

The Kestrelman Trust



REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2021

Registered Charity No 1150057

THE KESTRELMAN TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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THE KESTRELMAN TRUST

Reference and Administrative information

Trustees

Roger John Manser
Anna Maria Marzec-Manser
Tomas Jan Marzec-Manser
Julian Robert Marzec-Manser

Chairman

Roger Manser

Principal Office

10 St Georges Yard, Farnham, Surrey, GU9 7LW

Charity Number

1150057

Independent Examiner

Susan Kumar ACA, Holden Granat LLP, Springfield House, 23 Oatlands Drive, Weybridge, KT13 9LZ

Solicitors

DMH Stallard, 1st Floor Womersley House, The Guildway, Old Portsmouth Road, Guildford, Surrey GU3 1LR

Investment Managers

Raymond James Investment Services Ltd, Broadwalk House, 5 Appold Street, London EC2A 2AG
Grierson Dickens Ltd, 10 Georges Yard, Farnham, Surrey GU97LW

Administrators and Financial Advisers

Grierson Dickens Ltd, 10 Georges Yard, Farnham, Surrey GU97LW

Report of the Trustees for the year ended 31 August 2021

The Trustees present their report along with the financial statements of the Charity for the year ended 31 August 2021. The financial statements have been prepared in accordance with the Deed of Trust and the recommendations of 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) (revised 1 January 2019).

Structure, governance and management

The Trust is an unincorporated Trust, constituted under a Trust Deed dated 20 November 2012 and is a registered charity, number 1150057. The Trust was established by the settlor, Roger Manser.

The power of appointing new Trustees of the Charity is vested in the existing Trustees. The minimum number of Trustees is three individuals.

When appointing new Trustees, the existing Trustees will give consideration to the Trust's purpose and aims to ensure they appoint individuals who understand the duties and responsibilities expected of them and will act in the best interests of the Trust.

All of the current Trustees have received a copy of the Trust's governing documents and have reviewed the Charity Commission guidance, 'Responsibilities of Charity Trustees'.

THE KESTRELMAN TRUST

Report of the Trustees for the year ended 31 August 2021 - continued

Structure, governance and management (Continued)

It is expected that all Trustees appointed in the future will be provided with a similar induction pack which will also include details of accounting records and meeting minutes.

The Trustees consider their combined skill set is sufficient to ensure the efficient performance of the charity at this time and feel that, given the size and nature of the Trust, a formal programme of training is not currently necessary, but they will continue to monitor the situation and provide suitable training where circumstances require.

The Trustees are required to hold at least two meetings a year. A quorum at a meeting of the Trustees is the greater of one third of those present or two Trustees. Decisions are made on a majority of votes cast at a meeting or by a resolution signed by the Trustees. Every Trustee has one vote at the meeting except the chairman who has a second or casting vote.

The powers of the Trustees are set out under the Trust Deed. Nothing in the Trust Deed restricts or excludes the exercise by the Trustees of the powers given by the Trustee Act 2000 as regards investment, the acquisition or disposal of land and the employment of agents, nominees and custodians.

All decisions relating to the Charity are taken by the Trustees.

Objectives and activities

The objects of the Charity are for the Trustees to apply on an international basis the income and capital of the Trust for the following charitable purposes as they shall see fit:

- Environment
- Social Inclusion
- Education & the Arts
- Relief for Refugees & Those in Need

The Trustees will pursue these objectives by the awarding of grants to appropriate organisations operating within the above areas and the subsequent monitoring of the impact the grants have made.

Risk management

The Trustees have considered the major risks to which the Charity is exposed. They have reviewed the risks and established systems and procedures to manage those risks.

The Trustees consider being able to hold adequate funds to meet current and future liabilities (i.e. grants) as constituting the Charity's major risk. The Trustees consider that they hold adequate funds to meet current liabilities. They have reviewed their procedures for the assessment of risk management and consider that they have proper procedures in place.

THE KESTRELMAN TRUST

Report of the Trustees for the year ended 31 August 2021 - continued

Achievements and performance

In the year to August 2021, the Trust agreed grants of £436,328, a decrease of approximately 18% on the year before (this was mainly due to some extraordinary Covid-19 related funding in the previous financial year). The majority of grants (59% of the total value) were related to environmental causes; the remainder were made to other beneficiaries in sectors such as social inclusion (26%), the relief for refugees and those in need (14%), and education and arts (1%). Whilst many of the grants made during the 12 months had an educational theme, only one fell primarily into the education and arts category.

Grants were made to 22 different recipient organisations in 20/21, so slightly fewer than in 19/20. The total amount granted to new beneficiaries was approximately a fifth of the total (£83,000). The average grant to these organisations was about half of the average amount given to previously supported organisations. The new beneficiaries focussed primarily on environmental protection, biodiversity and farming.

Three quarters of the total granted went towards 'strategic' initiatives, with a third to so-called 'sticking plaster' operations; in the past the ratio was typically about two-thirds strategic to one-third sticking plaster.

Previous beneficiaries granted to again this year include CHEM Trust, Client Earth, The Climate Coalition, Environmental Funders' Network, Global Witness, Leicestershire, Leicester & Rutland Community Foundation, London Community Foundation, Medicine Sans Frontiers, Network for Social Change, Warsaw-based Otwarta Rzeczpospolita ("Open Republic"), Response, Save Polesia, Temwa, Trailblazers Mentoring, WWF, and Zambia Orphans Aid.

The Trustees continued to support those affected by the **Covid-19 pandemic** mainly through localised community foundations. The Trust also contributed towards Sustain's coronavirus national and local response fund. Sustain's wider objectives are:

1. Pressing for effective action to address the root causes of food poverty.
2. Pressing for robust legislation on farming, fishing, international trade, environment, and climate change.
3. Advocating a more diverse and resilient food system.
4. Analysing and reviewing the lessons learned from Covid-19 and seeking to improve legislation and policy that could build a better food future.

Kestrelman Trust also funded Save Polesia, a partnership led by the Frankfurt Zoological Society which aims to protect Polesia, 'Europe's Amazon', and the continent's largest intact wetland/wilderness in eastern Poland, southern Belarus and northern Ukraine. Established in 2018, Save Polesia seeks to prevent to stop the proposed E40 waterway, a 2,000km shipping channel, twenty-five times the length of the Panama Canal, that would link the Baltic and the Black Sea through the wetland. Simultaneously, the partnership is promoting the sustainable development in the region, advocating investment in existing infrastructure and strengthening local economies through nature-based tourism. In 2020, despite the challenges proposed by COVID-19, continued to raise awareness of the threat internationally, successfully liaising with government bodies in Belarus and Ukraine. Much now depends on challenging Poland and the European Commission.

THE KESTRELMAN TRUST**Report of the Trustees for the year ended 31 August 2021 - continued****Achievements and performance (continued)**

The majority of new beneficiaries in 20/21 fell into the environmental category and included Earthsight, which is highlighting illegal logging in the forests of Ukraine's Carpathians, and the import of such timber into the EU. Another is UK-based Positive Money, which has a new project to promote a wellbeing budget as part of a wellbeing economy. The latter would prioritise public health and wellbeing indicators, reorienting our economy towards what matters most. Civil society and the public should play a key role in determining these new health and wellbeing indicators. The project thus challenges GDP growth, which it sees as a poor measure of a country's success, on the grounds that it includes polluting factories and the manufacture of weapons within its remit, but fails to measure the quality of education, the security of jobs or the number of species threatened with extinction.

Financial review

The Statement of Financial Activities for the year shows net outgoing resources of £302,480 (2020 £512,115).

The Trustees are happy with progress to date – it is anticipated that the current funding will be sufficient to meet the future objectives and activities of the charity.

Investment policy and performance

The financial objective of the Trust is to maintain two years' worth of anticipated grants in cash or near cash assets (known as "Cash") and for the remainder (known as "the Investments") to be exposed to investment risk with the aim of achieving income or gains in excess of rates available from instant access cash deposit accounts plus 2%. This investment benchmark will be reviewed on an annual basis.

Reserves policy

The Trustees aim to distribute both the entire capital and the income arising therefrom over a period of ten years from outset. The intention is to distribute between £300k and £500k per annum but this will vary from year to year depending on grant making opportunities and investment returns.

It is the intention of the Trustees to manage the capital of the Trust so as to provide continuing income and capital growth in the short and medium terms which, when combined with capital reduction, will enable the Trustees to achieve the above objectives.

The level of free reserves at 31 August 2021 was £1,148,059 which the Trustees consider to be satisfactory to meet anticipated annual grants and donations.

Plans for future years

The Trust has now been in existence for a decade or so and during 2021/22 expects to wind down its giving. Nevertheless, during this period, its focus will remain on stemming the loss of biodiversity, responding to climate change and promoting economic and environmental wellbeing in the UK and the rest of Europe.

Public benefit:

The principles of public benefit, as defined by the Charity Commission, have been noted

THE KESTRELMAN TRUST

Report of the Trustees for the year ended 31 August 2021 - continued

Trustees' responsibilities in relation to the financial statements

by Trustees. The Trustees confirm having given regard to the Charity Commission's guidance and state their belief that the aims of the Trust are to provide identifiable benefits to the public.

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to Charities in England and Wales 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 regulations). Under that 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 the incoming resources and application of resources of the charity for that year.

The Trustees are responsible for preparing the Trustees' Report and the accounts. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and 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 operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. The Trustees are responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees Report was approved on

2022 and signed on their behalf by:

R Manser

A handwritten signature in black ink, appearing to read 'R Manser', is written over a light blue horizontal line.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

THE KESTRELMAN TRUST

I report on the accounts of The Kestrelman Trust for the year ended 31 August 2021, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes 1 to 12.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Act). You consider that an audit is not required for this year under section 144(2) of the Act and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

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

**Susan Kumar ACA
Holden Granat LLP
Chartered Accountants
Springfield House, 23 Oatlands Drive, Weybridge, Surrey, KT13 9LZ**

February 2022

THE KESTRELMAN TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Income			
Investment income	3	9,676	23,530
Total income		<u>9,676</u>	<u>23,530</u>
Expenditure			
Cost of raising funds: Investment management fees		4,869	7,979
Expenditure on charitable activities	4	436,405	562,369
Total expenditure		<u>441,274</u>	<u>570,348</u>
Net income/expenditure and net movement in funds before gains and losses on investments		(431,598)	(546,818)
Gains on investment assets	6	<u>129,119</u>	<u>34,703</u>
Net movement in funds		(302,480)	(512,115)
Fund balances at 1 September 2020		<u>1,450,539</u>	<u>1,962,654</u>
Fund balances at 31 August 2021		<u><u>1,148,059</u></u>	<u><u>1,450,539</u></u>

The notes on pages 10 to 14 form part of these financial statements.

THE KESTRELMAN TRUST**BALANCE SHEET****AS AT 31 AUGUST 2021**

	Notes	2021 £	2020 £
Fixed Assets			
Investments	6	567,545	1,019,448
Current Assets:			
Cash held	7	585,990	456,853
		585,990	456,853
Current Liabilities:			
Amounts due within one year	8	5,476	25,762
Net current assets		580,514	431,091
Total assets less current liabilities		1,148,059	1,450,539
Represented by:			
Unrestricted Trust Fund	9	1,148,059	1,450,539

The notes on pages 10 to 14 form part of these financial statements.

Approved by the Trustees on

R Manser



THE KESTRELMAN TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. **ACCOUNTING POLICIES**

The principal accounting policies are summarised below.

Basis of preparation

The accounts have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and with the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102 revised in 2019. The financial statements are also prepared in accordance with the Charities Act 2011.

The charity is a public benefit entity as defined by FRS 102.

Exemption

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by the FRS 102.

- the requirements of Section 7 Statement of Cash Flows.

Funds structure

The funds held are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the trust and which have not been designated for other purposes.

Going concern

The trustees have carefully reviewed the future prospects of the Trust and its future cash flows, including an assessment of the potential impact of the COVID-19 pandemic. The full impact of the COVID-19 pandemic remains uncertain and as a result unquantifiable at this stage. Nevertheless, having assessed this the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, being at least the next 12 months from signing of these financial statements.

For this reason, the trustees continue to adopt the going concern basis for the preparation of the Financial Statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the company was unable to continue as a going concern.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

THE KESTRELMAN TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued****FOR THE YEAR ENDED 31 AUGUST 2021****Investments**

Investments are stated at market value at balance sheet date. Realised gains and losses on investments, calculated on the difference between the sale proceeds and their cost are credited or charged to the Statement of Financial Activities (SOFA) in the year of gains or losses.

Unquoted investments are valued initially at cost and subsequently at fair value.

Unrealised gains and losses representing the movement in the market values during the year are credited or charged to the SOFA in the year of gains or losses.

Liabilities

Liabilities are recognised on the balance sheet as soon as a constructive obligation resulting from a past event can be reliably measured. Current liabilities represent those liabilities which are expected to be settled within the next 12 months from the balance sheet date.

Financial instruments

The Trust only has financial assets and liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured at their settlement value.

2 LEGAL STATUS OF THE TRUST

The Charity is governed by a trust deed dated 20 November 2012 and is constituted as a charitable trust.

3. INVESTMENT INCOME

	2021	2020
	£	£
Interest on cash deposits	259	1,386
Dividends and other interest receivable	9,417	22,144
	<u>9,676</u>	<u>23,530</u>

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	2021	2020
	£	£
Independent Examination	1,323	1,405
Grants (note 5)	416,328	542,340
Support costs:		
- Administration	15,951	15,903
- Accountancy fees	2,520	2,465
- Bank charges	283	256
	<u>436,405</u>	<u>562,369</u>

THE KESTRELMAN TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued**FOR THE YEAR ENDED 31 AUGUST 2021**5. **GRANTS PAYABLE**

	2021	2020
	£	£
At 1 September 2020, approved grants unpaid	20,000	12,560
Grants approved in the year	416,328	542,340
Grants paid in the year	(436,328)	(534,900)
	<hr/>	<hr/>
At 31 August 2021, approved grants unpaid	0	20,000
	<hr/>	<hr/>
Grants falling due for payment within one year	0	20,000
Grants falling due for payment after one year	-	-
	<hr/>	<hr/>

Analysis of grants payable

	£	£
Grants to institutions	416,328	542,449
Grants to individuals	0	0
	<hr/>	<hr/>

Analysis of grants payable by activity

	£	£
Environment	239,500	319,500
Social Inclusion	104,828	92,949
Education & the Arts	0	0
Relief for Refugees & those in need	72,000	130,000
	<hr/>	<hr/>
	416,328	542,449
	<hr/>	<hr/>

6. **INVESTMENTS**

	2021	2020
	£	£
Listed investments at market value	567,545	1,019,448
Unlisted investments at fair value	-	-
	<hr/>	<hr/>
	567,545	1,019,448
	<hr/>	<hr/>

Listed investments at market value

	2021	2020
	£	£
Market value at 1 September 2020	1,019,448	1,375,386
Additions at cost	-	-
Disposals (including equalisations)	(581,022)	(390,641)
Change in market value in the year	129,119	34,703
	<hr/>	<hr/>
At 31 August 2021	567,545	1,019,448
	<hr/>	<hr/>

THE KESTRELMAN TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued****FOR THE YEAR ENDED 31 AUGUST 2021****6. INVESTMENTS (contd)****Gain on listed investment assets**

	2021	2020
	£	£
Unrealised gains	103,632	13,260
Realised gains / (losses)	25,487	21,443
	<u>129,119</u>	<u>34,703</u>

All investments are held to provide an investment return.

The following listed investments exceed 5% of the total investment value:

	£
Aberdeen Std Fd Mg Asi Ethical Corp Bd Ptform	42,310
Aberdeen Std Fd Mg Asi Uk Ethical Eqty Ptform	52,046
Aberdeen Std Fd Mg Asi Uk Sus And Res Inv Eq I	46,844
Jupiter Ut Mngrs Jupiter Ecology I Acc	29,506
Legal & General Ut L&g Msci Wld Socly Resp Inv	46,577
Liontrust Fund Par Sust Future Corp Bd 2 Gbp	40,837
Rathbone Ut Mgt Ethical Bond Instl Inc	43,513

Analysis of listed investments by category of holding

	2021	2020
	£	£
Open Ended Investment Companies	235,330	419,526
Unit Trusts	154,840	260,945
Investment Trusts	50,732	81,597
Exchange Traded Funds	126,643	257,380
	<u>567,545</u>	<u>1,019,448</u>

Unlisted investments at fair value

	2021	2020
	£	£
Fair value at 1 September 2020 and At 31 August 2021	-	-
	<u>-</u>	<u>-</u>

Analysis of all investments by location

	2021	2020
	£	£
Investments held in the UK	387,610	676,281
Investments held outside the UK	179,935	343,167

THE KESTRELMAN TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued****FOR THE YEAR ENDED 31 AUGUST 2021****7. CASH HELD**

	2021	2020
	£	£
Nat West plc	82,954	139,176
Scottish Widows Bank plc	244,867	44,664
Raymond James Investment Services Ltd	4,399	19,300
Triodos Bank	253,770	253,713
	<u>585,990</u>	<u>456,853</u>

8. ANALYSIS OF CURRENT LIABILITIES

	2021	2020
	£	£
Creditors falling due within one year:		
Grants	0	20,000
Investment management fees	562	1,031
Accountancy	2,520	2,400
Independent Examination fee	1,323	1,260
Administration fees	1,071	1,071
	<u>5,476</u>	<u>25,762</u>

9. NET ASSETS OF THE FUNDS OF THE CHARITY

	Fixed assets	Net current assets	Fund balance
	£	£	£
Unrestricted funds	<u>567,545</u>	<u>580,512</u>	<u>1,148,059</u>

10. EMPLOYEE INFORMATION

There were no employees of the Charity in the year ended 31 August 2021 (2020 none).

11. TAXATION

As a charity, the Trust is exempt from tax on income and gains falling within section 524 to 536 Income Taxes Act 2007 or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12. RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

No member of the Board of Trustees received any remuneration for his/her services.

The Trustees have not been reimbursed for any individual expenses.

There were no related party transactions during the year.

