

# THE MASTER CHARITABLE TRUST

A registered charity and donor advised fund

*C. Hoare & Co.*

PRIVATE BANKERS SINCE 1672



## A TRADITION OF GIVING

The Hoare family have been pioneers in philanthropy for 12 generations. Since 1719, when 'Good Henry' Hoare founded Westminster Hospital, the family has helped shape some of the UK's best known charitable institutions. Today, the partners of C. Hoare & Co. continue to uphold this tradition by donating up to 10% of bank profits to charity.

The partners recognise, too, that many customers share their philanthropic aims. The Master Charitable Trust is a registered charity which offers individuals, companies and families a professionally managed alternative to setting up and running their own charitable foundation. Established in 2011, this was the first donor advised fund set up by a UK bank. Hoares Trustees Limited, a wholly owned subsidiary of C. Hoare & Co., acts as corporate Trustee for the Master Charitable Trust.



'Good Henry' Hoare, pictured with the plans of Westminster Hospital.



## EFFICIENCY AND EXPERIENCE



### PHILANTHROPY MADE SIMPLE

The Master Charitable Trust allows philanthropists to focus on finding and supporting causes close to their heart while we take care of governance, compliance and administration.

Each donor has their own Giving Fund within the 'umbrella' governance structure of the Master Charitable Trust. This structure helps save time and costs, and provides a tax-efficient way of managing charitable giving.

We ensure proportionate governance is in place so that money is distributed to beneficiaries quickly and securely. Our team is highly experienced in meeting donors' personal requirements and you will be assigned a specialist Master Charitable Trust relationship manager to support your philanthropy.

While you take time to consider how and where you distribute grants, the balance in your Giving Fund can be invested. We currently work with over 20 independent investment managers to ensure investments are seeking the appropriate financial and/or social return.



You can express wishes and direct grants much as you would if you were running your own charitable trust, although the Trustee legally controls contributed assets and retains final discretion over grant and investment allocation. This provides additional reassurance that all charitable activity is compliant with regulation.

The Master Charitable Trust comprises individual, corporate and family Giving Funds. These range from funds directing grants worth hundreds of millions of pounds to smaller funds focused on particular charities. The structure can accommodate contributions from individuals, companies, family trusts or charities. (Existing charities can be transferred into the Master Charitable Trust, and we are very used to doing this.)

#### CASE STUDY: THE GOLDEN BOTTLE TRUST

For 40 years, the Hoare family's philanthropic vehicle, The Golden Bottle Trust, operated as a standalone charity. Today, it is administered as a Giving Fund within the Master Charitable Trust. This has proved an effective way for the family to organise its collective giving. Frequently, too, donors have found family Giving Funds can encourage intergenerational engagement with philanthropy and the wider significance of family wealth.

Similarly, corporate Giving Funds have proved an effective way of aligning businesses' commercial operations with their values.

*“The Master Charitable Trust has been tremendously helpful as we embark on our philanthropic journey. The team made the joining process smooth and simple, provided the initial advice needed to get us started, and have been an extremely useful source of support. The process they conduct on our behalf has been swift but thorough, ensuring donations are made to suitable causes with minimal delay. It’s a brilliant service, and a great team who we’d very much recommend to anyone who needs help managing their philanthropy.”*

Master Charitable Trust donor





## BENEFITS OF USING THE MASTER CHARITABLE TRUST

*“The Master Charitable Trust is a great way to hand family values down to the younger generation.”*

Master Charitable Trust donor

As a Master Charitable Trust donor, you can:

- Set up a Giving Fund in a very short time
- Name your own Giving Fund or remain anonymous, as you choose
- Recommend grants to UK-registered charities, as well as grants for charitable purposes and public benefit in any part of the world (subject to due diligence)
- Increase potential for charitable giving through professional investment management
- Make social or impact investments
- Appoint additional advisers, including family or friends, to recommend grants
- Elect successors and nominate benefactors as part of a legacy
- Make an initial donation to your Giving Fund of cash, investments, or both
- Claim extra tax relief if you qualify as a higher or additional rate taxpayer
- Replenish your Giving Fund as and when you wish





## TAX RELIEF

The Master Charitable Trust is a charity registered with the Charity Commission of England and Wales.

### INCOME TAX AND CAPITAL GAINS TAX

The Master Charitable Trust can reclaim 25% of any donation into a Giving Fund if individual donors have signed a Gift Aid declaration and have paid enough UK tax to cover the reclaimed amount.

Higher and additional rate taxpayers may be able to claim further tax relief via their personal tax return.

Gifts of shares and other assets may also be eligible for income and/or capital gains tax relief.

### INHERITANCE TAX

Donations to charities, whether made during the donor's lifetime or under the terms of their will, may be exempt from inheritance tax. Additionally, under current rules, any estate which leaves 10% of the net estate to charities may be eligible for a 10% discount on the rate of inheritance tax paid.

The Master Charitable Trust is unable to provide tax advice; donors should consult an independent tax adviser.





## HOW DOES IT WORK?

### GOVERNANCE AND ADMINISTRATION

The Master Charitable Trust is a charity registered with the Charity Commission of England and Wales.

Hoares Trustees Limited is authorised by the Charity Commission of England and Wales and regulated by HMRC. (Its directors are the partners and CEO of C. Hoare & Co.)

### DONATIONS

We accept Giving Funds of £500,000 or more. A range of investments, as well as cash, can be held in a Giving Fund, and additional assets can added at any time.

### MANAGING FUNDS

Donors have the option of retaining the balance of their Giving Fund as cash on deposit or investing it with an investment manager.

### GRANTS

Charitable grants will be made from the Giving Fund subject to all applicable laws and regulations. The Trustee completes grant due diligence in accordance with Charity Commission guidance, HMRC regulations and charity-sector best practice. This protects donors, the charities they support, and the Master Charitable Trust.

### REPORTING

Donors can obtain a Giving Fund report outlining their philanthropic activity from their Master Charitable Trust relationship manager at any time. They can also view bank statements and investment portfolio valuations for their Giving Fund online.

### SUCCESSION PLAN

Three courses of action are open to donors appointing a successor. They can:

- Name an individual such as a spouse, child, other heir or representative as Individual Successor (successors must be at least 18 years old).
- Name one or more UK registered charities to receive the balance of the Giving Fund's assets.
- Leave the balance of their Giving Fund to The Golden Bottle Trust, where it will be invested and granted in line with the Hoare family's philanthropic strategy.

(More information on the family's approach to philanthropy can be found on the website: [www.hoaresbank.co.uk/golden-bottle-trust](http://www.hoaresbank.co.uk/golden-bottle-trust))

*"The Master Charitable Trust is perfect for me. I don't need someone doing my accounts, because you will do it all for me. You have advised me exactly what I need to do to wind up my existing charitable trust and place the assets in my Giving Fund. And I still have the pleasure of meeting the charities and doing what I enjoy."*

Master Charitable Trust donor



## FEES



The Charity Commission approved Hoares Trustees Limited to charge a management fee for administering The Master Charitable Trust. These fees are charged in accordance with Hoares Trustees Limited's Terms & Conditions.

The management fee is calculated quarterly, using the value of assets in a Giving Fund, and charged every six months shortly after 30th June and 31st December.

Giving Fund	Fee rate
• First £2 million	0.5%
• Thereafter	0.2%

There is a minimum annual fee of £3,000 (+VAT).

The professional auditors' fees for auditing The Master Charitable Trust will be charged in addition to the fees outlined above.

*"I can't tell you how happy this has made me, and what a huge burden you have lifted from me! Thank you so much."*

Master Charitable Trust donor



*C. Hoare & Co.*  
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The Master Charitable Trust was registered on 19th January, 2011 (Registered Charity No: 1139904).  
The Trustee is Hoares Trustees Limited. Hoares Trustees Limited is a wholly owned subsidiary  
of C. Hoare & Co. Regd. in England No. 00271162 Regd. office: 37 Fleet Street London EC4P 4DQ.  
A list of all current directors can be found on the website [www.hoaresbank.co.uk](http://www.hoaresbank.co.uk).

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