

# Annual Report and Financial Statements 2019



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This report has been produced electronically and you can click on the headings in the contents above to navigate directly to the sections of particular interest – you do not need to scroll through every page. We recommend that you read the entire report in order to gain a fuller understanding of the organisation and its recent activity.

All current Members of the Company are invited to attend the AGM on 11th September 2020. This will be an online format held remotely due to the Covid-19 pandemic. Full details of how to access the meeting electronically will be provided to all Members. Our priority is to protect both the safety and wellbeing of our colleagues.

It would be particularly helpful if questions are sent in advance to the Company at [mail@gpdf.org.uk](mailto:mail@gpdf.org.uk) by no later than 28<sup>th</sup> August 2020 to allow for a response to be provided to the meeting.

## Strategic Report

### Highlights of 2019

- › Continued progress in meeting the needs of LMCs
- › Extensive support for PCNs with guidance notes, templates, advice resource and event sponsorship
- › Sponsorship of LMC - delivered contract events
- › £1 Million rebate to LMCs for local use
- › Work started on a new set of Articles
- › Reaching agreement on a Grant with the BMA until June 2020

### Financial Highlights

- › A grant of £1,375,000 was agreed with the BMA for the year to June 2020
- › The level of Quota in 2019 was reduced by 10% (compared with 2018)
- › A rebate of around £1M was made to LMCs temporarily reducing the quota by a further 25%
- › The accumulated funds stood at £17,140,551 at 31st December (Note: this level has since been reduced by the impact of Covid-19 on investments worldwide)

### Update on 2020 activity

- › The GPDF's Articles were re-written, updated, and adopted
- › We have proposed a joint project with the BMA to deliver value for money
- › We have recruited an experienced independent chair for a refreshed Remuneration Committee, which will recommend any changes to salaries paid to Directors and Management
- › We have recruited two new Independent Directors to serve on the GPDF Board
- › The LMC Development Grant Scheme has been evaluated and re-focused
- › An LMC 'Training and Development Initiative' is being developed, led by a working group of experienced LMC Officers

### COVID-19

Whilst it is appropriate that we acknowledge the severe impact that COVID-19 has had on our profession, there can be little doubt that its impact will continue, with nobody knowing for how long. Our economic environment, and the financial and other markets face significant challenges and risks.

To mitigate some of the pressure on LMCs, the Board of the GPDF reduced the per capita quota for 2020 by 25%, from 4p to 3p per patient. Together with the recent fall in global stock markets linked to the pandemic this increased the downward pressure on funds, but it was fully accepted that LMCs needed immediate relief.

In a further move to support LMCs, our legal advisers, Pennington Manches Cooper provided access to information on their website and a facility to provide legal advice in relation to commercial, contractual and employment issues that LMCs and practices might face as a result of the pandemic.

The Directors have considered the current situation and have moved to remote working and, as far as business continuity is concerned, the risks continue to be mitigated because the day-to-day accounting function and portfolio management are outsourced.

# Governance Brief overview of the GPDF

## Why the GPDF exists

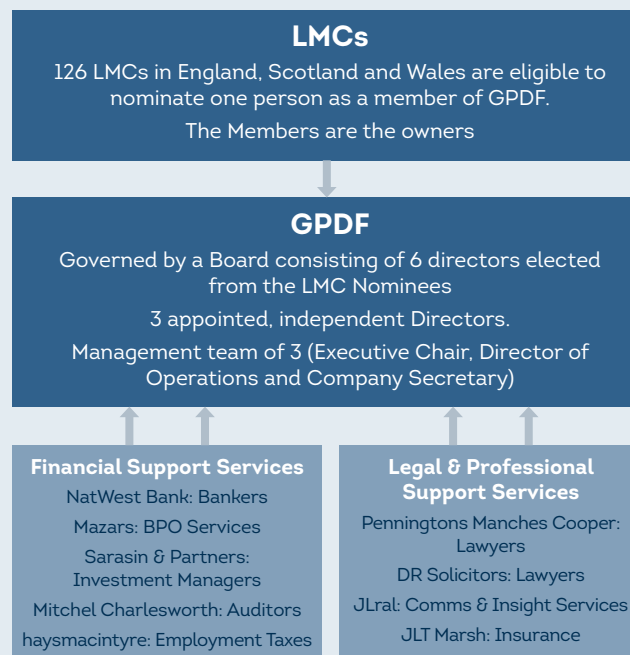
The GPDF exists to ensure national representation, influence and support for Local Medical Committees (LMCs), GPs and general practice.

## What we do

We listen to and work with LMCs to: – Strengthen the ‘voice’ of LMCs and GPs at a nationally representative level through funding for meeting attendance and funding for LMC Conferences. We fund interventions in legal and other related matters that benefit LMCs and general practice with priority given to issues of ‘national importance’. We fund initiatives that support effective functioning of LMCs and general practice including event sponsorship. We engage in dialogue with LMCs, the General Practitioners Committee (GPC) of the BMA, and others to share knowledge and learning, and to promote unity across the profession. The GPDF will continue to advance the views of LMCs with the aim of supporting and influencing others on behalf of general practice. We will do this across all the organisations we engage with thereby supporting the best interests of the profession.

## How the GPDF is managed

The GPDF is a Company limited by guarantee, consisting of Members nominated from LMCs across Great Britain. We are governed by a Board of Directors, the majority of whom are or have been GPs and who are elected by their fellow Members (the Nominees of LMCs). A minority of Directors are appointed for their skills or experience in other sectors. Day to day management is provided by a Management team, headed by the Executive Chair, supported by the Director of Operations and the Company Secretary.



## How the GPDF is funded

The GPDF funding is based on a calendar year and is on a mutual basis with voluntary contributions from all GPs throughout Great Britain and N Ireland, based on a principle of shared investment for the common good. This payment is made on a ‘per patient’ basis, collected initially by the LMC, and remitted on a ‘quota’ basis to the GPDF, based on the reported patient population for each LMC, which the GPDF seeks to confirm every three years. In this way, every GP and LMC contributes on the same basis for the mutual benefit and the collective good of general practice.

## Our origins

The GPDF (formerly the General Practitioners Defence Fund Ltd) has its roots in the early 20th century when its predecessor organisation, initially called The Insurance Defence Fund was founded in 1911. The remit, structure, focus and name (variously General Medical Services Defence Trust and General Medical Services Defence Fund Ltd), have changed and evolved several times over the years but always with a common purpose which is to support the best interests of publicly funded general practitioners.

## The GPDF’s Strategic aim

The GPDF’s principle aim is to support and promote the interests of LMCs and GPs.

This will evolve over the coming years as the GPDF continues to consult with LMCs, the BMA (and the latter’s national committees in England, Scotland and Wales), and with other professional bodies, whilst recognising the changing policies of Governments and NHS in each of the devolved administrations.

In the meantime, the GPDF will strengthen the “voice” of both LMCs and general practice by continuing to support GPs involved with the GPCs, and, for the foreseeable future, continuing to fund the several annual LMC conferences. Furthermore, the GPDF will support legal interventions which have national significance to general practice, and where no other organisations have primary responsibility to fund the action. The Company will promote collaborative activity that results in benefit across multiple LMCs. The GPDF is committed to operating in an open and transparent manner by providing regular communication to LMCs on its activities.

Subject to the potentially negative consequences of COVID-19 on the Company’s financial resources, the intention, over the medium term, is to limit significant fluctuations in the annual quota payable by LMCs.

# Chair's Statement

It is now over two years since Membership and control of the Company passed to LMCs. A great deal has been achieved since then, and I am delighted to report that the GPDF has made substantial progress as we respond to the many challenges demanded of us by LMCs, but our aim of supporting all of our colleagues in general practice remains constant. We have listened carefully to the views and opinions of LMCs expressed during the year, both formally and informally. At times, these views have been challenging, misinformed and often conflicting, however, the Board and I have always sought to act in line with the wishes of the majority of LMCs. It is axiomatic to say that our decisions or actions cannot please everyone all of the time, and therefore we must use the judgement, knowledge and experience of our Directors to use the funds available to the GPDF as wisely and as appropriately as we can.

## Reduction of the quota payment

We listened to LMCs' views regarding the level of the quota payment, which was why the per capita value in 2019 was reduced by 10% from that of 2018. Then in late 2019, we were able to further help LMCs through the rebate of the 2019 quota totalling almost £1,000,000, which meant, in effect, that the per capita rate for 2019 was reduced to 4p. In the Spring of 2020, this was temporarily further reduced by 25% (from 4p to 3p per patient), in response to the pressures experienced by LMCs related to COVID-19.

## Accumulated Funds

As a direct result of the impact of the pandemic on global investments I must highlight that the value of our accumulated funds has, in recent months, reduced significantly as can be seen in the section 'Investment Review' on page 24. While the indication is that our portfolio has been impacted less than many others, the fact remains that our funds are much reduced at this time. Nevertheless, please bear in mind that our investments are held for the longer-term and one can only hope that equilibrium will be restored to financial markets around the world before too long.

## LMC Conferences

We gathered LMCs' views regarding the various annual conferences, and we know how important these events are. The GPDF is committed to supporting them, but it is our duty to ensure that the funding provided by the GPDF is used appropriately.

## Relationship with BMA

During 2019 the GPDF Management team spent considerable time and effort engaging with the representatives of the BMA. This activity led to agreement of the funding contribution of £1,375,000 for the BMA Sessional year 2019/20 in order to support GPC UK, GPC England, GPC Wales, and Scottish GPC. Thereafter the GPDF and the BMA agreed to start discussions regarding a longer-term agreement possibly extending until June 2023; although some progress has been made, COVID-19 has interrupted discussions.

We proposed to the BMA in the autumn of 2019 the establishment of a joint review of GPC activities focussing on National Representation, and taking into account those areas of the Meldrum report which had not been actioned, as well as the implications of the Romney report. This too has been delayed by COVID-19.

In late 2019, HW Fisher, an independent firm of reporting accountants, was commissioned to confirm that the funds paid to the BMA had been used in accordance with the terms of the Deed of Grant, and I am pleased to confirm that that was the case.

## Transparency

We fully accept that LMCs wish reassurance that funds are used properly, and a minority of LMCs has sought greater transparency in relation to the salaries paid to the Directors for their time, expertise and efforts on behalf of the GPDF. That is why we have recruited an experienced, independent chair for a refreshed Remuneration Committee, which will bring forward recommendations regarding salaries to be paid to Directors and Management. This committee will consist of 3 people; an independent and highly experienced chair who has no link with the medical profession, supported by 2 individuals from LMCs who are neither GPDF Board Members nor Nominees of LMCs.

## Board Diversity

It is my wish, and that of my fellow Directors, that our Board reflects the characteristics of general practice and is as inclusive as possible. To this end we have encouraged LMCs to consider the individuals they appoint as Nominees, particularly as the majority of Board Members are elected from and by the Nominees. We also wish to encourage as many Nominees as possible with a range of skills and backgrounds to stand for election to the Board.

## Support in relation to PCNs

2019 saw the introduction of PCNs across England and, following requests from LMCs, the GPDF funded and facilitated a range of activities. These included a number of Guidance Notes, Template Contracts, an email enquiry/question and answer resource provided by legal experts, and funding support to BMA seminars and conferences.

# Chair's Statement Continued



## GPDF Branding and Communication activity

Early in 2019 we developed and launched our new brand identity emphasising the approach of the organisation – ‘Listening’ to LMCs, ‘Supporting’ activity for the benefit of LMCs, and general practice, and where appropriate ‘Influencing’ the activity of others for the benefit of general practice in the widest sense. This branding has been used extensively to improve awareness that activities have been funded by contributions from LMCs.

A series of Newsletters was established to share information on our activities throughout the year, followed by the GPDF website launched in early 2019 which has been further developed in 2020. Not only does the website help to clarify the role of the GPDF, it also has a library of information which can be freely accessed. In addition, it contains information for those wishing to contact Members of the Management team.

## Updating the GPDF's Articles of Association

The Board initiated the task of reviewing and updating the Company's Articles of Association in plain English, and this was completed with their adoption in early 2020.

I should like to emphasise that the Board will continue to have a majority of Members elected from and by LMC Nominees but it will now have additional ‘non-medical’ directors appointed to bring broader skills, knowledge and experience to the Board.

## Operating costs and overheads

During 2019 the Management team reviewed the Company's operating costs and overheads to ensure that value for money is obtained from all supplier relationships. This included the re-tendering of legal services, changing the Company's auditor, and rationalising the previous PR/Communications arrangements, all of which should contribute to savings in the future.

## The collective need for contribution by all LMCs

I am pleased to report that the number of LMCs that chose not to contribute to the common fund used by the GPDF has reduced. We continue to engage with the very small number of LMCs that persistently fail to contribute their share of the quota.

While the GPDF remains willing to resolve these differences, the time has now arrived when non-contributing LMCs must experience some reduction in the benefit they enjoy, especially as it is paid for by all of the other LMCs. A number of non-contributing LMCs have been removed from BMA managed ListServers, and their Nominee's Membership of the Company is at risk of suspension.

I very much hope that I will be able to report next year that all LMCs are contributing for the common good of general practice.

## Conclusion

The last 2 years have been demanding for the Board and Management team, but we have risen to the challenge of re-shaping the GPDF to be fully independent of the BMA and its GPCs, and accountable to LMCs.

Finally, I am grateful to all my GPDF and LMC colleagues as well as external partners who continue to support me during this vital journey of transformation.

Dr Douglas (Dougy) A Moederle-Lumb  
Executive Chair, GPDF

# The GPDF Board



**Dr Douglas (Doug) A Moederle-Lumb**  
 (Executive Chair) Nominee for North Yorkshire LMC

A GP Principal for 25 years and a GP Appraiser for 18 of them, Doug developed his original single-handed practice into a multi-practice business serving 30,000 patients. As well as being the CEO of YORLMC (Bradford & Airedale and North Yorkshire LMCs) for 12 years, he has been a Trustee of The Cameron Fund (the GPs own charity) for the last 5 years. During his career he has been a member of GPC, an expert witness to the Courts and, for 10 years, he chaired the Yorkshire & Humber Alliance of LMCs. Doug was first elected a Director in 2015.



**Dr Colin Kelman**  
 Nominee for Salford and Trafford LMC

Colin has been in practice since 1983 and has been senior partner for the last 17 years. He was previously the Chair and Honorary Secretary of Salford and Trafford LMC. Colin is a Non-Executive Director of Mastercall Out of Hospital Healthcare, an award-winning Social Enterprise, providing a range of 'out of hospital' healthcare services across the North West of England, and he was elected a Director of the GPDF in 2018.



**Bill Butler**  
 Independent Director

Bill is a member of CIPFA and a member of its Regulatory Panel. Bill's association with healthcare began with the Audit Commission where he became Acting Director of Health before joining the new Healthcare Commission. He was Finance Director there when it began its work as the NHS regulator in 2006. He joined the Gambling Commission as Director of Corporate Services and was then CEO at the Security Industry Authority. Bill is a non-executive director and chair of the audit & risk committee of the Gangmasters & Labour Abuse Authority. Since 2018, he has been a non-executive lay member of the board of The Law Society for England and Wales.



**Dr Gurmit Mahay**  
 Nominee for Wolverhampton LMC

Medical Secretary of Wolverhampton LMC for the last 16 years, Gurmit is also chair of the Black Country Division of the BMA, and chair of the West Midlands LMCs' Liaison Group. He was admitted a solicitor by the Law Society in 2003 and, in addition to practising as a GP, he has his own independent law practice. Gurmit is Chairman of the Election Board at the Guru Ravidass Temple in Wolverhampton. He has been a Director of the GPDF since 2018.



**Julia Densem**  
 Independent Director

Julia is a registered dentist and a barrister. In 2000 she left clinical practice and took up a role as a consultant with the Medical Protection Society (MPS) and then as an employee until retiring in 2016. During that time, she studied for the Bar and holds an MA in Medical Ethics and Law and an LLM in Professional Legal Practice. Julia was appointed an independent Director in 2013.



**Dr Keith McIntyre**  
 Nominee for Lanarkshire LMC

Keith first became a member of Glasgow LMC in 1994 before transferring to Lanarkshire LMC in 2012, where he is now the chair. He is a member of SGPC, and a Clinical Director of the GP out-of-hours services (OOH) in Greater Glasgow and Clyde. Keith was elected a Director in 2017 and will retire by rotation at the AGM in September 2020.



### **Dr Bob Morley** Nominee for Birmingham LMC

A Director of the GPDF since 2012, Bob has held a variety of roles, including, chair of Midlands Medical Partnership and Midlands Medical LLP as well as chair of Badger Midlands Medical Ltd. He was a Council Member of the BMA for 4 years, during which time he served on its Oversight and Finance Committee. Bob has been a member of GPC since 2006 and was chair of its Contracts and Regulation Subcommittee (now a Policy Group) between 2013 and 2019.



### **Dr Ashok Rayani** Nominee for Morgannwg LMC

LMC Medical Secretary for Morgganwg and a member of that LMC since 1984, Ashok is also a past member of GPC Wales and he has chaired the Welsh Conference of LMCs. During his career he was the Lead GP for Prison Health at HMP Swansea for 10 years and has been a GP trainer and Undergraduate Tutor. Ashok is currently head of his practice and he has been a Director of the GPDF since 2017; he will retire at the AGM in September 2020.



### **Dr Paul Roblin** Nominee for Oxfordshire LMC

Paul served as CEO of BBOLMC for 14 years until he retired in 2018. Until 2004 he had been the Executive Partner at Summertown Health Centre in Oxford for 20 years and after withdrawing from the partnership, he was a Locum GP for a further 13 years. Paul was elected to the Board in 2017 and will retire at the AGM in September 2020.



### **Jane Tozer** Senior Independent Director

Jane has been a non-executive Director (NED) and audit committee chair of numerous companies. She is the Senior Independent Director of Nominet, the company that runs the UK domain name system, BMO Global Smaller Companies Investment Trust plc, and at Ventus 2 VCT plc. She is a Trustee of the Galapagos Conservation Trust and has been a NED of Asthma UK and a departmental audit committee member of the Ministry of Justice. Graduating from Cambridge with a double First in mathematics, Jane joined IBM, after which she was Chief Executive of Softwright Systems, a software development company which she co-founded and ran until its sale to a US quoted company.

## Non-Board Members

### **Joel Griffin** Independent chair of the Remuneration Committee

Joel is the Reward Director for Rolls-Royce Plc with responsibility for reward policy for the company's globally diverse employees. He supports the Rolls-Royce Board's Remuneration Committee and has considerable experience of governance arrangements for a variety of organisations, including public corporations, small subsidiaries and pension trusts.

### **Dr John Canning** Director of Operations

Currently Director of Operations, John has given over 20 years' service to the GPDF including as chair and treasurer. He was Secretary of Cleveland LMC for many years and remains on that committee. During the time that he was a member of GPC UK, John also chaired the Annual Conference of LMCs for three years. He is currently a part time salaried GP.

### **Hugh Christie** Company Secretary

Prior to appointment as the GPDF Company Secretary in 2003, Hugh was a partner in PricewaterhouseCoopers London, and in a predecessor firm he had been managing partner of offices in Turin, Glasgow, and Moscow. Before joining the GPDF, he had also been the interim Director of Finance at the GMC. He is a member of the Institute of Chartered Accountants of Scotland.

# Company Information

## Directors who served in 2019

D Moederle-Lumb - Chair

J Densem

C Kelman

G Mahay

K McIntyre

R Morley

A Rayani

P Roblin

V Wright (resigned September 2019)

Secretary H Christie

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Company number 01508388 (England and Wales)

### Registered office

C/O Mazars Tower Bridge House  
St. Katharine's Way  
London, E1W 1DD

### Auditors

Mitchell Charlesworth LLP  
5 Temple Square  
Temple Street  
Liverpool, L2 5RH





# Directors' Report

The directors present their annual report and financial statements for the year ended 31 December 2019.

## Principal activities

The Company acts to protect the interests of general medical practitioners rendering services in the United Kingdom and will continue to do so in the foreseeable future. The Members of the Company are the Nominees of Local Medical Committees.

## Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Moederle-Lumb - Chair

J Densem

C Kelman

G Mahay

K McIntyre

R Morley

A Rayani

P Roblin

V Wright (Resigned 6 September 2019)

## Results

The results of the Company show an operating deficit of £513,957 (2018 £73,804) before investment gains. The surplus after investment gains and taxation is £1,843,241 (2018: deficit of £638,651). The closing balance on the accumulated fund now stands at £17,140,551 (2018: £15,297,311), of which £17,617,060 (2018: £14,626,236) represents fixed asset investments held at fair value, in relation to which there is a deferred tax liability of £976,553 (2018: £471,143).

## Post balance sheet events

The directors have considered the impact of the COVID-19 pandemic on the business, as described in note 13 to the financial statements.

## Auditor

In accordance with the Company's articles, a resolution proposing that Mitchell Charlesworth LLP be reappointed as auditor of the Company will be put at the next Annual General Meeting.

## Statement of Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain

the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

## Principal risk and uncertainties

Risks are identified by the board of directors and appropriate processes are put in place to monitor and mitigate them.

The Company's portfolio of investments is subject to some valuation risk as a result of volatility in share prices.

The directors are confident that the Company has sufficient resources to meet its future obligations.

## Change of company name

With effect from 5 May 2020 the name of the Company was changed from General Practitioners Defence Fund Limited to GPDF Limited.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

J H Christie, Secretary

4 June 2020

# Independent Auditor's Report

## Opinion

We have audited the financial statements of GPDF Limited (the 'Company') for the year ended 31 December 2019 which comprise the income and expenditure account, the statement of financial position 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 FRS 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 Company's affairs as at 31 December 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

# Independent Auditor's Report Continued

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 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 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 Company and the Company's Members, as a body, for our audit work, for this report, or for the opinions we have formed.

### Paul Durrance (Senior Statutory Auditor)

for and on behalf of Mitchell Charlesworth LLP  
5 June 2020

### Chartered Accountants Statutory Auditor

3rd Floor  
5 Temple Square  
Temple Street  
Liverpool  
Merseyside  
L2 5RH

# Income and Expenditure

## For the year ended 31 December 2019

	Notes	2019 £	2018 £
<b>Income</b>			
Voluntary quota contributions		2,748,834	3,691,858
Listed investment income		334,512	321,883
Interest on short term deposits		3,087	1,950
Bank interest and other interest received		1,376	6,479
Other revenue		32,150	9,159
BMA contributions	3	-	300,000
		<b>3,119,959</b>	<b>4,331,329</b>
<b>Less expenditure</b>			
Grant to the BMA	3	1,385,250	687,500
Conferences and annual report to representatives of LMCs		319,860	333,945
Fares and subsistence		121,000	433,200
Director and staff costs		427,240	904,276
Honoraria and other costs paid to committee Members		-	909,221
LMC development, support and PCNs		234,086	-
Research and communication with LMCs		361,319	285,250
Restructuring- including negotiations with the BMA		321,375	525,224
Administrative expenses	4	416,023	288,517
Audit fee		19,224	33,000
Donation to the Cameron Fund		5,000	5,000
		<b>3,633,916</b>	<b>4,405,133</b>
<b>Deficit before net investment gains, investment provisions and exceptional items</b>		<b>(513,957)</b>	<b>(73,804)</b>
Realised gains on financial instruments held at fair value		503,852	93,370
Unrealised gains/(losses) on financial instruments held at fair value		2,282,595	(1,094,292)
		<b>2,272,490</b>	<b>(1,074,726)</b>
<b>Surplus/(deficit) before taxation</b>			
Taxation			
- Prior year (under)/ over provision		(29,249)	161,075
- Deferred taxation		(400,000)	275,000
		<b>1,843,241</b>	<b>(638,651)</b>
<b>Surplus/(deficit) for the financial year</b>			

# Statement of Financial Position (Balance Sheet)

	Notes	2019 £	£	2018 £	£
<b>Non-current assets</b>					
Investments	5		17,617,060		14,626,236
<b>Current assets</b>					
Trade and other receivables	6	748,416		1,083,141	
Cash and cash equivalents		483,172		1,488,106	
		<b>1,231,588</b>		<b>2,571,247</b>	
		<b>(908,097)</b>		<b>(1,500,172)</b>	
<b>Current liabilities</b>	7				
<b>Net current assets</b>			<b>323,491</b>		<b>1,071,075</b>
<b>Total assets less current liabilities</b>			<b>17,940,551</b>		<b>15,697,311</b>
<b>Provisions for liabilities</b>	8		<b>(800,000)</b>		<b>(400,000)</b>
<b>Net assets</b>			<b>17,140,551</b>		<b>15,297,311</b>
<b>Accumulated funds - reserves</b>					
Income and expenditure account			<b>17,140,551</b>		<b>15,297,311</b>

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

The financial statements were approved by the board of directors and authorised for issue on 4 June 2020 and are signed on its behalf by:

**D Moederle-Lumb - Chair**

Director

Company Registration No. 01508388

# Notes to the Financial Statements

For the year ended  
31 December 2019

## 1 Accounting policies

### Company information

GPDF Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Mazars, Tower Bridge House, St Katharine's Way, London, E1W 1DD.

### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Going concern

At the time of approving the financial statements, and having due regard to the impact of COVID-19 as referred to in note 13, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

### 1.3 Income and expenditure

Voluntary quota contributions, net of provisions, are taken to income in the year to which they relate. Amounts received by the balance sheet date in respect of future years are deferred. Investment income, interest received and other income are included in the financial statements on an accruals basis.

Expenses are included in the financial statements as they become due and include VAT where applicable as the Company cannot reclaim it.

### 1.4 Cash and cash equivalents

Cash is a basic financial asset and includes deposits held at call with banks.

# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

## 1 Accounting policies

### 1.5 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

## 1 Accounting policies

### 1.6 Taxation

The tax currently payable is based on taxable income for the year. Taxable income differs from the income reported in the income and expenditure account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income and expenditure account, except when it relates to items charged or credited directly to reserves, in which case the deferred tax is also dealt with in reserves. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

In accordance with FRS102, tax rates which are substantially enacted at the balance sheet date should be used in calculating deferred tax assets and liabilities. However, as a departure from accounting standards, and to show a true and fair view, the rate of tax used in calculating the deferred tax position is that of the current tax rate, being substantially enacted at 17 March 2020.

### 1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employees' services are received.

### 1.8 Retirement benefits

Payments to the Company defined contribution retirement scheme are charged as an expense as they fall due.

### 1.9 Companies Act 2006

Due to the special nature of its operations, the directors are of the opinion that the formats of the income and expenditure account prescribed by the Act are not relevant to the Company.

## 2 Employees

The average monthly number of persons (including directors) employed by the Company during the year was 11 (2018 - 14).

Amounts paid to directors of the Company who served during the year are listed in note 12.



# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

## 3 Financial arrangements with the British Medical Association

The Company concluded an Agreement with the BMA in January 2018 and, in accordance with that Agreement, the BMA paid £300,000 to the GPDF for the six months ended 30 June 2018.

Under the terms of the Agreement, with effect from 1 July 2018 most of the activity previously funded by the GPDF, which included honoraria and other costs, the cost of conferences and meetings of various sub-committees, which the BMA ordinarily incurred on behalf of its other Branches of Practice, became the sole responsibility of the BMA. It was subsequently agreed that the Company would continue to fund most of the cost of conferences with the BMA's contribution limited to assisting with their organisation and funding the costs of their committee Members attending conferences.

In January 2019, the GPDF and the BMA concluded negotiations concerning financial arrangements payable by the GPDF to the BMA (the Grant) for the year ended 30 June 2019. The purpose of the Grant of £1,375,000 was to top up honoraria payments, but not locum fees or expenses, to Members of the General Practitioners Committees (GPCs) of the BMA entitled to claim honoraria for attendance or work on behalf of the BMA, and remuneration to the ten Executive Team Members of the GPCs transferred to the BMA on 1 July 2018, in accordance with the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations 2006.

Subsequently, in October 2019, the parties concluded a new agreement concerning a further Grant of £1,375,000 payable by the GPDF to the BMA for the year ending 30 June 2020. Negotiations are ongoing because the BMA is interested in achieving an arrangement for up to three years which, at the current level of Grant, would commit the Company to pay Grants of up to £5,000,000 over that period.

At 31 December 2019, the company was in any event committed to pay £687,500 to the BMA for the period ending 30 June 2020.

## 4

### Analysis of administrative expenses

	2019 £	2018 £
Legal services	208,793	86,483
Accountancy services	73,181	79,545
Tax services	32,482	18,840
Other administrative expenses	101,567	103,649
	<b>416,023</b>	<b>288,517</b>

# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

5

## Investments

	2019 £	2018 £
<b>Investments measured at fair value</b>	<b>17,617,060</b>	<b>14,626,236</b>

The value of investments is determined by reference to market values and any gain or loss on the movement is taken to the income and expenditure account.

The impact of post balance sheet events on the investment valuation can be found at note 13.

### Movements in investments

### Investments other than loans £

#### Cost or valuation

At 1 January 2019	14,626,236
Additions	1,502,091
Valuation changes	2,282,595
Disposals	(793,862)
	<hr/>
At 31 December 2019	17,617,060
	<hr/>
<b>Carrying amount</b>	
At 31 December 2019	<b>17,617,060</b>
	<hr/>
At 31 December 2018	<b>14,626,236</b>
	<hr/>

The Company owns two issued ordinary shares of £1 each in Factorasset Limited (formerly GPDF Limited), a dormant company registered in England & Wales with a nominal share capital of £1,000; the Company remains dormant.

# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

<b>6</b>	<b>Trade and other receivables</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>		
	Quotas due from LMCs	733,796	920,881
	Corporation tax recoverable	-	150,000
	Other receivables	14,620	12,260
		<b>748,416</b>	<b>1,083,141</b>
<b>7</b>	<b>Current liabilities</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Trade payables	464,146	206,575
	Other payables	40,227	55,939
	Accruals and deferred income	403,724	1,237,658
		<b>908,097</b>	<b>1,500,172</b>

# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

## 8 Deferred taxation

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	<b>Liabilities</b> <b>2019</b> <b>£</b>	<b>Liabilities</b> <b>2018</b> <b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	(1,255)	(1,530)
Tax losses	(71,254)	-
Investment revaluations	976,553	471,143
Other short term timing differences	(104,044)	(69,613)
	<b>800,000</b>	<b>400,000</b>
<b>Movements in the year:</b>		<b>2019</b> <b>£</b>
Liability at 1 January 2019		400,000
Charge to profit or loss		400,000
Liability at 31 December 2019		<b>800,000</b>

# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

## 9 Members' liability

The Company is limited by guarantee, not having a share capital and consequently the liability of Members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the Company on winding up such amounts as may be required not exceeding £1.

The Company's reserves are non-distributable because, as set out in its Articles, the income and property of the Company is to be applied solely towards the promotion of its objects, and the Company may not pay or transfer, directly or indirectly, any dividend or bonus.

On the winding up or dissolution of the Company, after provision has been made for all its debts and liabilities, any assets or property that remains available to be distributed or paid, shall be paid or distributed to the Members, save that if any Quota Payments remain outstanding from a Member's LMC at the time at which the Company is wound up or dissolved (whether for the current or any former financial year), the amount of the assets or property to be paid or distributed to that Member on the winding up or dissolution of the Company shall be reduced by the amount of Quota Payments which remain unremitted from that Member's LMC at that date. Each Member who receives assets or property as a result of the winding up or dissolution of the Company shall hold such assets and property on trust for and apply such assets or property for the benefit of the LMC which appointed him or her.

## 10 Financial commitments

### BMA grant

At 31 December 2019, the Company was committed to pay £687,500 to the BMA for the period ending 30 June 2020.

### Operating lease commitments

At 31 December 2019, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases of £9,108 (2018 £21,266).

## 11 Related party transactions

There were no transactions with related parties during the current or previous year which require disclosure.

# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

## 12 Directors' transactions

### Payments to directors who served during the year

Directors	Salary £	Expenses £	2019 Total £	2018 Total £
J Densem	19,250	2,310	<b>21,560</b>	20,227
P Holden	-	-	-	30,451
C Kelman	10,000	3,618	<b>13,618</b>	6,222
G Mahay	10,000	4,349	<b>14,349</b>	4,443
A McDevitt	-	-	-	20,254
K McIntyre	10,000	1,949	<b>11,949</b>	9,797
D Moederle-Lumb	105,900	17,592	<b>123,492</b>	122,261
R Morley	10,000	2,103	<b>12,103</b>	26,927
C Nagpaul	-	-	-	295
A Rayani	10,000	1,585	<b>11,585</b>	7,596
P Roblin	10,000	1,612	<b>11,612</b>	12,927
R Vautrey	-	-	-	33,811
V Wright	13,321	851	<b>14,172</b>	19,801

National Insurance Contributions payable by the Company are not aggregated with the amounts disclosed.

Amounts disclosed as expenses represent the direct reimbursement of costs (principally travel, subsistence and accommodation) incurred by an individual whilst travelling on business on behalf of the GPC or the Company.

# Notes to the Financial Statements

Continued

For the year ended  
31 December 2019

## 13 Post reporting date events

Since the beginning of 2020, the COVID-19 pandemic has severely impacted many economies around the world, which has resulted in many businesses having to cease or limit their activities for long or indefinite periods of time resulting in a global economic slowdown. Governments and central banks have responded with monetary and fiscal interventions in an attempt to stabilise economic conditions.

From the Company's perspective, the most significant impact of COVID-19 has been the effect on the global economy and the associated fall in value of its investment portfolio, such that the GPDF portfolio has experienced significant revaluation losses post year end. The portfolio value at 31 May 2020 was £16,090,000. Notwithstanding realised gains within the period, an unrealised loss of £1,350,000 has been recognised at that date, as has the associated deferred tax impact of £225,000, which together gave rise to a negative impact of £1,125,000 on the results for the period to 31 May 2020.

In accordance with FRS102, the Company's investments are stated at fair value at the balance sheet date, and therefore, the reduction in the value of investments from 1 January 2020 to 31 May 2020 are non-adjusting post balance sheet events.

There have been no material changes in the Company's' operations during this time, other than to postpone the May 2020 annual UK conference of LMCs.

It is not possible to estimate the duration and impact of the COVID-19 pandemic on the financial position and results of the Company for future periods.

## 14 Ultimate Controlling party

Membership of the Company is limited to Nominees of LMCs, with each LMC entitled to nominate one natural person as a member of the Company at any one time.

There is no ultimate controlling party.

# Investment Review 2019

by Sarasin & Partners

## Investment Objective

The key objective is to achieve growth in capital and income, ahead of inflation over the longer-term (i.e. 7yrs plus), with an overall total return target of CPI+4%, net of fees, over rolling 5yr periods. As a consequence of the above objectives, the Directors expect the investment portfolio to retain a significant exposure to 'real' return assets, namely equities, and to a lesser degree commercial property.

## Ethical/ESG Policy

No direct investment to be made in tobacco or arms companies. Companies that derive less than 5% of their sales from tobacco or arms are however permitted. For indirect investments (Unit and Investment Trusts) the policy is such that the GPDF would wish to avoid investment in a fund in which a tobacco or arms company featured in the top ten of stocks held.

## Other restrictions

As this is a corporate portfolio capital gains tax is payable on the net profit. The Directors have provided guidance on the permitted level of realised profits the portfolio can establish, with any excess requiring Board approval.

## Allocation

Set out below is the strategic asset allocation policy and the portfolio's exposure, as at 31st Dec 2019.

	GPDF Ltd Policy Benchmark (%)	Tactical Asset Allocation (%)
UK Fixed Income	5.0	1.6
Corporate Bonds	3.0	5.8
Index Linked	2.0	2.1
<b>Total Bonds</b>	<b>10.0</b>	<b>9.5</b>
Global Equities (GBP hedged)	30.0	37.8
Global Equities	50.0	40.8
<b>Total Global Equities</b>	<b>80.0</b>	<b>78.6</b>
<b>Commercial Property</b>	<b>5.0</b>	<b>2.4</b>
<b>Alternatives</b>	<b>5.0</b>	<b>6.7</b>
<b>Cash</b>	<b>0.0</b>	<b>2.9</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>
<b>Sterling exposure</b>	<b>53.5</b>	<b>52.4</b>

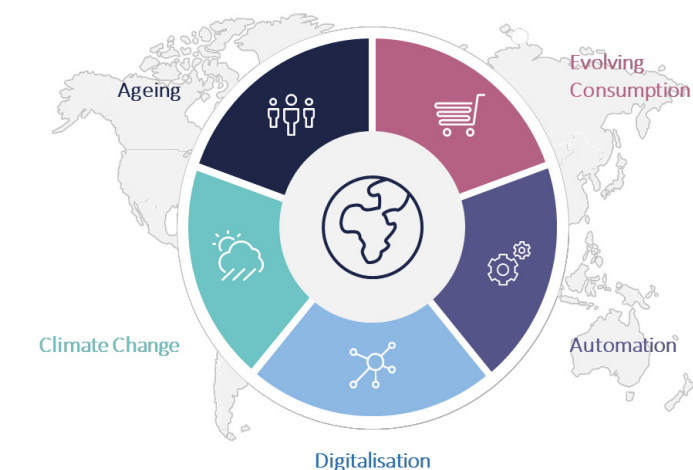
## Approach to investment

Sarasin & Partners is well known for an active and responsible approach to investment and the principles of stewardship are embedded at the heart of our investment process. We consider ourselves stewards of our clients' assets, a mind-set that is guided by a commitment to think like owners of the companies in which we invest, rather than simply holders of the shares.

## Global thematic equity selection

Where and how a company operates matters more than where it is listed. Our global thematic process knows no geographical bounds and simply seeks to identify the most attractive global companies before their appeal becomes the consensus.

## Idea generation



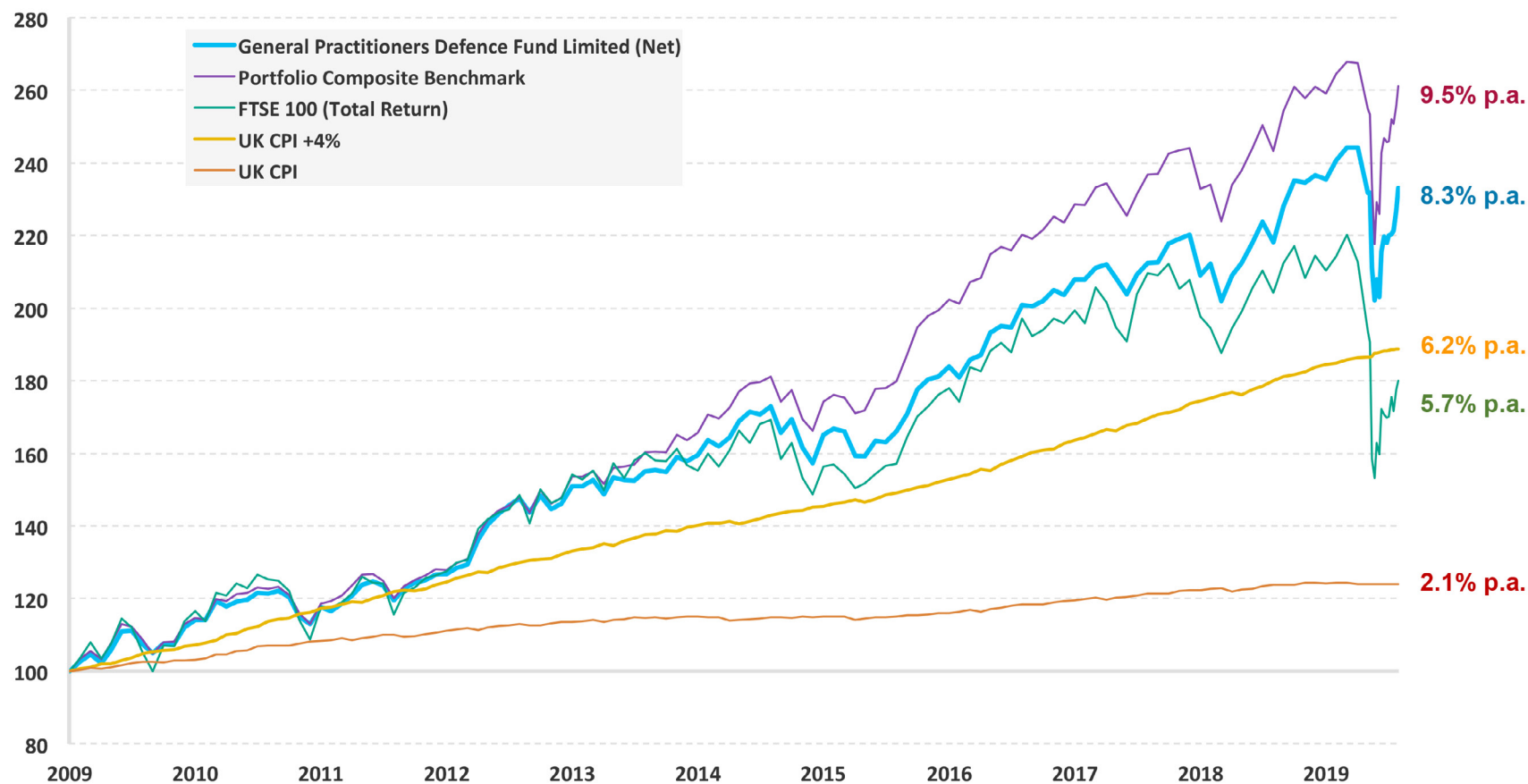
**5 mega-themes** structure our thinking and process around the long-term development of society. They are expected to remain fairly static.

Idea generation process is mostly driven by continuous analysis of trends within underlying **sub-themes** (typically 4-7 per mega-theme).

Uncovering companies best placed to benefit from long-term themes, and deliver sustainable, long-term growth.



# Long term investment performance (at 31 May 2020)



Portfolio benchmark (from 24-Dec-18): ICE BofAML Sterling Corporate (3%), ICE BofAML UK Gilts All Stocks (5%), ICE BofAML UK Inflation Linked Gilt Index (2%), MSCI AC World (Local Currency) (GBP) (30%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI All Countries World Daily (Net Total Return) (50%), UK cash LIBOR 1 Month (Total Return) (5%). Portfolio return is net of all fees, whereas the composite benchmark is not.

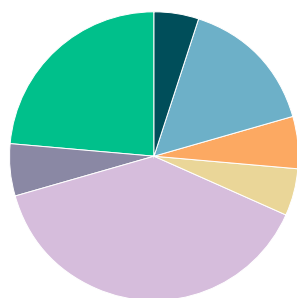
# Allocation of Investments

Portfolio Value as at 31st December 2019: £17,807,643

Asset Allocation	£
Fixed Income	1,368,018
Equities	14,216,050
Property	541,358
Alternative Investments	1,039,539
Liquid Assets	642,678
<b>Total</b>	<b>17,807,644</b>

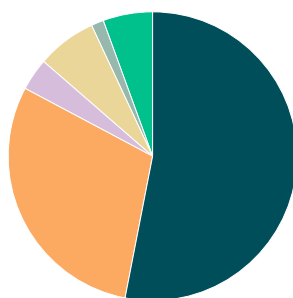
## Geographic Allocation - Portfolio

North America	38.9%
UK	23.4%
Europe	15.6%
Global	5.8%
Pacific	5.8%
Japan	5.3%
Emerging Markets	5.0%



## Currency Allocation - Portfolio

Sterling	53.3%
US Dollar	29.6%
Euro	6.8%
Other	5.4%
Japanese Yen	3.5%
Swiss Franc	1.4%



Investment Performance	Portfolio	Benchmark
Quarter to 31 December 2019	3.3%	2.6%
Calendar Year 2019	21.0%	19.6%
Calendar Year 2018	-4.3%	-4.0%
Calendar Year 2017	13.6%	12.6%

Portfolio benchmark (from 24-Dec-18): ICE BofAML Sterling Corporate (3%), ICE BofAML UK Gilts All Stocks (5%), ICE BofAML UK Inflation Linked Gilt Index (2%), MSCI AC World (Local Currency) (GBP) (30%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI All Countries World Daily (Net Total Return) (50%), UK cash LIBOR 1 Month (Total Return) (5%).

Performance is calculated 'net' of Sarasin's investment management fees, using Bid prices. This takes into account receipts to and withdrawals from the portfolio during the period, and their dates. Prices are sourced from Bloomberg.

The report 'looks-through' to the underlying investments within the Sarasin funds in order to show the portfolio's overall allocation.

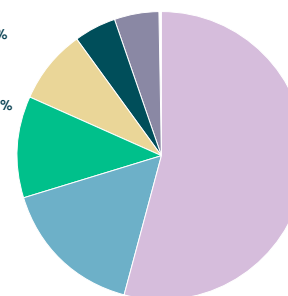
Where a portfolio holds Sarasin Unit Trusts or OEIC Funds, we use a close of business unit price to enable more accurate performance comparison with the portfolio benchmark.

Portfolio Value as at 31st May 2020: £16,288,026

Asset Allocation	£
Fixed Income	1,547,662
Equities	12,794,346
Property	386,056
Alternative Investments	1,085,160
Liquid Assets	474,803
<b>Total</b>	<b>16,288,026</b>

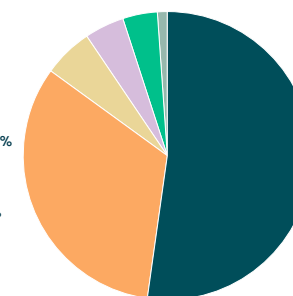
## Geographic Allocation - Portfolio

North America	54.3%
Europe Ex-UK	16.1%
United Kingdom	11.4%
Japan	8.3%
Emerging Markets	4.9%
Pacific Basin Ex-Japan	5.1%



## Currency Allocation - Portfolio

Sterling	52.4%
US Dollar	32.7%
Euro	5.7%
Japanese Yen	4.2%
Other	4.1%
Swiss Franc	0.9%



Investment Performance	Portfolio	Benchmark
31 March 2020 to 31 May 2020	12.4%	13.0%
Quarter to March 2020	-15.1%	-13.7%
Calendar Year 2019	21.0%	19.6%
Calendar Year 2018	-4.3%	-4.0%
Calendar Year 2017	13.6%	12.6%

Portfolio benchmark (from 24-Dec-18): ICE BofAML Sterling Corporate (3%), ICE BofAML UK Gilts All Stocks (5%), ICE BofAML UK Inflation Linked Gilt Index (2%), MSCI AC World (Local Currency) (GBP) (30%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI All Countries World Daily (Net Total Return) (50%), UK cash LIBOR 1 Month (Total Return) (5%).

Performance is calculated 'net' of Sarasin's investment management fees, using Bid prices. This takes into account receipts to and withdrawals from the portfolio during the period, and their dates. Prices are sourced from Bloomberg.

The report 'looks-through' to the underlying investments within the Sarasin funds in order to show the portfolio's overall allocation.

Where a portfolio holds Sarasin Unit Trusts or OEIC Funds, we use a close of business unit price to enable more accurate performance comparison with the portfolio benchmark.