviot Investment Management, One Kingsway, London WC2B 6AN  Rothschild Wealth Management, New Court, St Swithin's Lane, London EC4N 8AL
<b>Auditor</b>	Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG
<b>Administrators and Legal Advisors</b>	BDB Pitmans LLP, 50 Broadway, London SW1H 0BL
<b>Trustees</b>	Robert R Lane Elspeth M Lane Sarah E Baxter Jonathan E Brinsden Douglas Blausten (appointed 24 May 2019) Andrew M Hunter Johnston (appointed 24 May 2019)

The Trustees are appointed in accordance with the terms of the Articles dated 11 September 2017 (the Deed) and have the appropriate knowledge and expertise to manage and administer the Charity. The Trustees have complied with the duty to have due regard to guidance issued by the Charity Commission. The Charity has appointed Stephen Lewin to act as General Manager to deal with the day to day administration of the Charity. The Charity does not make use of volunteers.

#### Report of the Trustees for the year ended 31 March 2019

The Trustees, who are also Directors of the company for the purpose of the Companies Act, present their report and the audited financial statements for the year ended 31 March 2019, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The information with respect to Trustees, Directors, Officers and Advisors set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association, applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Charities Act 2011 and the Companies Act 2006.

## **THE MONDAY CHARITABLE TRUST**

### **Trustees' Report for the year ended 31 March 2019**

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#### **Transfer of assets**

On 31 March 2019 the Charity had received all the assets and liabilities of an unincorporated charitable trust, the Monday Charitable Trust (MCT), which were transferred, with the consent of the Charity Commission, to the Charity following the completion of the transfer deed dated 31 March 2018. An additional Deed of Understanding was completed on 3 April 2018, relating to the property portfolio in Chelsea Estates Limited which was transferred as a part of the assets with effect from 3 April 2018.

The trustees of MCT were the same persons as the Trustees of the Charity and MCT's charitable objects were similar to those of the Charity.

As a result of the transfer, the Charity's financial statements reflect that as at 1 April 2019 the Charity had received all of the assets and liabilities of MCT.

#### **Structure and Governance**

The Charity is a charitable company limited by guarantee, incorporated on 17 August 2017 (company registration number 10910936) and registered with the Charity Commissioners as a charity (charity registration number 1174232).

The Charity's governing document is the Articles of Association dated 17 August 2017 as amended by Special Resolution dated 23 April 2019.

The minimum number of trustees required by the Articles is three and the maximum is eight. The four original trustees are the Founder Trustees and serve an indefinite term based on their relative experience and contribution to the Charity as a whole. New trustees are Elected Trustees and serve a term of three years. They are appointed by ordinary resolution and may serve a maximum of two terms. They may thereafter be reappointed annually if so recommended by the Chairman.

Training for new Trustees is provided when relevant. Responsibility for the induction of any new trustee, which includes awareness of the history and approach of the Charity and an understanding of a trustee's duties, lies with the Trustees. New Trustees receive copies of the Charity's constitutional documents, copies of the previous year's accounts and guidance booklets provided by the Charity Commission.

The Trustees also provide full details of the Charity's current grant programme and objectives.

All Trustees work on a voluntary basis and no remuneration was paid in the year. Details of Trustees' expenses and related party transactions are disclosed in Note 7 to the Accounts. Trustees are required to disclose all relevant interests and register them annually with the General Manager and, in accordance with the Charity's policy, withdraw from decisions where a conflict of interest arises.

The Trustees meet not fewer than twice a year and agree the broad strategy and areas of activity for the Charity, including consideration of grant making, investment, reserves, risk management policies and performance.

#### **Management**

The Trustees have delegated certain responsibilities to two Committees in accordance with the Articles.

## **THE MONDAY CHARITABLE TRUST**

### **Trustees' Report for the year ended 31 March 2019**

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The Management and Operations (Ops) Committee consisting of a minimum of two Trustees and the General Manager as well as advisers, has the authority to authorise unbudgeted expenditure of up to £100,000 in the current financial year. Additionally, the Ops Committee reviews the financial and governance arrangements for the Charity and advises the Board accordingly on matters including financial management, risk management and the financial audit. The Ops Committee is responsible for reporting to the Trustees on investment and property matters and directing the investment managers as appropriate.

The Charity has appointed a Programme Related Investment (PRI) Committee, (the Tuesday Committee), also a minimum of two Trustees and the General Manager, to review PRI investment opportunities. The Tuesday Committee reviews these opportunities and obtains advice on them as needed and then advises the Board on the level of investment and terms.

There are no paid staff within the charity.

#### **Objectives, Principal Activities and Public Benefit**

The primary objects of the Charity, as stated in its governing document, are the general purposes of such charitable bodies or for such charitable purposes in England and Wales or elsewhere as the directors shall think fit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting grant making policy for the year.

The Trustees, having regard to the Public Benefit Guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011, consider that the purposes and activities of the Charity satisfy the requirements of the public benefit test set out in section 4 of the same Act. The Charity carries out these objects by providing grants to UK registered charities whose objects comply with the Charity's criteria.

The Trustees have continued to support charities that MCT benefited, particularly:

- Hospices
- Ambulance and rescue services
- Independent living for elderly and youth in general
- Those transitioning from rough sleeping
- The homeless (with hot food)
- Young people with life skills and
- Housing for those in need.

#### **Grant Making Policy**

The Monday Charitable Trust aims to improve life chances of disadvantaged and often marginalised groups in the UK. We do this by supporting UK registered charities that work to tackle disadvantage, mainly in the fields of housing, education, welfare and social mobility. Whilst we will continue to support direct service provision to help those in need, we are increasingly interested in funding programmes which address or seek to identify the root causes of issues as we believe that such programmes will deliver the greatest social impact over the long term. We regard the Charity as a long term funder which is able to be flexible and independent and to respond to changing needs in society. We are willing to support innovative ideas for tackling problems.

## **THE MONDAY CHARITABLE TRUST**

### **Trustees' Report for the year ended 31 March 2019**

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The Trustees carry out three types of grant making: strategic, intermediate and discretionary.

'Strategic' grants are large grants which are made over a 2-3 year period to between 4-6 charities to support a particular project. Total value of strategic grants awarded between £1.5m - £1.7m per annum although this level will be reviewed in each cycle. The Trustees have a selection process in place to identify charities which meet the Charity's strategic criteria. A reporting system is in place for the Trustees to receive reports from the recipients on a half year and annual basis. The strategic grants entered into in June 2017 by MCT covered a 3 year period, and these undertakings were transferred to the Charity on 31 March 2018.

'Intermediate' grants are mid-level grants and made over a 2-3 year period to between 4 – 6 charities to support a project. Total value of intermediate grants is around £250,000 per annum. Beneficiaries have to report annually on progress to the Board. New intermediate grants were entered into in January 2019, for a 3 year term.

'Discretionary' grants are reviewed by the trustees on a six monthly basis at their meetings. As a general rule, the Trustees will donate the balance of the income arising in the year to discretionary recipients.

#### **Achievements and Performance**

Grants have been made to various charities (detailed in note 6 of the accounts). The Charity continues to monitor the performance of a range of existing medium and long-term projects across the spectrum of the Charity's grant making activities. All the projects undertaken by the Charity are considered to meet the requirement for public benefit. However, in certain cases, it is not possible to quantify the number of potential beneficiaries.

#### **Review of Activities**

The Trustees have made grants during the year supporting hospices, young people with the provision of life skills, the disabled with independent living, people transitioning from sleeping rough and the provision for hot meals for homeless people, air ambulance funds, service personnel and the disabled. The Trustees review their strategic grant and intermediate grant making funds on a three year basis and the funds available for discretionary grants every six months.

Total grants awarded for the year ended 31 March 2019 equated to £2,482,735.

#### **Income**

The total income for the year ended 31 March 2019 was £95,491,182. This includes dividends, rents and interest received of £3,491,174 and the transfer of assets totalling £91,682,760.

#### **Expenditure**

Funding commitments agreed by MCT have been taken on by the Charity at 31 March 2019.

## **THE MONDAY CHARITABLE TRUST**

### **Trustees' Report for the year ended 31 March 2019**

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#### **Investment Policy**

The investment advisors are instructed to invest in a portfolio of investments which will provide capital growth and income. The Trustees have taken advice on the investment of cash which has become available to them and have appointed two managers to spread their investment risk, Rothschild and Quilter Cheviot. The Trustees have investment policies in place with each manager.

A benchmark of RPI + 4% is applied to each of the managers and they send performance reports to the Trustees half yearly confirming the performance. The Trustees also invest in a Ruffer Fund. Each manager and the fund with Ruffer has a different approach, complimenting each other and enabling the Trustees to diversify their investment portfolio. Each portfolio is reviewed at the Trustees' meetings every half year and the Trustees meet the Managers once a year.

The overall investments were valued at £84,465,354 on 31 March 2019, comprising a portfolio of investments valued at £38,521,111 and investment properties valued at £45,944,243. The only restriction on the investment portfolio is that the managers do not directly invest in tobacco products.

#### **Reserves Policy**

Discretionary grants are currently accounted for in full in the year in which they are awarded. Payments for strategic and intermediate grants are spread over a number of years. As a result, the Charity will use accumulated unspent income to fund its existing commitments.

The Trustees also have the discretion to disburse some or all of its Expendable Endowment. Having regard to this the Trustees have re-examined the requirement to maintain free reserves and concluded that the level currently maintained is appropriate to ensure that the Charity, in the event of a significant reduction in the level of its income, would be able to continue its activities whilst the Trustees consider how the income would be replaced or activities changed.

The Trustees have determined that in future years the minimum level of reserves should not be less than £2.5m. This policy is being kept under review in light of future income expectations and planned charitable expenditure.

#### **Fundraising**

Monday Charitable Trust has not made any fundraising appeals to the general public during the year, and as a result there has been no outsourced fundraising via professional fundraisers or other third parties. Consequently, the charity is not registered with the Fundraising Regulator and received no fundraising complaints in the year.

#### **Risk Management**

The Trustees have identified the major risks applicable to a Charity of this nature including investment risk and failure of strategic grants.

- (1) The Trustees consider variability of investment returns constitutes a financial risk and volatility in world stock markets demonstrates this risk. The Trustees manage the investments on a total return basis. The Trustees consider this basis will stabilise the resources available to them and also gives the managers a wide mandate to invest on their behalf.

## THE MONDAY CHARITABLE TRUST

### Trustees' Report for the year ended 31 March 2019

- (2) The potential risk concerning the strategic grants include delay or difficulties in implementation due to political, environmental and resource issues, which in turn may result in a failure to meet defined milestones or objectives. The Trustees manage the risks by paying the grants in instalments and by having each recipient sign a grant agreement confirming the terms of the grant and setting up a reporting process whereby each charity reports on the project on a six monthly and annual basis. This report has to include details of the progress, any unforeseen circumstances that may have arisen with the projects and how the recipient charity is managing this.
- (3) The Trustees have reviewed the risks identified in connection with the property portfolio and the Ops Committee considers these risks and performance at their quarterly meetings. The following are believed to be the principal risks:

<p><b>Major tenant default</b> Rental voids, disruption to cash flow, increased costs and burdens of ownership</p>	<p>This is monitored by reference to Graydon Credit Risk Management and Stress Test reports for new and existing commercial properties and effective credit control</p>
<p><b>Properties falling vacant on expiry</b> Rental voids, disruption to cash flow, increased costs and burdens of ownership</p>	<p>Identifying likely properties up to two to three years advance (in the case of commercial lettings) and weighing up the potential for holding as against selling as an investment, whilst still producing an income</p>
<p><b>Lack of liquidity</b> Inability to meet financial commitments or planned objectives</p>	<p>Maintaining accurate cash projections, minimum working capital and effective relationships with banks and other sources of finance. Gearing is also to be managed at sustainable levels</p>
<p><b>Economic instability</b> Leading to weakened tenant demand and increased rent voids</p>	<p>Monitoring general economic indicators and maintaining a policy of diversification of assets held including residential and therefore avoiding undue exposure to one specific sector</p>
<p><b>Legal regulatory and tax changes</b> Impact on occupier and investor demand and values</p>	<p>Monitoring consultation papers and maintaining an awareness of potentially adverse matters through the trade press and from other professional organizations and taking action as appropriate.</p>
<p><b>Reduction in Property Values</b> Risk of breaching financial covenants</p>	<p>An annual capital valuation is undertaken by external valuers, Carter Jonas. The Charity retains headroom should there be an overall decline in capital values. The decision to leave the European Union remains a risk to values.</p>

## THE MONDAY CHARITABLE TRUST

### Trustees' Report for the year ended 31 March 2019

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#### Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income resources and application of resources of the charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with 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 Charity and hence for taking reasonable steps for the prevention and deflection of fraud and other irregularities.

So far as the Trustees are aware there is no relevant audit information of which the Charity's auditors are unaware. Each Trustee has taken all reasonable steps that he ought to take as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### Signed for and on behalf of the Trustees



  
.....  
Trustee

25 / 11 / 2019  
.....  
Date

## THE MONDAY CHARITABLE TRUST

### Independent Auditor's Report to the Trustees of Monday Charitable Trust

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#### Opinion

We have audited the financial statements of Monday Charitable Trust for the year ended 31 March 2019 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 charitable company's affairs as at 31 March 2019 and the charitable company's net movement in funds, including the 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 Companies Act 2006.

#### 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 charitable company 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.

#### Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 7 the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **THE MONDAY CHARITABLE TRUST**

### **Independent Auditor's Report to the Trustees of Monday Charitable Trust**

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#### **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 charitable company'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 Report of the Trustees. 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.

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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## THE MONDAY CHARITABLE TRUST

### Independent Auditor's Report to the Trustees of Monday Charitable Trust

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#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anna Bennett (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors  
Date:

10 Queen Street Place  
London  
EC4R 1AG

**THE MONDAY CHARITABLE TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted Funds £	Expendable Endowment Fund £	Total 2019 £	Total 2018 £
<b>Income and endowments from:</b>					
Donations and legacies	2	317,248	-	317,248	-
Investment income	3				
- Investment portfolio		698,423	-	698,423	-
- Rental income		2,727,932	-	2,727,932	-
- Bank interest		64,819	-	64,819	-
Transfer of assets	12	-	91,682,760	91,682,760	-
<b>Total income</b>		<b>3,808,422</b>	<b>91,682,760</b>	<b>95,491,182</b>	<b>-</b>
<b>Expenditure on:</b>					
Raising funds	4				
- Investment management fees		-	195,368	195,368	-
- Rental property costs		-	781,478	781,478	-
Charitable activities	5	2,844,633	-	2,844,633	-
<b>Total expenditure</b>		<b>2,844,633</b>	<b>976,846</b>	<b>3,821,479</b>	<b>-</b>
Net gains/(losses) on investments	8	-	1,516,621	1,516,621	-
<b>Net income/(expenditure)</b>		<b>963,789</b>	<b>92,222,535</b>	<b>93,186,324</b>	<b>-</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>963,789</b>	<b>92,222,535</b>	<b>93,186,324</b>	<b>-</b>
Funds brought forward		-	-	-	-
<b>Funds carried forward</b>		<b>963,789</b>	<b>92,222,535</b>	<b>93,186,324</b>	<b>-</b>

The notes on pages 14 to 21 form an integral part of these financial statements

**THE MONDAY CHARITABLE TRUST**

**BALANCE SHEET**

**YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investment properties	8	45,944,243	-
Investment portfolio		38,521,111	-
		<u>84,465,354</u>	<u>-</u>
<b>Current assets</b>			
Debtors	9	659,632	-
Cash at bank		18,333,905	-
		<u>18,993,537</u>	<u>-</u>
Creditors: amounts falling due within one year	10	(1,459,678)	-
<b>Net current assets</b>		<u>17,533,859</u>	<u>-</u>
Total assets less current liabilities		101,999,213	-
Creditors: amounts falling due after more than one year		(8,812,889)	-
<b>Net assets</b>		<u>93,186,324</u>	<u>-</u>
<b>Funds of the Charity</b>			
Unrestricted Fund		963,789	-
Expendable Endowment Fund		92,222,535	-
Total Funds		<u>93,186,324</u>	<u>-</u>

Approved and signed on behalf of the Trustees

*Jonathan Bruscia*

Trustee  
Date:

28 / 11 / 2019

The notes on pages 14 to 21 form an integral part of these financial statements

# THE MONDAY CHARITABLE TRUST

## STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2019

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	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Net income for the reporting period	93,186,324	-
Dividends, interest and rental profits from investments	(3,491,174)	-
(Gains) on investments	(1,516,621)	-
(Increase) in debtors	(659,632)	-
Increase in creditors	1,459,678	-
Transfer of assets	(91,682,760)	-
Net cash (used in) operating activities	(2,704,185)	-
<b>Cash flows from investing activities</b>		
Dividends, interest and rental profits from investments	3,491,174	-
Purchase of investments	(9,919,314)	-
Proceeds from sale of investments	11,966,230	-
<b>Cash flows from financing activities</b>		
Cash inflows from transfer of assets	15,500,000	-
<b>Change in cash and cash equivalents in the period</b>	<b>18,333,905</b>	<b>-</b>
<b>Cash and cash equivalents at start of period</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>18,333,905</b>	<b>-</b>

The notes on page 14 to 21 form an integral part of these financial statements

# THE MONDAY CHARITABLE TRUST

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2019

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### 1. Accounting policies

#### General information

Monday Charitable Trust is an incorporated charity registered as a charity in England and Wales (charity number: 1174232) and a company limited by guarantee (company number: 10910936). The address is set out in the reference and administration section of these financial statements.

#### Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. The Charity is a Public Benefit Entity under the definition set out in FRS 102.

The accounts are drawn up on the historical cost basis of accounting.

The Charity has two subsidiaries, an unincorporated trust Monday Charitable Trust (registered charity number 1123080) and Chelsea Estates Limited (registered company number 00264585, England and Wales). Consolidated accounts have not been prepared on the basis that the results of the subsidiaries are immaterial to the Charity.

Having reviewed the expected income and expenditure over the next twelve months, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements

#### Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. In particular, donations and investment income are included when receivable. Investments donated to the charity are recognised at their market value as the date of the donation.

#### Expenditure

Expenditure is recognised when a liability is incurred. Expenditure includes VAT as this cannot be recovered.

- The cost of raising funds represents investment and property management costs, and interest on borrowings to finance property investments.
- Charitable expenditure represents those costs incurred by the charity in providing grants/donations to its beneficiaries. It includes both amounts directly paid to the beneficiaries and management and administration costs necessary to support them.

#### Fund Accounting

The Expendable Endowment Fund is the capital fund of the Charity and represents the original investments, additional capital receipts from the founders and the subsequent gains and losses thereon. The endowment is not permanent as the Trustees may apply these funds at their discretion.

The Unrestricted Fund is the general fund which is available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. The Trustees have a power to accumulate the income as an accretion to the Expendable Endowment Fund.

# THE MONDAY CHARITABLE TRUST

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2019

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### 1. Accounting policies (continued)

#### **Investments**

Investments and investment properties are measured at fair value with gains and losses recognised in the Statement of Financial Activities.

Quoted securities are measured at closing exchange prices.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances held in current accounts with banks or investment managers, and deposits with a maturity of less than three months.

#### **Debtors and creditors**

Debtors and creditors are measured initially at the transaction price and subsequently, for amounts receivable or payable in more than one year, at amortised cost using the effective interest rate.

#### **Taxation**

The charity's income is exempt from corporation tax on the basis that it is applied for charitable purposes.

#### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value 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 affected current and future periods.

In the view of the Trustees, the only significant area of estimate or judgement in the financial statements is the valuation of investment properties. The Trustees use a qualified external company to advise on these valuations.

THE MONDAY CHARITABLE TRUST

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2019

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2. Donations received

	2019 £	2018 £
<i>Unrestricted funds</i>		
Cash donations	317,248	-
	<u>317,248</u>	<u>-</u>

3. Investment income

	2019 £	2018 £
<i>Unrestricted funds</i>		
Income from quoted investments	698,423	-
Rental income from investment properties	2,727,932	-
Bank interest	64,819	-
	<u>3,491,174</u>	<u>-</u>

4. Costs of raising funds

	2019 £	2018 £
<i>Endowment fund</i>		
Investment management costs	195,368	-
Investment property costs	781,478	-
	<u>976,846</u>	<u>-</u>

**THE MONDAY CHARITABLE TRUST**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2019**

**5. Expenditure on charitable activities**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>		
<b>Donations to institutions</b>		
<b>Strategic</b>		
Aspire (Association for Spinal Injury Research Rehabilitation and Reintegration)	288,071	-
Phyllis Tuckwell Hospice Care	119,000	-
Thames Reach	266,667	-
The Connection at St Martin-in-the-Fields	150,000	-
The Sutton Trust	300,000	-
St Basils	312,000	-
UK Youth	291,997	-
<b>Intermediate</b>		
Central YMCA	35,000	-
Institute for Food, Brain and Behavior	50,000	-
Kings College London/Maudsley Charity	50,000	-
Royal Brompton & Harefield Hospitals	50,000	-
The Koestler Trust	50,000	-
<b>Discretionary Grants</b>		
Action on Hearing Loss	20,000	-
Cancer Support UK	25,000	-
Caritas Anchor House	15,000	-
Community Foundation for Surrey	20,000	-
Escaping Victimhood	15,000	-
Injured Jockeys	20,000	-
Landmark Trust	20,000	-
New Roots Housing Project (Worksop & Retford)	20,000	-
Prisoners Education Trust	20,000	-
Spitalfields Crypt Trust	20,000	-
St Petroc's Society	10,000	-
Streetwise Opera	10,000	-
Talk to Footsteps	35,000	-
The River Thames Boat Project	20,000	-
The Royal College of Art	250,000	-
<b>Total grants</b>	<b>2,482,735</b>	<b>-</b>
<b>Support costs</b>		
Accountancy, legal and administration fees	206,317	-
Other professional fees	133,957	-
Audit fees (note 6)	19,200	-
Other support costs	2,424	-
<b>Total support costs</b>	<b>361,898</b>	<b>-</b>
<b>Total costs</b>	<b>2,844,633</b>	<b>-</b>

**THE MONDAY CHARITABLE TRUST**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2019**

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**6. Auditors remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fees payable to the charity's auditor for the audit of the charity's financial statements	17,400	-
Fees payable to the charity's auditor for other services	1,800	-
Total fees to auditor	<u>19,200</u>	<u>-</u>

**7. Information regarding trustees and remuneration and related parties**

The Charity has no employees (2018: £Nil). No Trustee received remuneration during the year (2018: £Nil), and no expenses were reimbursed to trustees (2018: £Nil).

The Trustees have not purchased indemnity insurance.

A Trustee of the Charity, Jonathan Brinsden is a partner of BDB Pitmans LLP (a successor firm to Bircham Dyson Bell LLP), who administer the Charity. Fees of £263,470 were paid to Bircham Dyson Bell LLP, (£282,934 invoiced) by the Charity in the period ended 31 March 2019 – allocated to charitable expenditure.

**THE MONDAY CHARITABLE TRUST**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 MARCH 2019**

**8. Investments**

	2019 £	2018 £
Quoted investments	38,521,111	-
Investment properties	45,944,243	-
	<u>38,521,111</u>	<u>-</u>

**Reconciliation of investments**

	Quoted investments £	Investment properties £	Total £
At 31 March 2018	-	-	-
Transfers	44,120,836	40,874,813	84,995,649
Purchases at cost	9,919,314	-	9,919,314
Disposals at fair value	(11,966,230)	-	(11,966,230)
Change in fair value	(3,552,809)	5,069,430	1,516,621
	<u>38,521,111</u>	<u>45,944,243</u>	<u>84,465,354</u>
At 31 March 2019	<u>38,521,111</u>	<u>45,944,243</u>	<u>84,465,354</u>

**Detail of subsidiaries**

The Charity has two subsidiaries. Chelsea Estates Limited is a private company limited by share capital registered in England and Wales with number 00264585. The trustees own 100% of the issued shares in the company. Monday Charitable Trust is an unincorporated trust registered with the Charity Commission with number 1123080.

**9. Debtors**

	2019 £	2018 £
Trade debtors	142,267	-
Other debtors	391,470	-
Prepayments	125,745	-
Intercompany debtor	150	-
	<u>659,632</u>	<u>-</u>
Total debtors	<u>659,632</u>	<u>-</u>

**THE MONDAY CHARITABLE TRUST**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2019**

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**10. Creditors**

<b>Due within one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	188,286	-
VAT	53,392	-
Accruals and deferred income	1,100,520	-
Other creditors	117,489	-
	<u>1,459,678</u>	<u>-</u>

Deferred income at the year end totaled £959,721 (2018: £nil). This related to rents received in advance.

<b>Due greater one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loan	8,812,889	-
	<u>8,812,889</u>	<u>-</u>

On 3 April 2018, the Charity entered into a loan agreement with Handelsbanken for £8,812,889 repayable on 1 October 2025. Interest will be charged on the loan at a rate of Libor plus 2%. Security is held over some of the investment properties.

# THE MONDAY CHARITABLE TRUST

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2019

### 11. Grant making activities and commitments

During the year the charity considered a number of grants to charitable institutions. The formal awarding of these grants will take place after the year end and as such, they have not been included in expenditure in this year. Details of these potential grants are:

Grantee & purpose	Due within one year £	Due after More than one year £
<b>Strategic</b>		
Aspire – programme to support appropriate housing for persons with spinal injuries	265,295	-
Phyllis Tuckwell Memorial Hospice – programme to reach persons needing end for life care	121,000	-
Thames Reach – refurbishment of hostel for homeless people	266,667	-
The Connection at St Martin-in-the-Fields	100,000	-
The Sutton Trust – UK summer schools programme	300,000	-
St Basil's – mental health services for young homeless persons	312,000	-
UK Youth – training youth worker and grass roots education	299,748	
<b>Intermediate</b>		
Central YMCA	35,000	35,000
Institute for Food, Brain and Behaviour	50,000	50,000
Kings College London/Maudsley Charity	50,000	50,000
Royal Brompton and Harefield Hospital	50,000	50,000
The Koestler Trust	50,000	50,000
<b>Other</b>		
The Royal College of Art	250,000	500,000
	<u>2,149,710</u>	<u>735,000</u>

### 12. Transfer of assets to the Charity

During the year the Trustees of the unincorporated charity Monday Charitable Trust (charity number 1123080) resolved to combine its activities with those of its subsidiary in order to simplify management and reduce overheads. Following this combination, the assets and operations of Monday Charitable Trust and of Chelsea Estates Limited (company number 00264585) were transferred into the Charity. The Charity is a private company limited by guarantee, registered in England and Wales with company number 10910936 and charity number 1174232.

The value of assets, less liabilities, at the point of transfer was £91,682,760, made up of:

Transfer from Chelsea Estates Limited:

Investment properties	£35,782,000
Net current assets	£15,000,000
Long term creditors	£(8,812,889)

Transfer from Monday Charitable Trust:

Quoted investments	£44,120,836
Investment properties	£5,092,813
Net current assets	£500,000