

CHK CHARITIES LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

CHK CHARITIES LIMITED

CONTENTS

	Page
Company Information	1
Report of the Trustees	2 - 4
Independent Auditor's Report	5 - 6
Statement of Financial Activities	7
Balance Sheet	8
Statement of Cashflows	9
Notes forming part of the Financial Statements	10 - 21

CHK CHARITIES LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 JANUARY 2017

Constitution	CHK Charities Limited is a company limited by guarantee and a registered charity
Charity number	1050900
Company number	03130170
Registered office and address for appeals	The Administrator, CHK Charities Limited c/o SG Kleinwort Hambros Trust Company (UK) Limited, 8 St James's Square, London SW1Y 4JU
Banker and investment manager	Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU Kleinwort Benson Bank Limited, 14 St. George Street, London, W1S 1FE
Solicitors	Currey & Co, 33 Queen Anne Street, London W1G 9HY
Independent auditors	Kreston Reeves LLP, 37 St Margaret's Street, Canterbury, Kent CT1 2TU
Website	www.chkcharities.co.uk

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are referred to interchangeably as directors or trustees. As set out in the Articles of Association the chairman of the trustees is elected by the trustees by majority vote. One third of the trustees retire by rotation at annual general meetings, and may, if willing to act, be reappointed. The members of the charity may by ordinary resolution appoint a person who is willing to act, to be a trustee, either to fill a vacancy or as an additional trustee.

The trustees serving during the year and since the year end were:-

Mr R Prest (Chairman)
Dr E Peake
Mrs D F Acland
Mrs K S Loyd
Mrs C S Heber Percy
Mrs L H Morris
Miss P S Morris (Appointed 18 October 2016)
Mrs S Peake
Mrs J A S Prest

Secretary and administrator SG Kleinwort Hambros Trust Company (UK) Limited

The legal name of the secretary and administrator changed from Kleinwort Benson Trustees Limited to SG Kleinwort Hambros Trust Company (UK) Limited on 30 November 2016.

CHK CHARITIES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2017

The trustees (who are also directors of the charity for the purposes of the Companies Act 2006) are pleased to present their report together with the financial statements of the charity for the year ended 31 January 2017.

Company information set out on page 1 forms part of this report. The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, governance and management

CHK Charities Limited was incorporated on 20th November 1995 as a private company, limited by guarantee and not having a share capital, under a Memorandum of Association dated 17th November 1995.

The origin of the charity derives from the wish of Sir Cyril Kleinwort and his descendants, who constitute the members of the company, to devote some of their time and resources to charitable activities. The company's objectives are to promote and support, as the directors shall in their discretion decide, such charitable purposes and such charitable organisations as are exclusively charitable according to the law of England. It is, therefore, exclusively a grant-making charity, with no direct operating activity of its own.

The directors are elected by the members at a General Meeting in the usual way and one-third of their number come up for re-election each year.

Many of the present directors (or trustees) serve on the board of other unrelated charities, and they bring to the company a considerable knowledge of the charitable world in general and of the causes which the company supports in particular.

The Board meets twice a year but this greatly understates the involvement of the trustees. Consideration of appeals received is undertaken by small groups (never less than three people) of trustees to whom power has been delegated by the Board to make donations in specific fields up to individual amounts of £25,000. These groups of trustees meet roughly bi-monthly, so appeals can be dealt with expeditiously, and their decisions are reviewed and ratified at the next subsequent board meeting. Furthermore, ad hoc, minuted meetings of the whole Board are convened as and when donations exceeding £25,000 have to be considered between regular Board meetings.

The trustees keep themselves up to date with charity law, as it develops and insofar as it affects exclusively grant-making charities, and their involvement in and knowledge of the field of charitable activity supported by the charity, as well as their experience of other charities, means that they bring an informed eye to their work. The trustees ensure that the company benefits from high-quality investment and legal advice.

The trustees have considered what risks the charity faces and believe these to be the risks of fraud, poor investment performance and operational risks from ineffective grant making. The trustees consider variability of investment returns on the performance endowment to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers operating a diversified portfolio with performance monitored on a regular basis. Controls are in place to mitigate the risk of fraud such as ensuring that donations are made to a registered charity. The operational risk is mitigated by retaining trustees of sufficient knowledge on charities and regular review following funding. The process of reporting and review assists the trustees, and those supported by the charity, in keeping track of how research and knowledge is developing. This review process retains the trustees' focus on the public benefit derived from the trustees' funding of the charities' work.

Reserves policy

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that the support and governance costs are covered. The balance held as unrestricted funds at 31 January 2017 was £3,944,886.50 which is regarded as free reserves. Actual three month cash payments totalled £699,317.72. The current level of reserves is therefore higher than is needed.

Objectives, activities, achievements and public benefit

The Company's broad objectives are set out in the previous section of this report.

As a grant-making charity, it seeks to provide support to a significant number of charitable entities working in the fields on which it concentrates its activities. Included in this concentration are national or West Midlands charities working in countryside matters, drug prevention, education, job creation, population control, deafness, blindness, cultural and conservation causes and the provision of treatment and care for the disabled and handicapped.

CHK CHARITIES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2017

The trustees' current policy is to consider all written appeals received within the charity's broad guidelines, but only successful applications are notified of the trustees' decision. In approved cases, the trustees will provide assistance towards start-up or capital costs and ongoing expenses. This may take the form of a conditionally renewable grant for say three to five years following which support may be withdrawn to enable the resources to be devoted to other projects. Such grants are subject to annual progress reports and only released at the trustees' discretion.

Dividing the total amount given of £2,192,940.00 by the total number of causes supported (227) indicates an average size donation of just over £10,000, but the majority of the donations made were for £5,000, reflecting the trustees' policy of contributing to a large number of causes that fall within its target area.

Larger donations, such as the £100,000 to Jerwood Charitable Foundation towards their creative bursaries programme, £100,000 to Action On Hearing Loss towards research into tinnitus treatments, £100,000 to Adventure Plus towards the new ActionBase youth adventure centre in Clanfield, £100,000 to Roundhouse Trust towards the next generation capital campaign, £75,000 to St Christopher's Hospice for their National Education Programme for Carers & Support Workers, £50,000 to Hands Up Foundation towards their core costs, £50,000 to Key 4 Life towards their core costs, £50,000 to Into University towards their Hammersmith & Southampton Centres and £40,000 pledged to Kensington Aldridge Academy towards after school enrichment activities and teacher development.

Intermediate-sized donations, such as £40,000 to the Margaret Pyke Trust towards the cost of their International Coordinator, £30,000 to Sutton Trust towards Boards Membership, £25,000 to Camara towards five e-learning centres in a far region of Ethiopia, £25,000 to Global Canopy Programme towards core costs, £25,000 to Leap Confronting Conflict towards the expansion of their 'Improving Prospects' Programme, £25,000 to Lifebeat towards their summer camps and £22,000 to the Police Rehabilitation Trust towards their training costs.

	2017	2016
Number of appeals received	909	853
Number outside guidelines	7 (0.8%)	2 (0.2%)
Number of appeals considered	902	851
Number of appeals supported	227 (25%)	210 (25%)

In non-specialist, grant-making trusts, it is not easy to elaborate a strategy or assess effectiveness. The Company aims to 'make a difference'; it does not support individuals or very small and narrowly specialised activities but, on the other hand, it tries to avoid 'bottomless pits' and unfocused causes.

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.

Financial review

The Financial Statements cover all the activities of the charity and have been prepared on an accruals basis. They are presented in a format that reflects the split of funds between income (unrestricted) and capital (expendable endowment). The accounts show a balance of unspent unrestricted funds of £3,944,886.50 compared with £3,388,542.57 in 2016.

The charity's incoming resources, derived entirely from income from Stock Market and other investments and cash deposits including returned donations, totalled £3,275,844.81, 4.5% more than in the previous year. £2,192,940.00 was committed to charitable donations compared with £2,269,106.00 in 2016. Governance expenses totalled £44,634.90 compared with £40,673.22 in 2016. Gross ad valorem investment management fees before VAT totalled £345,823.06 compared with £401,872.78 in 2016. Total investment management fees, including VAT, amounted to £414,987.67 compared with £482,247.34 in 2016.

Under the Memorandum and Articles of Association, there are no restrictions on the charity's power to invest. The overall investment policy is to achieve long term capital growth in real terms, whilst providing a yield in excess of the UK equity market. The investment exposure is approximately 17.9% to cash and fixed interest markets, 9% to property, 6.8% to alternative assets with the balance invested in equity markets, split evenly between UK equities (18.7%) and Global equities (47.6%).

CHK CHARITIES LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2017**

The charity does not have a relationship with any other charity or organisation which might inhibit it from pursuing its own charitable objectives.

The trustees are satisfied with the financial position of the charity and confirm that they have adequate assets available to fulfil their obligations. There are no plans to alter the charity's activities next year.

It is the trustees' intention to reserve a certain amount of income, partly to offset a possible fall in investment income, and to enable them to continue their policy of responding without delay to appeals for significant support where appropriate, the timing of which is unpredictable.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under that law the trustees have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the Financial Statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that year. In preparing these Financial Statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the charitable 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

Each of the persons who are trustees at the time when this report is approved has confirmed that:

- so far as each trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each trustee has taken all the steps that ought to have been taken as a trustee, including making appropriate enquiries of fellow trustees and the company's auditors for that purpose, in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

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

By order of the trustees:

R Prest (Chairman)



Date 17.10.17

CHK CHARITIES LIMITED

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of CHK Charities Limited

We have audited the financial statements of CHK Charities Limited for the year ended 31 January 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st January 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Report has been prepared in accordance with applicable legal requirements.

CHK CHARITIES LIMITED

INDEPENDENT AUDITOR'S REPORT

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Kreston Reeves LLP

Samantha Rouse FCCA DChA (Senior Statutory Auditor)
For and on behalf of Kreston Reeves LLP
Statutory Auditor
Chartered Accountants
Canterbury

Date 18 October 2017

Kreston Reeves is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CHK CHARITIES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JANUARY 2017

	Note	Unrestricted fund £	Expendable endowment £	Total 2017 £	Total 2016 £
Income and endowments					
Investments:					
Investment Income	5	3,275,844.81	-	3,275,844.81	3,134,217.09
Other income:					
- Proceeds post sale		-	189.36	189.36	
- Harbourvest Senior Loans liquidation payment		-	-	-	535.20
Total income and endowments		£3,275,844.81	£189.36	£3,276,034.17	£3,134,752.29
Expenditure					
Cost of raising funds:					
Investment management fee		414,987.67	-	414,987.67	482,247.34
Expenditure on charitable activities:					
Donations	3	2,192,940.00	-	2,192,940.00	2,269,106.00
Support costs	2	64,806.30	-	64,806.30	57,868.20
Governance costs	2	44,536.91	97.99	44,634.90	40,673.22
Total expenditure		£2,717,270.88	£97.99	£2,717,368.87	£2,849,894.76
Net income before gains and losses on investments		£558,573.93	£91.37	£558,665.30	£284,857.53
Net (loss)/gain on investments					
Realised	4	(165.79)	2,074,289.31	2,074,123.52	(1,147,283.74)
Unrealised	4	(2,064.21)	11,120,768.64	11,118,704.43	(2,391,918.12)
		(2,230.00)	13,195,057.95	13,192,827.95	(3,539,201.86)
Net gain/(loss) on currency					
Realised		-	(1,706,885.98)	(1,706,885.98)	716,630.26
		-	(1,706,885.98)	(1,706,885.98)	716,630.26
Net movement in funds in the year		£556,343.93	£11,488,263.34	£12,044,607.27	(£2,537,714.07)
Funds					
At 31 January 2016		3,388,542.57	93,511,172.79	96,899,715.36	99,437,429.43
Net movement of resources in the year		556,343.93	11,488,263.34	12,044,607.27	(2,537,714.07)
At 31 January 2017		£3,944,886.50	£104,999,436.13	£108,944,322.63	£96,899,715.36

The statement of financial activities includes all gains and losses recognised in the year.

CHK CHARITIES LIMITED

**BALANCE SHEET
FOR THE YEAR ENDED 31 JANUARY 2017**

	Note	2017 £	2016 £
Fixed assets			
Investments	4	105,001,260.83	93,522,942.07
Current assets			
Cash at Bank	6	4,001,699.03	3,529,606.73
Debtors	7	141,682.33	139,779.85
		<u>4,143,381.36</u>	<u>3,669,386.58</u>
Current liabilities			
Creditors, amounts falling due within one year	8	200,319.56	292,613.29
		<u>200,319.56</u>	<u>292,613.29</u>
Net current assets		<u>3,943,061.80</u>	<u>3,376,773.29</u>
Assets less current liabilities		<u>£108,944,322.63</u>	<u>£96,899,715.36</u>
Capital fund			
Expendable Endowments	10	104,999,436.13	93,511,172.79
Income fund			
Unrestricted Fund	11	3,944,886.50	3,388,542.57
		<u>3,944,886.50</u>	<u>3,388,542.57</u>
		<u>£108,944,322.63</u>	<u>£96,899,715.36</u>

The notes at pages 10 to 21 form part of these accounts.

The financial statements were approved by the trustees on

Signed on behalf of the trustees
Mr R Prest
(Chairman)



Registration number: 03130170

17.6.17

CHK CHARITIES LIMITED

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 JANUARY 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash used in operating activities	13	(2,811,565.08)	(2,915,828.02)
Cash flows from investing activities:			
Income		3,276,034.17	3,134,752.29
Proceeds from sale of investments		48,280,303.49	31,450,545.04
Purchases of investments		(45,183,184.59)	(32,935,040.90)
Loss on income cash holdings		(2,230.00)	(8,960.00)
Net cash provided by investing activities		6,370,923.07	1,641,296.43
Change in cash and cash equivalents during the year		3,559,357.99	(1,274,531.59)
Cash and cash equivalents brought forward		4,681,909.80	5,239,811.13
Change in cash and cash equivalents due to exchange rate movements		(1,706,885.98)	716,630.26
Cash and cash equivalents carried forward		<u>6,534,381.81</u>	<u>4,681,909.80</u>

CHK CHARITIES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

These financial statements have been prepared in accordance with the particular accounting policies described below.

Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention except for investments, which have been included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) published on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The presentation currency of these financial statements is Pounds Sterling.

The figures have been not been rounded.

Basis of accounting

- Income recognition

All incoming resources are included in the Statement of Financial Activities when the charity 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 investment income is receivable.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment manager of the dividend yield of the investment portfolio.

- Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

CHK CHARITIES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2017

Fund accounting

Income funds are unrestricted funds which are 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.

Capital funds comprise expendable endowments, whereby there is no requirement to spend the capital unless, or until, the charity trustees decide to do so. These funds are invested to produce unrestricted income which can be spent in accordance with the charitable objectives.

Investment income, gains and losses are allocated to the appropriate fund.

Investments

Investments held will be included in the Financial Statements at mid-market value at the balance sheet date. Investments include cash held for investment purposes. Income shall be applied solely towards the promotion of the charity's objects.

Debtors

Other debtors are recognised at the settlement amount. Prepayments are valued at the amount repaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar accounts.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Exchange gains and losses arising on transactions in the year are recognised in the Statement of Financial Activities.

CHK CHARITIES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017**

2 Support and governance costs	Grant making	Governance	2017	2016
	£	£	£	£
SG Kleinwort Hambros Trust Company (UK) Limited Fee	64,806.30	34,895.70	99,702.00	89,028.00
Independent Auditor's Fees	-	5,400.00	5,400.00	5,400.00
Companies House Fee	-	13.00	13.00	13.00
Jordans Limited - Nameguard Service	-	90.00	90.00	90.00
Bank Transfer Fees	-	120.00	120.00	139.01
Website	-	428.33	428.33	422.34
Association of Charitable Foundations	-	3,430.00	3,430.00	3,365.00
Training course	-	156.00	156.00	-
Renewal Fees	-	97.99	97.99	84.07
Bank charge	-	3.88	3.88	-
Total Support Costs	£64,806.30	£44,634.90	£109,441.20	£98,541.42

SG Kleinwort Hambros Trust Company (UK) Limited fee is split between grant making and governance on the basis of time spent.

CHK CHARITIES LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017

3 Unrestricted Fund	2017	2016
	£	£
Donations to charitable institutions		
ARTISTIC CAUSES - 24 Donations		
JERWOOD CHARITABLE FOUNDATION	100,000.00	
OLD VIC THEATRE TRUST	20,000.00	
BUSH THEATRE	15,000.00	
CANAL & RIVER TRUST	10,000.00	
CHIPPING NORTON THEATRE TRUST	10,000.00	
CITY & GUILDS OF LONDON ART SCHOOL	10,000.00	
HOUSE OF ILLUSTRATION	10,000.00	
ROYAL ACADEMY OF MUSIC	10,000.00	
MUSIC WORKS	10,000.00	
ROYAL BALLET SCHOOL	6,000.00	
ROYAL ACADEMY OF ARTS	5,000.00	
THREE CHOIRS FESTIVAL ASSOCIATION	5,000.00	
CREATE (ARTS) LTD	5,000.00	
FUTURE TALENT	5,000.00	
YOUNG MUSICIANS SYMPHONY ORCHESTRA	5,000.00	
UNICORN THEATRE FOR CHILDREN	5,000.00	
YOUNG CLASSICAL ARTISTS TRUST	5,000.00	
BRITISH PARAORCHESTRA	5,000.00	
MUSIC IN HOSPITALS	5,000.00	
WALK THE PLANK	5,000.00	
CHIPPING CAMPDEN MUSIC FESTIVAL	5,000.00	
OILY CART	5,000.00	
BIRMINGHAM OPERA COMPANY	3,000.00	
GATE THEATRE	2,000.00	
	266,000.00	106,000.00
CONSERVATION/PRESERVATION - 4 Donations		
GLOBAL CANOPY PROGRAMME	25,000.00	
GARDEN MUSEUM	20,000.00	
GARDEN ORGANIC	5,000.00	
LONDON WILDLIFE TRUST	3,000.00	
	53,000.00	102,000.00
COUNTRYSIDE MATTERS AND ANIMAL WELFARE AND DISEASE - 2 Donations		
ADDINGTON FUND	10,000.00	
DOGS TRUST	3,000.00	
	13,000.00	8,000.00
CARE OF THE ELDERLY - 9 Donations		
GRATEFUL SOCIETY	10,000.00	
LIVE MUSIC NOW	8,000.00	
LILIAN FAITHFULL HOMES	5,000.00	
CANNON STREET MEMORIAL BAPTIST CHURCH	5,000.00	
DEMENTIA ADVENTURE	5,000.00	
ALIVE ACTIVITIES	5,000.00	
AGE UK SANDWELL	5,000.00	
AGE UK BIRMINGHAM	2,500.00	
CHARITY SEARCH	2,000.00	
	47,500.00	38,000.00

CHK CHARITIES LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017

	2017	2016
	£	£
Donations to charitable institutions continued		
DISABLED/HANDICAPPED TREATMENT AND CARE - 39 Donations		
THRIVE	17,600.00	
AUDITORY VERBAL UK	10,000.00	
FOOTSTEPS FOUNDATION	10,000.00	
MUSCULAR DYSTROPHY UK	10,000.00	
QUEEN ELIZABETH'S FOUNDATION FOR DISABLED PEOPLE	10,000.00	
THOMAS MORLEY TRUST	10,000.00	
U CAN DO IT	9,790.00	
HAPPY DAYS	5,000.00	
MEGAN BAKER HOUSE	5,000.00	
CHANGING FACES	5,000.00	
SPINAL INJURIES ASSOCIATION	5,000.00	
LISTENING BOOKS	5,000.00	
PHAB	5,000.00	
DEMAND	5,000.00	
SHINE	5,000.00	
STARLIGHT CHILDREN'S FOUNDATION	5,000.00	
THEODORA CHILDREN'S TRUST	5,000.00	
DISABILITY RESOURCE CENTRE	5,000.00	
SPECIAL EFFECT	5,000.00	
HEADWAY	5,000.00	
FOREST OF DEAN CHILDREN'S OPPORTUNITY CENTRE	5,000.00	
DEAFBLIND UK	5,000.00	
WALKING WITH THE WOUNDED	5,000.00	
JAMES HOPKINS TRUST	5,000.00	
ASPIRE	5,000.00	
DISABILITY RESOURCE CENTRE	5,000.00	
BRAIN TUMOUR SUPPORT	5,000.00	
LEVEL WATER	5,000.00	
NICE CENTRE FOR MOVEMENT DISORDERS	5,000.00	
CAMP HORIZON	5,000.00	
WILLOW TRUST	5,000.00	
CHILTERN CENTRE FOR DISABLED CHILDREN	3,000.00	
GLOUCESTERSHIRE ARTHRITIS TRUST	3,000.00	
PARTNERSHIP FOR CHILDREN	3,000.00	
PERFORMING ARTS CHILDREN'S CHARITY	3,000.00	
YOUNG & FREE	3,000.00	
SPRING CENTRE	2,000.00	
ONE-HANDED MUSICAL INSTRUMENT TRUST	2,000.00	
DREAM HOLIDAYS	1,500.00	
	217,890.00	264,350.00
DRUG PREVENTION & TREATMENT - 3 Donations		
AQUARIUS	5,000.00	
TOWER HAMLETS MISSION	5,000.00	
NEHEMIAH PROJECT	5,000.00	
	15,000.00	8,000.00

CHK CHARITIES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017**

	2016	2015
Donations to charitable institutions continued	£	£
EDUCATION - 20 Donations		
KENSINGTON ALDRIDGE ACADEMY	40,000.00	
INTO UNIVERSITY	50,000.00	
SUTTON TRUST	30,000.00	
CAMARA	25,000.00	
RANG DE UK	20,000.00	
SHANNON TRUST	15,000.00	
ROYAL COURT THEATRE	10,000.00	
TUTOR TRUST	10,000.00	
OXFORD SCHOOL OF DRAMA	10,000.00	
SCHOOL FOR SOCIAL ENTREPRENEURS	8,000.00	
SURFERS AGAINST SEWAGE	5,000.00	
BISHOPSLAND EDUCATIONAL TRUST	5,000.00	
ENGINEERING DEVELOPMENT TRUST (EDT)	5,000.00	
ACHIEVEMENT FOR ALL	5,000.00	
SHAKESPEARE SCHOOLS FESTIVAL	5,000.00	
SUTTON TRUST	5,000.00	
MUSIC OF LIFE FOUNDATION	3,000.00	
ROYAL SCHOOL OF NEEDLEWORK	3,000.00	
VICTORIA SCHOOL	3,000.00	
CITY UNIVERSITY LONDON	1,550.00	
	258,550.00	247,550.00
EMPLOYMENT AND JOB CREATION - 5 Donations		
POPPY FACTORY	5,000.00	
BITA PATHWAYS	5,000.00	
PATHWAY WORKSHOP	5,000.00	
NEWSTARTS	4,000.00	
SWEDA SKILLS WORK AND ENTERPRISE DEVELOPMENT AGENCY	3,000.00	
	22,000.00	8,000.00

CHK CHARITIES LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017

	2017	2016
	£	£
Donations to charitable institutions continued		
GENERAL WELFARE AND SOCIAL PROBLEMS - 43 Donations		
HANDS UP FOUNDATION	50,000.00	
COMMUNITY SMILES LTD.	15,000.00	
COMPASS SUPPORT	10,000.00	
ENDELIENTA APPEAL	10,000.00	
NORDOFF-ROBBINS MUSIC THERAPY	10,000.00	
FARESHARE	8,000.00	
SSAFA FORCES HELP	5,000.00	
CARERS SUPPORT CENTRE	5,000.00	
ROYAL BRITISH LEGION INDUSTRIES	5,000.00	
HORSE RANGERS ASSOCIATION (HAMPTON COURT) LIMITED	5,000.00	
COVENTRY FOODBANK	5,000.00	
TOURETTES ACTION	5,000.00	
QUAKER SOCIAL ACTION	5,000.00	
FARESHARE SOUTH WEST	5,000.00	
CRISIS CENTRE MINISTRIES	5,000.00	
MENINGITIS NOW	5,000.00	
VALLEY HOUSE	5,000.00	
CARERS TRUST	5,000.00	
NATIONAL RHEUMATOID ARTHRITIS SOCIETY	5,000.00	
REFUGEE RESOURCE	5,000.00	
PLUNKETT FOUNDATION	5,000.00	
SOFA PROJECT	5,000.00	
PSU	5,000.00	
COMBAT STRESS	5,000.00	
JERICHO FOUNDATION	5,000.00	
REACH VOLUNTEERING	5,000.00	
SAMARITANS - WORCESTER	5,000.00	
CARERS GLOUCESTERSHIRE	5,000.00	
REFUGEE & MIGRANT CENTRE	5,000.00	
BROAD STREET COMMUNITY MEETING HALL	5,000.00	
TURN 2 US	5,000.00	
FURNITURE RECYCLING PROJECT	4,000.00	
HEPATITIS C TRUST	4,000.00	
ANAWIN WOMEN WORKING TOGETHER	3,000.00	
FOOTSTEPS COUNSELLING & CARE	3,000.00	
RELATE	3,000.00	
FULL CIRCLE	3,000.00	
HOUSE ON THE CORNER COMMUNITY PROJECT	3,000.00	
MARAH TRUST	3,000.00	
IT SCHOOLS AFRICA	3,000.00	
SUPPORT AFTER MURDER AND MANSLAUGHTER (SAMM)	3,000.00	
WOMEN AND FAMILIES RESOURCE CENTRE	3,000.00	
SOUTH SUDANESE EAST BANK COMMUNITY ASSOCIATION	1,000.00	
	264,000.00	292,000.00
HOMELESS/HOUSING - 7 Donations		
SHELTER	5,000.00	
ST ANNE'S HOSTEL	5,000.00	
YMCA BIRMINGHAM	5,000.00	
CIRENCESTER HOUSING FOR YOUNG PEOPLE	4,000.00	
FATHER HUDSON'S CARE	4,000.00	
ST BASIL'S	4,000.00	
HOUSING THE HOMELESS CENTRAL FUND	3,000.00	
	30,000.00	152,500.00
HOSPICES - 6 Donations		
ST CHRISTOPHER'S HOSPICE	75,000.00	
SUE RYDER FOUNDATION LECKHAMPTON COURT	5,000.00	
HELEN & DOUGLAS HOUSE	5,000.00	
SHAKESPEARE HOSPICE TRUST	5,000.00	
KATHARINE HOUSE HOSPICE	4,000.00	
ST RICHARD'S HOSPICE	4,000.00	
	98,000.00	95,000.00

CHK CHARITIES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017**

	2017	2016
Donations to charitable institutions continued	£	£
MISCELLANEOUS - 7 Donations		
CHARITIES AID FOUNDATION	120,000.00	
FRIENDS OF THE NATIONAL LIBRARIES	20,000.00	
LONDON LIBRARY	5,000.00	
IN KIND DIRECT	5,000.00	
REPRIEVE	5,000.00	
NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS	5,000.00	
BRITISH MUSEUM DEVELOPMENT TRUST	1,500.00	
	161,500.00	166,500.00
CRIME PREVENTION - 3 Donations		
POLICE REHABILITATION TRUST	22,000.00	
GLOUCESTERSHIRE CRIMESTOPPERS	10,000.00	
WHY ME?	5,000.00	
	37,000.00	50,000.00
REPRODUCTIVE HEALTHCARE CONTROL - 2 Donations		
MARGARET PYKE TRUST	40,000.00	
BORANA CONSERVATION TRUST	12,500.00	
	52,500.00	88,000.00
BLINDNESS - 8 Donations		
MACS	10,000.00	
WESC FOUNDATION	10,000.00	
CHILDHOOD EYE CANCER TRUST	5,000.00	
ST JOHN OF JERUSALEM EYE HOSPITAL	5,000.00	
ROYAL SOCIETY FOR BLIND CHILDREN	5,000.00	
WARWICKSHIRE VISION SUPPORT	5,000.00	
FIGHT FOR SIGHT	5,000.00	
BLIND IN BUSINESS	4,000.00	
	49,000.00	45,000.00
DEAFNESS - 2 Donations		
ACTION ON HEARING LOSS	100,000.00	
EAR FOUNDATION	5,000.00	
	105,000.00	30,000.00
MEDICAL CARE AND RESEARCH - 3 Donations		
ALZHEIMER'S RESEARCH UK	5,000.00	
INSPIRE FOUNDATION	5,000.00	
ACTION FOR A-T	4,000.00	
	14,000.00	289,206.00

CHK CHARITIES LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017

	2017	2016
	£	£
Donations to charitable institutions continued		
YOUTH CARE - 40 Donations		
ADVENTURE PLUS	100,000.00	
ROUNDHOUSE TRUST	100,000.00	
KEY 4 LIFE	50,000.00	
LIFEBEAT	25,000.00	
LEAP CONFRONTING CONFLICT	25,000.00	
PLACE2BE	20,000.00	
BYHP (SUPPORTING YOUNG PEOPLE IN HOUSING NEED)	10,000.00	
SCHOOL FOOD MATTERS	10,000.00	
STREET GAMES	8,000.00	
SICK CHILDREN'S TRUST	8,000.00	
STREET TEAMS	5,000.00	
CHANGE TO SHINE CRICKET FOUNDATION	5,000.00	
LIFE EDUCATION CENTRES - MIDLANDS	5,000.00	
CHICKS (COUNTRY HOLIDAYS FOR INNER CITY KIDS)	5,000.00	
SCHOOL HOME SUPPORT	5,000.00	
TALL SHIPS YOUTH TRUST	5,000.00	
SANDWELL YOUNG CARERS	5,000.00	
V INSPIRED	5,000.00	
BARTON CAMP	5,000.00	
OUTWARD BOUND TRUST	5,000.00	
UK YOUTH	5,000.00	
I CAN	5,000.00	
CFAB - CHILDREN & FAMILY ACROSS BORDERS	5,000.00	
WHO CARES TRUST	5,000.00	
NATIONAL YOUTH ORCHESTRA OF GREAT BRITAIN	5,000.00	
MUSIC THERAPY WORKS	5,000.00	
HEMIHELP	5,000.00	
MENTORING PLUS LIMITED	5,000.00	
RUDDI'S RETREAT	5,000.00	
LORD'S TAVERNERS	5,000.00	
OXFORDSHIRE YOUTH	5,000.00	
BACA CHARITY	4,000.00	
ACORNS CHILDREN'S HOSPICE TRUST	4,000.00	
PEOPLE AND PLANET	4,000.00	
THE MIX	4,000.00	
BIRMINGHAM SETTLEMENT	3,000.00	
OPERATION NEW WORLD	3,000.00	
HONEYPOT CHARITY	3,000.00	
LIFE EDUCATION BRISTOL	3,000.00	
LEAVENERS	2,000.00	
	489,000.00	279,000.00
Total	£2,192,940.00	£2,269,106.00

No grants were made for the direct benefit of individuals

CHK CHARITIES LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017

4 Investments listed on a recognised Stock Exchange	2017 £	2016 £
Market value brought forward	92,370,639.00	94,416,385.00
Purchases	45,183,184.59	32,935,040.90
Disposals	(48,280,303.49)	(31,450,545.04)
	89,273,520.10	95,900,880.86
Realised Gain/(Loss)	2,074,289.31	(1,141,349.87)
Unrealised Gain/(Loss)	11,120,768.64	(2,388,891.99)
Market value - UK investments	102,468,578.05	92,370,639.00
Cash on deposit account (including currency)	2,532,682.78	1,152,303.07
Total investments	£105,001,260.83	£93,522,942.07
5 Investment income	2017 £	2016 £
Income from Investments	3,268,684.68	3,122,830.06
Bank Interest	7,160.13	11,387.03
	£3,275,844.81	£3,134,217.09
6 Cash and cash equivalents	2017 £	2016 £
Cash at bank and in hand	4,001,699.03	3,529,606.73
7 Debtors	2017 £	2016 £
Accrued Interest	141,101.00	121,295.00
HMRC Tax Repayment	-	11,233.25
Dividends due	581.33	7,251.60
	£141,682.33	£139,779.85

CHK CHARITIES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017**

8 Creditors, amounts falling due within one year	2017	2016
	£	£
SG Kleinwort Hambros Trust Company (UK) Limited Fees	43,200.00	43,188.00
Sarasin Investment Management Fees (Q4)	108,276.56	120,647.29
Independent Auditor's Fee	5,400.00	5,400.00
Association of Charitable Foundations	3,430.00	3,365.00
Committed Donations	40,000.00	120,000.00
Other creditor	13.00	13.00
	£200,319.56	£292,613.29
	£	£
9 Financial instruments	2017	2016
	£	£
Financial assets		
Financial assets measured at fair value	105,001,260.83	93,522,942.07
Financial assets measured at amortised cost	141,682.33	139,779.85
	105,142,943.16	93,662,721.92
Financial liabilities		
Financial liabilities measured at amortised cost	200,319.56	292,613.29

Financial assets measured at fair value through profit or loss comprise of listed shares.

Financial assets measured at amortised cost comprise debtors due within one year.

Financial liabilities measured at amortised cost comprise of creditors, amounts falling due within one year.

10 Expendable endowments

Movement in funds

Balance	Gains and	Balance
31 January 2016	transfers	31 January 2017
£93,511,172.79	11,488,263.34	£104,999,436.13

Income is available for general purposes. The expendable endowment is represented mainly by investments listed on a recognised Stock Exchange.

11 Unrestricted funds

The income funds of the charity will be designated by the trustees towards charities and charitable activities, as set out in the Trustees' Report attached to these accounts. Unrestricted funds are represented by the net current assets of the charity.

CHK CHARITIES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2017**

12 Related party transactions and trustees' expenses and remuneration

The key management personnel of the charity comprise solely of the trustees of the company who have held office during the period. No remuneration was paid to the trustees during the year (2016; nil). Expenses of £156 were claimed (2016; nil). The charity has no employees.

13 Reconciliation of net movement in funds to net cash flow from operating activities

	2017	2016
	£	£
Net movement	12,044,607.27	(2,537,714.07)
Deduct income shown in investing activities	(3,276,034.17)	(3,134,752.29)
Deduct gains/add back losses on investments & currency	(11,485,941.97)	2,822,571.60
Decrease (increase) in debtors	(1,902.48)	(21,800.49)
Increase (decrease) in creditors	(92,293.73)	(44,132.77)
Net cash used in operating activities	<u><u>(2,811,565.08)</u></u>	<u><u>(2,915,828.02)</u></u>

