



# Stewardship American Donor Fund UK Limited

Trustees' Report and Financial Statements  
for the period ended 30 September 2019

Registered charity number 1180678

Company registration number 11532453

## Charity Information, Trustees and Advisors

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Stewardship American Donor Fund UK Limited is a Private Limited Company registered in England and Wales as a company (number 11532453) and registered with the Charity Commission for England and Wales (number 1180678).

The Charity operates under the name of Stewardship America.

### **Registered Office**

1 Lamb's Passage, London EC1Y 8AB

### **Trustees**

The following served as directors and trustees for the period ended 30 September 2019, and up to the date of approval of the accounts, except where stated otherwise:

Gareth Eoin Burns (appointed 22 August 2018)

Lewis John Jackson (appointed 22 August 2018)

David Vardy (appointed 22 August 2018)

### **Company Secretary**

Juliet Maggs (appointed 4 October 2018)

### **Auditor**

BDO LLP

2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA

### **Banker**

Lloyds Bank Plc

Black Horse House, Progression Centre, 42 Mark Road, Hemel Hempstead HP2 7DW

### **Investment Manager**

JP Morgan

3 Lochside View, Edinburgh EH12 9DH

### **Solicitor**

Withers LLP

20 Old Bailey, London EC4M 7AN

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## Trustees' Report for the period ended 30 September 2019 including the Strategic Report (incorporating The Directors' Report)

The Trustees present their Trustees report, incorporating the strategic report, together with the audited financial statements of the Charity for the period from incorporation on 22 August 2018 to 30 September 2019.

### Constitution

Stewardship American Donor Fund UK Limited (the Charity) is a registered charity and a company with a share capital and is governed by its Memorandum and Articles of Association. The Charity operates under the name of Stewardship America. The directors are collectively referred to as the Trustees in this report. The names of Trustees who served during the year, and as at the date of signing, are noted on page 2.

### Strategic report

#### Objectives and Activities

The charitable objects of Stewardship America are to advance the Christian faith and to advance other charitable purposes.

Stewardship America carries out its objectives by encouraging and providing effective charitable giving solutions for those exposed to both the US and the UK tax systems, primarily US citizens who live in the UK. The Charity operates a dual-qualified donor advised fund, which allows some donors to give with the benefit of both UK and US tax reliefs and then request donations to Christian and other charitable causes in the UK, the US and overseas.

Stewardship America provides public benefit by making charitable grants.

#### Achievements and Performance

During the period under review, Stewardship America undertook significant work in order to prepare for and launch its dual-qualified donor advised fund.

Stewardship America's parent charity, Stewardship American Donor Fund US, Inc, (SADF-US) was granted recognition of exemption under section 501(c)(3) of the Internal Revenue Code as a US public charity in August 2019, with effect from the date of the US charity's incorporation. Stewardship America was registered with the Charity Commission in England & Wales on 13 November 2018 and filed an election with the US Internal Revenue Service to be treated as part of SADF-US so that a donation to the Charity is treated as a donation to SADF-US for US tax purposes. The dual-qualified donor advised fund was launched on 14 August 2019.

In the period between launch and the end of its first year, Stewardship America received substantial gifts and was able to make an onward grant of £27m to donor-advised funds at Stewardship Services (UKET) Limited.

#### Financial Review

The Charity was incorporated on 22 August 2018 and saw exceptional income for the period from incorporation to 30 September 2019 of £51m, with net income of £17m after making grants of £27m. We give thanks to God for the generosity of these donors but are aware that so many significant gifts may not be repeated in 2019/20.

The giving of shares and the giving in currencies other than pounds sterling to the Charity gives rise to the possibility of gains and losses on investments being reported in the statement of financial activities.

## Trustees' Report (continued)

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### Financial Review (continued)

Gifts of shares are recognised at the market price and exchange rates on the day of the gift with any gains or losses on sale being accounted for in net investment gains/losses. We keep donors fully informed throughout significant sales of gifted shares and any subsequent gain or loss when the gift is sold is reflected in the amount available for giving at the request of that specific donor. Therefore it should be noted that these types of gains and losses are a part of specific restricted funds and so do not affect Stewardship America's general reserves, the amounts in the giving accounts of other donors or its financial well being.

This year saw some exceptionally large gifts in quoted shares during a time of stock market fluctuations and a volatile pound sterling; as a result we have recognised losses on sale and conversion to sterling of £6.7m on a small number of very large gifts made in these specific challenging circumstances.

### Our aims for next year

In the next year, the Trustees intend to publicise Stewardship America more widely and to increase the number of donors giving to Stewardship America, in order to increase its charitable impact. The Trustees intend to do this by marketing Stewardship America both to US expatriates in the UK and to churches and charities which receive funding from those who pay tax in both the US and UK. Stewardship America intends to become an affiliate of TrustBridge Global Network, a global network of Christian donor advised funds which aims to provide cross-border giving.

### Risk management

The principal risks faced by the Charity lie in the performance of its assets and the capacity of the Charity to make effective grants. The performance of investments is reviewed regularly by the Trustees and action taken where appropriate. Losses on investments in donor advised funds are borne by specific restricted funds and are therefore segregated from the general funds of the Charity. Grants are made only after adequate scrutiny of the recipients.

### Structure, governance and management

Stewardship American Donor Fund UK Limited is a Private Limited Company registered in England and Wales as a company (number 11532453) and registered with the Charity Commission for England and Wales (number 1180678).

The Charity is a wholly-owned subsidiary of Stewardship American Donor Fund US, Inc, (SADF-US) a corporation registered in the US State of Delaware with file number 6991071 and a US 501(c)(3) public charity with Employer Identification Number (EIN) 83-2161455.

The Charity has made a US tax election to be treated as a part of SADF-US so that a donation to the Charity is treated as a gift to SADF-US for US tax purposes. Given the Charity's UK charitable status, a donation to it may also be eligible for relief under UK tax legislation relating to gifts to charities.

### Recruitment of Trustees

Under the articles of the Charity, the Trustees of Stewardship America have the power to appoint new or additional trustees to its board subject to approval by Stewardship Services (UKET) Limited. Trustees are required to subscribe to the Charity's Statement of Christian Beliefs. The induction and training programme for new trustees covers the vision, mission and values of the Charity, and the roles and responsibilities of trustees under charity law.

### Operations and decision making

Stewardship America does not have any employees of its own. Administrative services are provided by Stewardship Services (UKET) Limited on the terms of a tripartite agreement and under the supervision of the Trustees of Stewardship America and SADF-US.

## Trustees' Report (continued)

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### Operations and decision making (continued)

Stewardship America and SADF-US are permitted to use the 'Stewardship' brand under the terms of the tripartite agreement.

Stewardship America and SADF-US each have a majority of trustees who are independent of Stewardship Services (UKET) Limited, so that any conflicts of interest can be properly managed.

None of the Trustees has an interest in the shares of the company or in any associated entity.

During the year the Trustees took out indemnity insurance cover.

### Share capital

The Charity's authorised share capital of one ordinary share of £1 was issued at par upon incorporation and is held by SADF-US.

### Public benefit

The aim of the Charity is to encourage, support and develop the work of charities in the UK, the USA and elsewhere in the world by providing a range of services which ensure the most effective handling and distribution of charity funds.

When reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy, the Trustees paid due regard to the guidance issued by the Charity Commission, HM Revenue & Customs and the US Internal Revenue Services.

### Grant making policy

The Charity supports cross-border tax effective giving by enabling donors liable for tax in both the UK and the USA to obtain tax relief in both countries on their charitable giving. Donors suggest, but they may not direct, how the Trustees might distribute their donation. This may be to organisations carrying out charitable activities anywhere in the world.

Each grant suggestion is reviewed having regard for grant making guidance issued by the Charity Commission, HM Revenue & Customs and the US Department of the Treasury and Internal Revenue Service. If it is considered that a donor's suggestion is not in accordance with issued guidance, then steps are taken to ensure that the funds are paid to an organisation with similar charitable objects.

The Trustees seek feedback from the beneficiary charities on the actual use of grants given, and the achievements made, to monitor the effective use of grants made.

Funds received to support grant making are held as restricted funds pending distribution to beneficiary charities. Grants are only awarded up to a level equal to the funds already contributed and received from donors. No grants are awarded in anticipation of future income.

### Reserves policy

The total funds held at 30 September 2019 were £17,016,000 of which £16,944,000 were restricted funds and £72,000 were unrestricted funds. The Charity Commission defines reserves as being "that part of a charity's unrestricted funds that is freely available to spend on any of the Charity's purposes". The reserves of the Charity are determined as all of its unrestricted funds. It is the policy of the Charity to maintain unrestricted funds at a level to enable the Charity to meet its management and administration costs for twelve months which are forecast to be in the range of £50,000 to £75,000. At 30 September 2019 the Charity had unrestricted reserves of £72,000, which is in line with policy.

### Fundraising statement

Stewardship America has not actively engaged in any public fundraising and did not employ any third party professional to engage in such fundraising activities during the year. It is anticipated that this will change during 2019/20 and it will be registering with the Fundraising Regulator.

## Trustees' Report (continued)

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### Fundraising statement (continued)

While Stewardship America does produce printed information, the aim of these documents is not to raise funds for its purposes but to promote its services in order to fulfil its aims.

Stewardship America did not receive any formal complaints during the year in respect of any fundraising activities.

### Going concern

The Charity's activities, together with its financial position and plans for its future development and performance have been described in this report.

The Charity's aims and objectives, taking into account a number of potential changes in performance and funding, show that the Charity should be able to operate at adequate levels of both liquidity and reserves for the foreseeable future.

Consequently, the Trustees have a reasonable expectation that the Charity should have sufficient resources to continue its operations and meet its liabilities as they fall due for at least twelve months from the date of signing of this report. They have therefore continued to adopt the going concern basis in preparing the financial statements.

### Investment powers and policy

The Trustees have the power to invest in such investments, securities, or property as they see fit after obtaining any necessary advice from investment experts, and having regard to the suitability of investments and the need for diversification.

The investment policy relating to funds is to provide a high degree of security and liquidity. Financial assets are generally held in bank deposits or money market deposits with maturities between three months and one year.

### Related parties

Stewardship Services (UKET) Ltd provides the Charity with administrative and managerial services. Details of the related parties and the transactions with these entities during the year are included in note 6 to the accounts.

### Post balance sheet events

There have been no significant post balance sheet events.

### Trustees' Responsibilities

The trustees are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements 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 that they give a true and fair view of the state of affairs of the Charitable Company and of the profit or loss of the Charitable Company for that period.

## Trustees' Report (continued)

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### Trustees' Responsibilities (continued)

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 Charitable Company 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 the prevention and detection of fraud and other irregularities.

Financial statements are published on the Stewardship Services (UKET) Limited website, [www.stewardship.org.uk](http://www.stewardship.org.uk) in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The Trustees are responsible for the maintenance and integrity of the corporate and financial information relating to the Charitable Company included on that website. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Auditor

Each person who is a Trustee at the date of approval of this report confirms that:

1. so far as the Trustees are aware, there is no relevant audit information of which the Charity's auditor is unaware; and
2. the Trustees have taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to re-appoint auditors of the Charity and authorising the board to fix their remuneration will be submitted to the forthcoming Annual General Meeting.

Approved by the Trustees and signed on their behalf on 5 March 2020.

GARETH BURNS

Gareth Burns  
Trustee

# Independent Auditor's report to the Members of Stewardship American Donor Fund UK Limited

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of Stewardship American Donor Fund UK Limited ("the Charitable Company") for the period ended 30 September 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 30 September 2019 and of its incoming resources and application of resources for the period 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 relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions related 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 other information comprises the information included in the Trustee's Report other than the financial statements and our auditor's report thereon. The other information comprises: The Trustees' Report and the Strategic Report. The Trustees are responsible for the other information.

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

## Auditor's report (continued)

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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 Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have 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 misstatement in the Strategic report or the Trustee's 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, 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of Trustees

As explained more fully in the Statement of Trustee's Responsibilities, 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 determines 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

## Auditor's report (continued)

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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 at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **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.

BDO LLP

Fiona Condron (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick, West Sussex  
Date 9 March 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Stewardship American Donor Fund UK Limited

## Statement of Financial Activities

### (incorporating the Income and Expenditure Account)

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For the period ended 30 September 2019

	Notes	Unrestricted 2019 £'000	Restricted 2019 £'000	Total 2019 £'000
<b>Income from:</b>				
Donations	2	151	50,807	50,958
Investments	3	12	-	12
<b>Total income</b>		<b>163</b>	<b>50,807</b>	<b>50,970</b>
<b>Expenditure on:</b>				
Grants	4	-	(27,105)	(27,105)
Charitable activities	5	(91)	(3)	(94)
<b>Total expenditure</b>		<b>(91)</b>	<b>(27,108)</b>	<b>(27,199)</b>
Net (losses) on investments	10	-	(6,755)	(6,755)
<b>Net income</b>		<b>72</b>	<b>16,944</b>	<b>17,016</b>
<b>Net movement in funds</b>		<b>72</b>	<b>16,944</b>	<b>17,016</b>
<b>Reconciliation of funds</b>				
Total funds brought forward		-	-	-
<b>Total funds carried forward</b>		<b>72</b>	<b>16,944</b>	<b>17,016</b>

All transactions arise from continuing operations. All gains and losses are included above.

The notes on pages 15 to 18 form part of these financial statements.

# Stewardship American Donor Fund UK Limited

## Balance Sheet

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As at 30 September 2019

	<u>Notes</u>	Total 2019 <u>£'000</u>
<b>Current assets</b>		
Debtors	7	12
Current asset investments	8	7,640
Money market deposits		9,003
Cash at bank and in hand		366
<b>Total current assets</b>		<b>17,021</b>
<b>Liabilities</b>		
Creditors: amounts falling due within one year		
Other creditors	9	(5)
<b>Total liabilities</b>		<b>(5)</b>
<b>Net current assets</b>		<b>17,016</b>
<b>Total net assets</b>		<b>17,016</b>
<b>The funds of the Charity:</b>		
Restricted funds	10	16,944
Unrestricted funds	10	72
Called up share capital	11	-
<b>Total funds</b>		<b>17,016</b>

Approved and authorised for issue by the Board of Trustees and signed on its behalf on 5 March 2020

GARETH BURNS

Gareth Burns  
Trustee

The notes on pages 15 to 18 form part of these financial statements

Company registration number 11532453

# Stewardship American Donor Fund UK Limited

## Cash flow Statement

For the period ended 30 September 2019

	2019
	<u>£'000</u>
<b>Cash flows from operating activities</b>	
Net cash provided by operating activities	9,357
Cash flows from investing activities:	
Dividends and interest from investments	12
Net cash utilised by investing activities	12
Change in cash and cash equivalents in the reporting period	9,369
Cash and cash equivalents at the beginning of the reporting period	-
Cash and cash equivalents at the end of the reporting period	9,369
<b>Reconciliation of net income to net cash flows from operating activities</b>	
Net income for the reporting period	17,016
Adjustments for:	
(Increase) in current asset investments	(7,640)
Dividends and interest from investments	(12)
(Increase) in debtors	(12)
Increase in creditors	5
Net cash provided by operating activities	9,357
<b>Analysis of cash and cash equivalents</b>	
Cash at bank	366
Money market deposits	9,003
Total cash and cash equivalents	9,369

### Analysis of changes in cash and cash equivalents

	At start of year	Cash-flows	At end of year
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Cash	-	366	366
Money market deposits	-	9,003	9,003
<b>Total</b>	-	<b>9,369</b>	<b>9,369</b>

# Stewardship American Donor Fund UK Limited

## Notes to the Financial Statements

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### 1) Accounting Policies

The principal accounting policies and judgements used in the preparation of the financial statements are:

#### a) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom law and UK Generally Accepted Accounting Practice (UK GAAP), including FRS 102, (as issued by the Financial Reporting Council), the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'), the Companies Act 2006 and the Charities SORP (FRS 102). Because the Charity was formed in 2018, this is the first set of financial statements for it which conform to FRS 102.

Stewardship American Donor Fund Limited is a UK Charitable Company incorporated in the UK and registered with the Charity Commission for England and Wales.

The Charity meets the definition of a public benefit entity under FRS 102.

#### b) Income recognition

Donations and gifts are recognised in the statement of financial activities usually in the period they are received or, if appropriate, when any requested conditions have been met. Where a donation or gift is made with a valid Gift Aid declaration, the Gift Aid is recognised in the period in which the original donation or gift was made.

Non-cash gifts are recognised at their valuation on the date of the gift.

All other income is recognised on an accruals basis and included in the Statement of Financial Activities when the Charity is entitled to the income. This includes all earned investment income and fee income on services provided by the Charity.

#### c) Expenditure

i. Grants to charitable causes principally represent the payments made following the expression of wishes made by our givers, from their Stewardship America accounts. These are recognised in the accounts on receipt of the givers' expression of wishes, provided that Stewardship America has completed the appropriate due diligence and financial assessment checks on the charitable cause nominated. Where Stewardship America has followed a donor's request and allocated funds to a recipient's account, Stewardship America continues to have discretion to decline to make payment, if circumstances have changed between the allocation of funds and payment date. However, the trustees are of the view that in most cases this is unlikely to occur and therefore the

accounts include amounts yet to be paid to the recipient as a liability.

ii. Other expenditure in the furtherance of charitable objects is accounted for on an accruals basis. Where expenditure does not fall clearly into one category, costs are apportioned by headcount.

iii. Governance costs include the cost of the audit, trustees' expenses and the staff costs associated with directly supporting trustees' meetings.

iv. Fund management charges are charged directly to the investment and reflected in closing asset valuations.

#### d) Current asset investments

Current asset investments are assets held pending sale and are measured at their estimated net realisable value at the balance sheet date.

#### e) Debtors

Trade and other debtors are measured on the basis of their recoverable amount.

#### f) Money market deposits

Money market deposits are held as part of Stewardship America's investment allocation of total assets. These are generally fixed term and notice deposits of up to one year but can also include instant access savings accounts which generate additional investment income and liquidity.

#### g) Cash at bank and in hand

Cash at bank and in hand is held to meet the day-to-day running costs of the Charity as they fall due and to provide for the liquidity needs in respect of funds held as agent.

#### h) Creditors

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt or pay for services or goods received.

#### i) Reserves

i. Unrestricted funds are available to cover the cost of running the Charity. Our policy for reserve levels is explained on page 6 in our Trustees' Report.

ii. Restricted funds are comprised of gifts received into the Charity's Giving Accounts. Donors at some future date will express preferences as to how these funds may be granted out to specific recipient causes. Upon approval of the preferences the grant payments will be made. Until such a time the funds are held as restricted within Stewardship America's accounts.

# Stewardship American Donor Fund UK Limited

## Notes to the Financial Statements

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### 1) Accounting Policies (continued)

#### j) Going concern

The trustees have reviewed the financial position, plans, reserves and risk management of the Charity and believe it has adequate resources to continue operations for the foreseeable future and therefore support the preparation of these financial statements on a going concern basis.

### 2) Donations

	<u>Unrestricted</u> <u>£'000</u>	<u>Restricted</u> <u>£'000</u>	2019 <u>£'000</u>
Gifts	151	50,807	50,958

### 3) Investment income

	<u>Unrestricted</u> <u>£'000</u>	<u>Restricted</u> <u>£'000</u>	2019 <u>£'000</u>
Interest on money market deposits	12	-	12

### 4) Grants

Grants totalling £27,105,000 were made to Stewardship Services (UKET) Ltd.

### 5) Analysis of expenditure on charitable activities

	<u>Unrestricted</u> <u>£'000</u>	<u>Restricted</u> <u>£'000</u>	Total 2019 <u>£'000</u>
Governance costs	5	-	5
Professional costs	84	-	84
Other costs	2	3	5
	<b>91</b>	<b>3</b>	<b>94</b>

Net income for the year is stated after charging:

Auditors remuneration: audit	5	-	5
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### 6) Related Party transactions

During the year the Stewardship Services (UKET) Limited made a grant of £98,000 to the Charity and provided staffing and support services valued at £54,000 which is included in expenditure.

Grants totalling £27,105,000 were made to Stewardship Services (UKET) Ltd.

During the reporting period, no trustees received any reimbursement of expenses relating to their duties as trustees.

# Stewardship American Donor Fund UK Limited

## Notes to the Financial Statements

### 7) Debtors: due within one year

	2019
	<u>£'000</u>
Other debtors	5
Prepayments	7
	<b>12</b>

### 8) Current asset investments

Current asset investments are all listed investments.

### 9) Creditors: amounts falling due within one year

	2019
	<u>£'000</u>
Accruals and deferred income	5

### 10) Analysis of charitable funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Income	163	50,807	50,970
Expenditure	(91)	(27,108)	(27,199)
Net (Losses) on investments	-	(6,755)	(6,755)
<b>Balance 30 September 2019</b>	<b>72</b>	<b>16,944</b>	<b>17,016</b>

#### Gifts received into Stewardship America Giving Accounts

Donors at some future date will express preferences as to how these funds may be granted out to specific recipient causes. Upon approval of the preferences the grant payments will be made. Until such a time the funds are held as restricted within Stewardship America's Financial Statements.

### 11) Shareholder's funds

	2019
	<u>£</u>
Authorised, allotted, called up and fully paid 1 Ordinary share of £1	1

### 12) Analysis of net assets by fund

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Debtors	12	-	12
Current asset investments	-	7,640	7,640
Money market deposits	-	9,003	9,003
Cash at bank and in hand	65	301	366
Other creditors	(5)	-	(5)
<b>Total net assets</b>	<b>72</b>	<b>16,944</b>	<b>17,016</b>

# Stewardship American Donor Fund UK Limited

## Notes to the Financial Statements

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### 13) Financial commitments and contingent liabilities

JP Morgan hold a charge over assets held with them which allows them recourse to those assets in the event of non-payment of fees.

### 14) Indemnity insurances

Stewardship America has taken out indemnity insurance cover for trustees. Premiums due for the policies during the year totalled £6,650.

### 15) Taxation

The trustees consider that Stewardship America meets the Charity tests set out in Part 1 Schedule 6 Finance Act 2010 and accordingly is potentially exempt from taxation in respect of income or capital gains within categories covered by Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

### 16) Parent entity

All of the Charity's issued share capital is owned by Stewardship American Donor Fund US Inc.

The Charity's trustees are appointed by its existing Trustees subject to approval by Stewardship Services (UKET) Limited (UK registered charity number 234714). Stewardship American Donor Fund US Inc is the Charity's controlling entity and the smallest group into which the Charity is consolidated.

Stewardship American Donor Fund US Inc is a US 501(c)(3) public charity recognised by the US Internal Revenue Service. It is incorporated in the State of Delaware and its headquarters are located at The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington (New Castle County), DE 19801, USA.

Three trustees, by virtue of the office they hold for Stewardship Services (UKET) Ltd, are the members of Stewardship American Donor Fund US Inc. The appointment of additional members and the removal of members can be made by Stewardship Services (UKET) Ltd at any time. The accounts of Stewardship Services (UKET) Ltd can be obtained from their registered address at 1 Lamb's Passage, London EC1Y 8AB.