

Annual Report & Accounts

BNY Mellon Charities Funds

31 March 2022

BNY Mellon Charities Funds - Annual Report & Accounts

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Introduction

This is the annual report for BNY Mellon Charities Funds for the year ended 31 March 2022.

BNY Mellon Charities Funds (the "Trust") is an umbrella unit trust scheme and is authorised by the Financial Conduct Authority ("FCA") as a Non-UCITS Retail Scheme under the Regulations, comprising separate Sub-funds, Newton Growth and Income Fund for Charities and Newton Sustainable Growth and Income Fund for Charities, each with segregated liability. Upon the Manager managing the Trust and the Sub-funds under the provision of the Alternative Investment Fund Managers Directive, the Trust will constitute, for the purposes of the Alternative Investment Fund Managers Directive, an Alternative Investment Fund.

Value assessment and report

BNY Mellon Fund Managers Limited published a consolidated assessment of value report which included these Sub-funds in July 2021. This report is available to view on www.bnymellonim.com. An updated report will be published in July 2022.

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Notes applicable to the financial statements of all Sub-funds

for the year ended 31 March 2022

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Association in May 2014 and amended in June 2017 (the SORP). In applying UK GAAP, the financial statements have been prepared in compliance with Financial Reporting Standard 102 (FRS 102).

There are no material events that have been identified that may cast significant doubt about the ability of each Sub-fund to continue as a going concern for the period to 31 July 2023, which is at least 12 months from when these financial statements are authorised for issue. The Manager believes that the Sub-funds have adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements. The Manager has made an assessment of the Sub-funds ability to continue as a going concern which is made as at the date of issue of these financial statements and considers liquidity, declines in global capital markets, investor intention, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19.

(b) Valuation of investments

The listed investments of the Sub-funds have been valued at bid market prices at close of business on the last business day of the accounting year.

Investments in Collective Investment Schemes (CIS) managed by the ACD have been valued at the cancellation price for dual priced funds and at the single price for single priced funds as at close of business on 31 March 2022. Investments in other Collective Investment Schemes are valued at the bid price for dual priced funds and at the single price for single priced funds.

In the case of an investment which is not quoted, listed or dealt in on a recognised market, or in respect of which a listed, traded or dealt price or quotation is not available at the time of valuation, the fair value of such investment shall be estimated with care and in good faith by a competent professional person, body, firm or corporation including the Manager's pricing committee, and such fair value shall be determined on the basis of the probable realisation value of the investment. The Manager shall be entitled to adopt an alternative method of valuing any particular asset or liability if it considers that the methods of valuation set out above do not provide a fair valuation of a particular asset or liability.

(c) Foreign exchange

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling on the date of the transaction. Investments and other assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates applicable at the close of business on the last business day of the accounting year.

(d) Revenue

Dividends on equities and UK REITs are recognised when the security is quoted ex-dividend.

Interest on debt securities is recognised on a time apportioned basis. Accrued interest purchased or sold is excluded from the cost of the security and is treated as revenue.

Distributions from CIS are recognised as revenue when the units are quoted ex-distribution.

Bank interest is accounted for on an accruals basis.

(e) Special dividends

Special dividends are reviewed on a case by case basis in determining whether the amount is capital or revenue in nature, from review of the underlying circumstances and motive for the payment.

(f) Expenses

All expenses are recognised on an accruals basis.

(g) Taxation

Corporation tax is charged at 20% of the income liable to corporation tax less expense. Where overseas tax has been deducted from overseas revenue, that tax can, in some cases, be set off against Corporation Tax payable, by way of double tax relief.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax. Deferred tax assets are recognised only to the extent that the Manager considers that it will be more likely than not that there will be taxable profits from which underlying timing differences can be deducted. The charge for taxation is based on taxable income for the year less allowable expenses.

In general, the tax accounting treatment follows that of the principal amount.

(h) Over the counter derivatives

The Sub-funds may invest in over the counter (OTC) derivatives and the market value of these are based on models which take into account relevant market inputs as well as the time values, liquidity and volatility factors underlying the positions. Amounts due to and from an individual counterparty which fall under a legally enforceable International Swaps and Derivatives Association (ISDA) Master Agreement are netted.

All realised and unrealised gains and losses on derivatives are taken to the Statement of Total Return and are included in the net capital gains/ (losses) on investments.

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Notes applicable to the financial statements of all Sub-funds

(continued)

2 Distribution policies

(a) Basis of distribution

The Sub-funds are not more than 60% invested in qualifying investments (as defined by s468L ICTA 1988) and will pay a dividend distribution. If, at the end of the period, revenue exceeds expenses, revenue will be distributed to Unitholders.

(b) Stock dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue and forms part of the distribution. Any excess in value of shares received over the amount of cash forgone is taken to capital.

(c) Collective Investment Schemes

All distributions received from holdings in collective investment schemes, including those from accumulation holdings, are treated as revenue and form part of the distribution of the Sub-funds with the exception of the equalisation element, which is treated as capital.

(d) Special dividends

Amounts recognised as revenue will form part of the Sub-funds' distributions.

(e) Expenses

The Manager's periodic charge, and all other expenses, are charged to capital for distribution calculation purposes.

3 Related party transactions

Manager's periodic charge, administration fees, safe custody charges and activity charges paid to the Manager, BNY Mellon Fund Managers Limited, or its associates, are shown in Notes 3 and 5, and details of units issued and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders and Note 8 of the individual Sub-funds. The balance due to the Manager as at 31 March 2022 is disclosed in the individual Sub-funds.

Details of material Unitholders are disclosed in Note 13 of the individual Sub-funds.

4 Financial instruments

The main risks arising from the Sub-funds' financial instruments and the Manager policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

Market price risk is the risk that the value of the Sub-funds' investments will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Sub-funds hold. It represents the potential loss the Sub-funds might suffer through holding market positions in the face of price movements. The Sub-funds' investment portfolios are exposed to market price fluctuations that are monitored by the Manager in pursuance of the investment objectives and policies as set out in the Prospectus.

Interest rate risk

Interest rate risk is the risk that the value of the Sub-funds' investments and bank deposits will fluctuate as a result of changes in interest rates.

The Sub-funds invest in fixed interest securities from time to time. The value of fixed interest securities may be affected by the interest rate movements, the expectation of such movement in the future or as a result of the Manager being unable to secure similar returns on the expiry of contracts or sale of securities.

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-funds' investments will fluctuate as a result of changes in foreign currency exchange.

The Sub-funds invest in overseas securities and the balance sheet can be affected by movements in foreign exchange rates. The Manager may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

Counterparty risk

Certain transactions in securities that the Sub-funds enter into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-funds only buy and sell investments through brokers that have been approved by the Manager as an acceptable counterparty. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Credit risk

Corporate bonds involve the risk that the bond issuer will be unable to meet its liability to pay interest or redeem the bond. The Fund Manager selects bonds taking into account the credit rating.

Leverage

Leverage is any method by which the Sub-funds' exposure is increased beyond its holding of securities and cash. Where consistent with its investment objectives and policy, the Sub-funds may utilise, directly or indirectly (for example through investment in another Sub-fund) a variety of exchange traded and over-the-counter ("OTC") derivative instruments as part of its investment policy or for hedging purposes.

The use of derivatives may expose the Sub-funds to a higher degree of risk. In particular, derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard underlying corporate or government fixed coupon securities or equities. Leveraged derivative positions can therefore increase a Sub-fund's volatility.

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Notes applicable to the financial statements of all Sub-funds

(continued)

4 Financial instruments (continued)

Leverage (continued)

Leverage on a gross exposure basis is calculated by taking the sum of the absolute notional values of the derivatives used by the Sub-funds, without netting, the value of direct investments less cash plus borrowings and leverage from the reinvestment of collateral and is expressed as a ratio of the Sub-fund's net asset value.

Leverage on a commitment basis is calculated by taking the sum of the net market value of the derivatives (after netting/hedging) and direct investments as permitted plus borrowings and leverage from the reinvestment of collateral and expressing it as a ratio of the Sub-fund's net asset value.

Disclosed in the table below is the level of leverage employed by the Sub-funds.

	Gross Exposure as at 31/03/2022 %	Commitment Exposure as at 31/03/2022 %	Gross Exposure as at 31/03/2021 %	Commitment Exposure as at 31/03/2021 %
Newton Growth and Income Fund for Charities	0.92	1.00	0.97	1.00
Newton Sustainable Growth and Income Fund for Charities	0.94	1.01	0.98	1.02

Liquidity risk

The risk of low market liquidity, through reduced trading volumes, affecting the ability of the Sub-funds to trade financial instruments at values previously indicated by financial brokers.

The Sub-funds invest primarily in companies incorporated in the major markets of the world, which are typically considered to be operations with high levels of liquidity. From time to time, however, market liquidity may be affected by economic events.

To manage these risks, the Manager undertakes research of investment opportunities to select opportunities congruent with the Sub-fund's investment objectives.

All stocks are valued daily. Stocks identified as being illiquid are reviewed for pricing accuracy as the need arises and on a formal monthly basis by the BNY Mellon Pricing Committee.

The Manager monitors the liquidity profile of the Sub-funds on a monthly basis to ensure a high degree of confidence that the Sub-funds' liquidity will meet the expected liquidity requirements. Where a risk is identified, a more in depth review is undertaken to establish its significance and this is analysed by the Risk Management Team and discussed at the Investment Management Oversight Committee. Based on this analysis, the Manager believes the liquidity profile of the Sub-funds are appropriate.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their carrying value.

5 Holdings in other Sub-funds of the Trust

As at 31 March 2022, the Sub-funds did not hold units in any other Sub-fund of the Trust.

BNY Mellon Charities Funds

Newton Growth and Income Fund for Charities

Annual Report

for the year ended 31 March 2022

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Performance and Fund Report

for the year ended 31 March 2022

General Information

Investment Adviser:	Newton Investment Management
Fund Size:	£732.87m
Comparative Index:	50% FTSE All-Share TR Index/ 25% FTSE World ex UK TR Index/ 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index/ 5% SONIA 7-Day Compounded
Key Dates: Fund Launch	9 May 2014

Investment Objective

The Sub-fund aims to generate capital growth and income growth over a period of 5-7 years by investing at least 70% of the Sub-fund's assets in a global portfolio of equities (company shares) and fixed income securities.

Investment Policy

The Sub-fund will invest at least 70% of its assets in a global portfolio of equities (company shares) and fixed income securities. The Sub-fund does not have any restrictions on the portion of the Sub-fund allocated to any of these asset classes. The Sub-fund may invest in fixed income securities rated below investment grade (BBB-) by Standard and Poor's (or equivalent recognised rating agency).

The Sub-fund may also gain exposure to equities and fixed income securities through investment in other collective investment schemes (which may include those which are managed or operated by the investment manager or an associate of the investment manager) and invest in cash and deposits. To the extent the Sub-fund gains exposure to infrastructure, renewable energy, property or commodities, such exposure may be through exchange listed securities and/or collective investment schemes. The Sub-fund may invest in any geographic or economic sectors of the world. The Investment Manager's process for making investment decisions follow detailed analysis based on a wide range of financial metrics and research. This includes consideration of environmental, social and governance (ESG) risks, opportunities and issues. There are however no specific ESG restrictions on the Investment Manager's decision-making, which is consistent with the Sub-fund's objectives. However, the Sub-fund will adopt a policy of making no direct investment in companies that derive more than 10% of turnover from tobacco production.

Any use of derivatives will be for efficient portfolio management purposes only. It is not expected that the use of derivatives will materially affect the overall risk profile of the Sub-fund.

Statutory Performance Data

From	31/03/2021	31/03/2020	31/03/2019
To	31/03/2022	31/03/2021	31/03/2020
Sterling Accumulation	12.66%	23.83%	-6.45%
Sterling Income	12.66%	23.83%	-6.46%
X (Accumulation)	13.27%	24.49%	-5.97%
X (Income)	13.27%	24.49%	-5.97%

50% FTSE All-Share TR Index/ 25% FTSE World ex UK TR Index/ 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index/ 5% SONIA 7-Day Compounded*

9.02% 21.76% -8.18%

*Effective 1 October 2021, the benchmark changed from the London Interbank Bid Rate (LIBID) to the Sterling Overnight Index Average (SONIA). All benchmark past performance prior to this date was calculated against LIBID.

Source: Lipper as at 31 March 2022 Total return, including gross income reinvested, net of annual charges and excluding initial charge. All figures are in GBP terms.

Past performance is not a guide to future performance. The value of investments and the revenue from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested.

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Performance and Fund Report

(continued)

Fund Report

Attribution

Global equities advanced over the start of the review period as the accelerating rollout of Covid-19 vaccination programmes, and the promising results witnessed in those countries furthest ahead in this process, bolstered investors' risk appetite. This was tempered later in the period by the influence of *monetary policy* accommodation, which had undoubtedly been a critical support for financial-asset prices, taking a somewhat different turn as investors began to anticipate a dialling back of the exceptional levels of *monetary stimulus*.

As 2021 progressed, the inflation debate remained a high-profile and contentious issue, with a series of elevated data points prompting many to question the narrative that this phase would be transitory. Given the inextricable linkage with the direction of *monetary policy*, which had been such a prominent support to asset prices since the pandemic began, this became a key factor driving sentiment. Other challenges included new Covid-19 variants, which threatened to undermine global growth. Sentiment was also roiled by the Chinese government's decision to launch fresh interventions across several sectors, the most significant, in terms of market impact, being the major technology platforms.

The picture for *equity* markets was muddled further when Jerome Powell, Chair of the US Federal Reserve (Fed), surprised markets by embracing a more *hawkish* tone with regard to the tapering of the Fed's asset-purchase programme.

The start of 2022 was the most challenging period faced by equity investors since the outbreak of the Covid-19 pandemic two years ago. While Russia's invasion of Ukraine at the end of February was the defining *geopolitical* and economic event and an obvious catalyst for *equity* market weakness, equity indices had already been under considerable pressure throughout January. The proximate cause was tightening US *monetary policy*, as the Fed, having fallen 'behind the curve' in addressing *inflationary* pressures, signalled that US interest-rate rises would now come earlier, and potentially be more aggressive, than previously foreshadowed. Such a course of action drove government bond *yields* steeply higher, and in the equity market, put acute pressure on long-*duration* equities. However, many of these names moderated their losses by meaningfully participating in a broader rally which developed towards the end of the first quarter of 2022 as indices bounced.

Against this backdrop, the Sub-fund produced a strong positive return over the reporting period (+12.66%* - Newton Growth and Income Fund for Charities Sterling Income Unit Class), and outperformed its performance benchmark (+9.02%**). Outperformance was mainly attributable to stock selection within equities. Asset allocation was also positive, owing mainly to the Sub-fund's underweight position in *bonds*.

In a strong demand environment for electric vehicles, the price of lithium significantly increased. This benefited the holding in lithium producer, Albemarle, as the return profile of its growth projects and current contract pricing received a firm underpinning. The holding in BAE Systems also performed well as countries are expected to reassess their security requirements and defence spending in light of the military conflict.

Alphabet, the parent company of Google, performed well as the company issued good results in which revenue easily surpassed expectations, with search a specific area of strength. Microsoft also continued to report good results and is well positioned in key secular-growth markets.

Wolters Kluwer's results demonstrated the continued resilience of the business. The company owns some non-discretionary datasets with a high proportion of its revenues being from recurring, subscription-type sales. We believe the company will continue to demonstrate attractive compounding characteristics over the long term. RELX contributed positively as investor confidence in a recovery in exhibitions gathered pace.

The largest detractors to relative performance came from the larger index stocks which the Sub-fund does not own. HSBC benefitted from rising interest-rate expectations in the US which should have a positive impact on its *earnings* potential. Shell benefitted from the higher oil price, and while the Sub-fund has a small position in the stock, it is underrepresented relative to the performance benchmark. While Sub-fund holdings in BHP and Anglo American did perform well, not owning Glencore and Rio Tinto, which also benefitted from higher commodity prices, was negative for relative performance.

Within financials, holdings in Prudential and AIA continued to be affected by weaker sales in Hong Kong owing to border closures and the contagion effect from weaker sentiment for China growth and the threat of government intervention. Citigroup also underperformed on lower *yield* and growth expectations later in the quarter, with costs continuing to be an issue for the firm.

Activity

Within equities we removed a number of holdings in the portfolio. In financials, we sold the holding in Citigroup. Although the stock appeared to have a low valuation, higher costs are delaying achievement of the group's return ambitions, while capital returns to shareholders disappointed expectations. The Ukrainian conflict also led to some concern around capital-market activity levels and potentially weaker economic growth. We sold the holding in Norwegian office landlord Entra. The stock had performed well following a number of corporate approaches, leading management to revalue the property portfolio. We also sold the holding in German residential real-estate stock LEG Immobilien. We believed our original investment case was increasingly mature as German bond yields declined and property valuations improved.

Within industrials, having reduced the position earlier in the period, we sold the holding in engineering business Smiths Group. The announcement of a new CEO creates an element of strategic uncertainty at a time when the group is in the middle of a corporate reorganisation and seeking growth. We sold the holding in Thales into the cyclical recovery. We are less positive on some of the company's exposures, as industry demand profiles undergo change post pandemic. We sold the holding in CRH following strong performance. Margins in the business have been expanding and we became concerned that higher raw-material costs might weigh on profitability.

Within technology, we sold the holding in Taiwan Semiconductor Manufacturing ADR following a strong period for the semiconductor cycle. While there are many structural tailwinds to the sector, concerns around future demand strength, supply additions and geopolitical tensions resulted in us removing the stock to reduce the level of risk in the portfolio.

We sold the holding in chemical distribution company Brenntag. The company has been a beneficiary of supply-chain disruption and higher commodity prices, along with a new strategy, management team and cost-saving programme. We believed the stock's increased valuation reflected the better organisational structure and operating environment, in what remains a cyclical industry. A rally in salmon prices and the subsequent recovery in the share price of Norwegian fish farmer Mowi, provided us with the opportunity to sell the small holding in the stock, as the longer-term supply dynamics of the industry have the potential to change.

The Sub-fund acquired a holding in Universal Music Group (UMG), a leading global pure-play record label, following its demerger from Vivendi. The shift towards a subscription-based streaming model has transformed the economics of the music industry, enhancing the visibility of

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Performance and Fund Report

(continued)

revenues and allowing for significant margin expansion through lower distribution costs and operating *leverage*, while gaming, social media and emerging-market growth increase addressable markets. We forecast UMG to strongly grow revenues and earnings over the next five years and for investors to increasingly value this differentiated income stream.

We purchased a new position in US utility Exelon, as we switched the Sub-fund's regulated utility exposure from Eversource Energy. We expect Exelon to achieve higher asset-base growth than Eversource, while we also note less concentrated project risk. The regulated utility sector gives the Sub-fund exposure to more defensive revenue streams on a weaker economic outlook.

We used share-price weakness to initiate a position in Ecolab, a company that provides water, hygiene and energy services. The Covid-19 pandemic has weighed on a portion of the company's end markets exposed to the service economy, although we believe these businesses will emerge stronger from the crisis. Accelerating ESG (environmental, social and governance) trends continue to create opportunities across sectors, ensuring Ecolab's addressable market continues to grow. We also initiated a new position in HDFC Bank ADR, which is the largest private bank in India. The financial markets in India appear set for a prolonged period of growth, along with the Indian economy, and are exposed to a number of trends identified within our 'consumer power' and 'population dynamics' themes.

We added a new position in Trane Technologies, a leading manufacturer of commercial and residential HVAC (heating, ventilation and air conditioning) systems and controls, following significant price weakness. We believe the stock has good potential, given the significant secular tailwinds that the company's products stand to benefit from, as energy efficiency and other environmental goals drive a higher and longer-duration organic growth runway. We also added a new position in Ashtead, an equipment rental business exposed to the US where we believe fiscal spending will continue to underpin demand. The company's business model should allow for cost increases to be recovered in a timely manner.

Within *fixed interest*, as shorter-dated interest rates increased, we added some exposure to US Treasuries to the Sub-fund. We had been concerned that rate increases would negatively affect the return from *bonds*, but with rate hikes being reflected in the bond market and the environment becoming increasingly uncertain, we thought it prudent to add some US Treasury exposure.

Outlook

Investors face an unusually complex set of circumstances as we move into the remainder of the year. Inflation has entered the mainstream and is compelling central banks to raise rates after more than a decade of ultra-loose policy. At the same time, steep rises in commodity prices are adding to the squeeze on consumer incomes. The hitherto healthy demand environment looks shaky, and rising input costs for companies make pricing power essential to maintain profit margins. Central bankers must walk the tightrope between slowing inflation and too much demand destruction.

Despite economies recovering from the Covid-19 pandemic, it is likely that there will be some lasting legacies of the supply shocks encountered during the last few years. Governmental and corporate desire for supply-chain and resource security was already leading to a greater propensity to onshore production and the Ukrainian conflict is likely to intensify this trend. We believe technology, the energy transition, *geopolitical* security and demographics (among other issues) will continue to have a profound effect on the global economy and act as a disruptive force of change on many industries and countries. At Newton, our themes encompass many of these dynamics and identify investment opportunities, steer us away from longer-term structural threats, and guide our capital allocation and portfolio construction.

*Source: Lipper, midday prices, offer to offer, gross income reinvested, net of fees

**Source: Benchmark data provided by Datastream (in Sterling terms); index composite calculated by Newton

Performance Benchmark: 50% FTSE All-Share TR Index; 25% FTSE World ex UK TR Index; 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index; 5% SONIA 7-Day Compounded

For a definition of italicised terms, please refer to the Glossary on page 52.

The table below shows the top ten (or all) purchases and sales (excluding any derivative and short term cash transactions) for the year.

Purchases	Sales
United States Treasury Bond 1.5% 15/8/2026	Brenntag
Exelon	Eversource Energy
Ecolab	Ferguson
Trane Technologies	Citigroup
AstraZeneca	Taiwan Semiconductor Manufacturing ADR
Ashtead	Microsoft
United States Treasury Bond 1.5% 15/2/2030	CRH
Barclays	Albemarle
HDFC Bank ADR	Smiths
Medtronic	LEG Immobilien

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Statistics

for the year ended 31 March 2022

Comparative Tables

	31/03/2022 (pence)	31/03/2021 (pence)	31/03/2020 (pence)
Sterling Accumulation			
Change in net assets per unit			
Opening net asset value per unit	177.91	143.99	154.90
Return before operating charges*	22.57	34.95	(9.87)
Operating charges	(1.22)	(1.03)	(1.04)
Return after operating charges	21.35	33.92	(10.91)
Distributions	(4.32)	(3.34)	(4.53)
Retained distributions on accumulation units	4.32	3.34	4.53
Closing net asset value per unit	199.26	177.91	143.99
* after direct transaction costs of:	(0.02)	(0.04)	(0.03)
Performance			
Return after charges	12.00%	23.56%	(7.04%)
Other information			
Closing net asset value (£)	31,124,161	24,193,111	19,638,955
Closing number of units	15,620,238	13,598,649	13,639,525
Operating charges**	0.63%	0.63%	0.63%
Direct transaction costs*	0.01%	0.02%	0.02%
Prices			
Highest unit price	206.68	179.75	176.04
Lowest unit price	178.46	140.39	132.41
<hr/>			
	31/03/2022 (pence)	31/03/2021 (pence)	31/03/2020 (pence)
Sterling Income			
Change in net assets per unit			
Opening net asset value per unit	148.08	122.29	135.30
Return before operating charges*	18.70	29.48	(8.20)
Operating charges	(1.01)	(0.87)	(0.89)
Return after operating charges	17.69	28.61	(9.09)
Distributions	(3.56)	(2.82)	(3.92)
Retained distributions on accumulation units	—	—	—
Closing net asset value per unit	162.21	148.08	122.29
* after direct transaction costs of:	(0.02)	(0.03)	(0.03)
Performance			
Return after charges	11.95%	23.40%	(6.72%)
Other information			
Closing net asset value (£)	337,840,140	380,409,922	356,766,507
Closing number of units	208,271,960	256,887,874	291,745,455
Operating charges**	0.63%	0.63%	0.63%
Direct transaction costs*	0.01%	0.02%	0.02%
Prices			
Highest unit price	169.66	150.26	150.42
Lowest unit price	148.54	119.22	113.14

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there may be other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which may also have reduced the Sub-fund and unit class returns before operating charges.

**The Operating Charges figure is made up of the Annual Management Charge (AMC) and other operating costs. Other operating costs include the costs for other services paid for by the Sub-fund, such as the fees paid to the Fund Accountant, Fund Administrator, Depositary, Custodian, Auditor and Regulator. The Operating Charges figure shown is calculated on an ex-post basis over the period, whereas the Ongoing Charges figure shown in the KIID is a calculation as at a point in time, and therefore there could be immaterial differences between the two.

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Statistics

(continued)

Comparative Tables (continued)

	31/03/2022 (pence)	31/03/2021 (pence)	31/03/2020 (pence)
X (Accumulation)			
Change in net assets per unit			
Opening net asset value per unit	134.58	108.35	115.96
Return before operating charges*	17.01	26.27	(7.57)
Operating charges	(0.04)	(0.04)	(0.04)
Return after operating charges	16.97	26.23	(7.61)
Distributions	(3.28)	(2.52)	(3.40)
Retained distributions on accumulation units	3.28	2.52	3.40
Closing net asset value per unit	151.55	134.58	108.35
* after direct transaction costs of:	(0.02)	(0.03)	(0.02)
Performance			
Return after charges	12.61%	24.21%	(6.56%)
Other information			
Closing net asset value (£)	169,575,674	153,808,058	76,476,731
Closing number of units	111,893,241	114,284,440	70,586,098
Operating charges**	0.03%	0.03%	0.03%
Direct transaction costs*	0.01%	0.02%	0.02%
Prices			
Highest unit price	156.99	135.81	132.39
Lowest unit price	135.00	105.64	99.61
	31/03/2022 (pence)	31/03/2021 (pence)	31/03/2020 (pence)
X (Income)			
Change in net assets per unit			
Opening net asset value per unit	153.15	125.80	138.46
Return before operating charges*	19.26	30.30	(8.60)
Operating charges	(0.05)	(0.04)	(0.04)
Return after operating charges	19.21	30.26	(8.64)
Distributions	(3.70)	(2.91)	(4.02)
Retained distributions on accumulation units	—	—	—
Closing net asset value per unit	168.66	153.15	125.80
* after direct transaction costs of:	(0.02)	(0.03)	(0.03)
Performance			
Return after charges	12.54%	24.05%	(6.24%)
Other information			
Closing net asset value (£)	194,329,223	221,648,866	186,418,924
Closing number of units	115,216,786	144,723,902	148,185,424
Operating charges**	0.03%	0.03%	0.03%
Direct transaction costs*	0.01%	0.02%	0.02%
Prices			
Highest unit price	176.20	155.22	154.65
Lowest unit price	153.63	122.64	116.36

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there may be other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which may also have reduced the Sub-fund and unit class returns before operating charges.

**The Operating Charges figure is made up of the Annual Management Charge (AMC) and other operating costs. Other operating costs include the costs for other services paid for by the Sub-fund, such as the fees paid to the Fund Accountant, Fund Administrator, Depositary, Custodian, Auditor and Regulator. The Operating Charges figure shown is calculated on an ex-post basis over the period, whereas the Ongoing Charges figure shown in the KIID is a calculation as at a point in time, and therefore there could be immaterial differences between the two.

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Portfolio Statement (Unaudited)

as at 31 March 2022

Investments	Nominal/Holding	Market Value (£)	Total Net Assets (%)
Bonds 12.94% (11.62%)			
United Kingdom Government Bonds 9.98% (11.26%)			
United Kingdom Gilt 1.75% 7/9/2022	GBP14,627,230	14,684,642	2.01
United Kingdom Gilt 2.75% 7/9/2024	GBP5,343,892	5,513,106	0.75
United Kingdom Gilt 4.25% 7/12/2027	GBP10,656,279	12,261,168	1.67
United Kingdom Gilt 4.25% 7/3/2036	GBP16,921,024	22,057,825	3.01
United Kingdom Gilt 4.25% 7/9/2039	GBP13,626,673	18,600,068	2.54
Overseas Government Bonds 2.65% (0.00%)			
United States Treasury Bond 1.5% 15/8/2026	USD16,854,000	12,258,640	1.67
United States Treasury Bond 1.5% 15/2/2030	USD10,050,000	7,149,982	0.98
Sterling Denominated Corporate Bonds 0.31% (0.36%)			
Next 4.375% 2/10/2026	GBP2,173,000	2,300,467	0.31
Collective Investment Schemes 1.24% (1.45%)			
BNY Mellon Sustainable Sterling Bond Fund†	9,020,513	9,071,930	1.24
Equities 80.04% (84.04%)			
United Kingdom 38.96% (36.20%)			
Admiral	328,506	8,419,609	1.15
Anglo American	445,709	17,705,790	2.42
Ashtead	130,385	6,300,203	0.86
AstraZeneca	235,327	23,843,332	3.25
Aviva	1,624,699	7,340,390	1.00
BAE Systems	1,925,184	13,811,270	1.88
Barclays	6,765,154	10,032,723	1.37
Diageo	695,144	26,856,889	3.66
Ferguson	98,939	10,269,868	1.40
GlaxoSmithKline	1,015,129	16,721,205	2.28
Informa	948,371	5,707,297	0.78
Linde	29,243	7,091,702	0.97
Lloyds Banking	25,403,800	11,952,488	1.63
National Grid	1,294,434	15,173,355	2.07
Prudential	995,618	11,285,330	1.54
Reckitt Benckiser	147,682	8,612,814	1.18
RELX	995,208	23,705,855	3.24
Sage	699,255	4,903,176	0.67
Shell	625,850	13,196,047	1.80
Smith & Nephew	672,770	8,207,794	1.12
St James's Place	583,275	8,448,738	1.15
Travis Perkins	368,059	4,552,890	0.62
Unilever	388,418	13,419,842	1.83
Vodafone	6,409,395	8,001,489	1.09
United States of America 17.92% (18.96%)			
Abbott Laboratories	177,572	15,965,498	2.18
Albemarle	37,256	6,259,936	0.85
Alphabet	7,840	16,558,051	2.26
Apple	65,982	8,753,333	1.20
Applied Materials	76,804	7,681,275	1.05
CME	51,656	9,330,761	1.27
Ecolab	55,480	7,440,594	1.02
Exelon	342,786	12,392,522	1.69
Mastercard	27,885	7,569,709	1.03
Microsoft	106,791	24,987,788	3.41
Otis Worldwide	59,471	3,474,355	0.47
Texas Instruments	78,192	10,883,870	1.49
Australia 1.54% (1.35%)			
BHP	383,420	11,316,641	1.54

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities
Portfolio Statement (Unaudited)

(continued)

Investments	Nominal/Holding	Market Value (£)	Total Net Assets (%)
Denmark 0.53% (0.51%)			
Novozymes	74,209	3,916,053	0.53
France 2.14% (4.23%)			
Bureau Veritas	368,620	8,080,452	1.10
Legrand	104,365	7,618,244	1.04
Germany 1.49% (3.88%)			
SAP	127,455	10,884,863	1.49
Hong Kong 1.14% (1.60%)			
AIA	1,044,400	8,351,189	1.14
India 0.63% (0.00%)			
HDFC Bank ADR	99,476	4,633,625	0.63
Ireland 5.28% (4.92%)			
Accenture	44,693	11,447,097	1.56
Medtronic	125,730	10,592,966	1.45
Smurfit Kappa	227,253	7,753,872	1.06
Trane Technologies	76,473	8,868,464	1.21
Japan 1.60% (1.74%)			
Sony	147,100	11,717,676	1.60
Netherlands 3.15% (2.95%)			
Universal Music	396,874	8,114,562	1.11
Wolters Kluwer	183,195	14,948,501	2.04
Norway 0.00% (1.30%)			
South Korea 1.06% (1.32%)			
Samsung SDI GDR	83,674	7,791,313	1.06
Switzerland 4.60% (3.80%)			
Alcon	107,323	6,528,044	0.89
Novartis	136,114	9,126,317	1.24
Roche	31,218	9,441,535	1.29
Zurich Insurance	22,943	8,649,662	1.18
Taiwan 0.00% (1.28%)			
Portfolio of investments		690,536,692	94.22
Net current assets		42,332,506	5.78
Total Net Assets		732,869,198	100.00

Total unapproved and unquoted securities 0.00%

Comparative figures in brackets refer to 31 March 2021.

Unless otherwise indicated, the holdings in the Portfolio Statement represents the ordinary shares, ordinary stock units, common shares or debt securities of the relevant companies or issuers.

†Considered a related party of the Manager.

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Statement of Total Return

for the year ended 31 March 2022

	Notes	£	31/03/2022 £	£	31/03/2021 £
Income					
Net capital gains	3		79,966,906		137,860,720
Revenue	4	19,140,191		16,093,417	
Expenses	5	(2,725,139)		(2,682,012)	
Interest payable and similar charges	7	(2,380)		(471)	
Net revenue before taxation		16,412,672		13,410,934	
Taxation	6	(898,322)		(999,014)	
Net revenue after taxation			15,514,350		12,411,920
Total return before distributions			95,481,256		150,272,640
Distributions	8		(17,939,153)		(14,771,968)
Change in net assets attributable to Unitholders from investment activities			77,542,103		135,500,672

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 31 March 2022

	£	31/03/2022 £	£	31/03/2021 £
Opening net assets attributable to Unitholders				
Amounts receivable on issue of units	8,140,408		65,698,816	639,301,117
Amounts payable on cancellation of units	(94,397,859)		(63,062,744)	
Amounts payable on in-specie of units	(42,862,132)		—	
		(129,119,583)		2,636,072
Dilution adjustment		18,343		67,050
Change in net assets attributable to Unitholders from investment activities		77,542,103		135,500,672
Retained distributions on accumulation units		4,368,378		2,555,046
Closing net assets attributable to Unitholders		732,869,198		780,059,957

Balance Sheet

as at 31 March 2022

	Notes	£	31/03/2022 £	£	31/03/2021 £
ASSETS					
Fixed assets					
Investment assets			690,536,692		757,553,110
Current assets					
Debtors	10	3,849,703		4,526,606	
Cash and bank balances	11	125,987		78,497	
Cash equivalents	11	41,431,095		20,828,693	
Total other assets			45,406,785		25,433,796
Total assets			735,943,477		782,986,906
LIABILITIES					
Investment liabilities			—		—
Creditors					
Distribution payable		(2,821,362)		(2,586,664)	
Other creditors	12	(252,917)		(340,285)	
Total other liabilities			(3,074,279)		(2,926,949)
Total liabilities			(3,074,279)		(2,926,949)
Net assets attributable to Unitholders			732,869,198		780,059,957

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Distribution Statements

for the year ended 31 March 2022

Final Dividend distribution in pence per unit

Period

Group 1: Units purchased prior to 1 January 2022

Group 2: Units purchased 1 January 2022 to 31 March 2022

	Net Revenue	Equalisation	Amount Paid	Prior Period 31/03/2021
Sterling Accumulation				
Group 1	1.0492	—	1.0492	0.7611
Group 2	0.9961	0.0531	1.0492	0.7611
Sterling Income				
Group 1	0.8449	—	0.8449	0.6357
Group 2	0.3340	0.5109	0.8449	0.6357
X (Accumulation)				
Group 1	0.8234	—	0.8234	0.5765
Group 2	0.7838	0.0396	0.8234	0.5765
X (Income)				
Group 1	0.9214	—	0.9214	0.6589
Group 2	0.9214	0.0000	0.9214	0.6589

Interim Dividend distribution in pence per unit

Period

Group 1: Units purchased prior to 1 October 2021

Group 2: Units purchased 1 October 2021 to 31 December 2021

	Net Revenue	Equalisation	Amount Paid	Prior Period 31/12/2020
Sterling Accumulation				
Group 1	0.6312	—	0.6312	0.7640
Group 2	0.4414	0.1898	0.6312	0.7640
Sterling Income				
Group 1	0.5202	—	0.5202	0.6410
Group 2	0.2607	0.2595	0.5202	0.6410
X (Accumulation)				
Group 1	0.4705	—	0.4705	0.5765
Group 2	0.4705	0.0000	0.4705	0.5765
X (Income)				
Group 1	0.5281	—	0.5281	0.6618
Group 2	0.5281	0.0000	0.5281	0.6618

Interim Dividend distribution in pence per unit

Period

Group 1: Units purchased prior to 1 July 2021

Group 2: Units purchased 1 July 2021 to 30 September 2021

	Net Revenue	Equalisation	Amount Paid	Prior Period 30/09/2020
Sterling Accumulation				
Group 1	1.2658	—	1.2658	0.8430
Group 2	0.6440	0.6218	1.2658	0.8430
Sterling Income				
Group 1	1.0477	—	1.0477	0.7121
Group 2	0.7332	0.3145	1.0477	0.7121
X (Accumulation)				
Group 1	0.9507	—	0.9507	0.6445
Group 2	0.9507	0.0000	0.9507	0.6445
X (Income)				
Group 1	1.0741	—	1.0741	0.7437
Group 2	1.0741	0.0000	1.0741	0.7437

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities**Distribution Statements**

(continued)

Interim Dividend distribution in pence per unit

Period

Group 1: Units purchased prior to 1 April 2021

Group 2: Units purchased 1 April 2021 to 30 June 2021

	Net Revenue	Equalisation	Amount Paid	Prior Period 30/06/2020
Sterling Accumulation				
Group 1	1.3768	—	1.3768	0.9759
Group 2	1.3768	0.0000	1.3768	0.9759
Sterling Income				
Group 1	1.1470	—	1.1470	0.8281
Group 2	0.5412	0.6058	1.1470	0.8281
X (Accumulation)				
Group 1	1.0330	—	1.0330	0.7248
Group 2	1.0330	0.0000	1.0330	0.7248
X (Income)				
Group 1	1.1757	—	1.1757	0.8415
Group 2	1.1757	0.0000	1.1757	0.8415
			Franked (%)	Unfranked (%)
Final distributions for 31 March 2022			100.00	0.00
Interim distributions for 31 December 2021			100.00	0.00
Interim distributions for 30 September 2021			100.00	0.00
Interim distributions for 30 June 2021			100.00	0.00

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Notes to the Financial Statements

for the year ended 31 March 2022

1 Accounting Policies

The Sub-fund's accounting policies are disclosed on page 4.

2 Distribution Policies

The Sub-fund's distribution policies are disclosed on page 5.

3 Net capital gains

	31/03/2022	31/03/2021
	£	£
The net capital gains on investments during the year comprise:		
Gains on non-derivative securities	80,031,125	137,694,410
Currency exchange (losses)/gains	(51,461)	176,023
Activity charges	(12,758)	(9,713)
Net capital gains	79,966,906	137,860,720

Net gains listed above of £79,979,664 comprise net realised gains of £65,948,854 and net unrealised gains of £14,030,810 (31/03/2021: Net gains listed above of £137,870,433 comprise net realised gains of £3,961,289 and net unrealised gains of £133,909,144). Where realised gains/(losses) include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised gains/(losses).

4 Revenue

	31/03/2022	31/03/2021
	£	£
Bank interest	25,122	39,874
Collective investment scheme distributions	299,670	309,968
Interest on debt securities	1,171,296	1,258,549
Overseas dividends	6,693,919	6,747,175
UK dividends	10,950,184	7,737,851
Total revenue	19,140,191	16,093,417

5 Expenses

	31/03/2022	31/03/2021
	£	£
Payable to the Manager or Associate of the Manager		
Manager's periodic charge	2,496,757	2,473,654
Administration fees	127,100	111,248
Safe custody fees	43,375	38,750
	2,667,232	2,623,652
Other expenses		
Audit fee	1,817	7,878
Financial Conduct Authority fee	221	84
Professional fees	2,492	443
Trustee's fee	51,623	49,400
Other expenses	1,754	555
	57,907	58,360
Total expenses	2,725,139	2,682,012

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

6 Taxation

	31/03/2022	31/03/2021
	£	£
a) Analysis of the tax charge		
Overseas tax withheld	898,322	999,014
Total tax charge (see Note 6b)	898,322	999,014
b) Factors affecting the tax charge		
The tax assessed for the year is lower (31/03/2021: lower) than the standard rate of corporation tax in the UK for unit trusts (20%) (31/03/2021: 20%).		
The differences are explained below:		
Net revenue before taxation	16,412,672	13,410,934
Corporation tax @ 20%	3,282,534	2,682,187
Effects of:		
Movement in unrecognised tax losses	246,287	214,792
Overseas tax withheld	898,322	999,014
Revenue not subject to corporation tax	(3,528,821)	(2,896,979)
Total tax charge (see Note 6a)	898,322	999,014
c) Deferred tax		
No deferred tax asset has been recognised in the accounts in relation to tax losses of £5,680,475 (31/03/2021: £4,449,040), as it is unlikely that there will be sufficient taxable profits in the future to utilise these amounts. The deferred tax asset not recognised is £1,136,095 (31/03/2021: £889,808).		

7 Interest payable and similar charges

	31/03/2022	31/03/2021
	£	£
Interest	2,380	471
Total interest	2,380	471

8 Distributions

The distributions take account of amounts added on the issue of units and amounts deducted on the cancellation of units. They comprise:

	31/03/2022	31/03/2021
	£	£
Interim Dividend Distribution 30 June	6,005,979	4,293,683
Interim Dividend Distribution 30 September	5,406,066	3,761,378
Interim Dividend Distribution 31 December	2,467,793	3,281,897
Final Dividend Distribution 31 March	3,906,607	3,349,002
	17,786,445	14,685,960
Amounts added on issue of units	(18,352)	(75,778)
Amounts deducted on cancellation of units	110,795	161,786
Amounts deducted on in-specie of units	60,265	—
Net distributions for the year	17,939,153	14,771,968

9 Net movement between revenue after taxation and distributions

	31/03/2022	31/03/2021
	£	£
Net revenue after taxation	15,514,350	12,411,920
Capitalised fees less tax relief paid from capital	2,424,815	2,360,048
Equalisation on conversions	(12)	—
Net distributions for the year	17,939,153	14,771,968

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

10 Debtors

	31/03/2022	31/03/2021
	£	£
Accrued revenue	2,110,583	1,587,729
Amounts receivable for issue of units	30,000	810,235
Amounts receivable on open currency contracts	—	71,910
Overseas withholding tax reclaimable	1,709,120	1,786,765
Sales awaiting settlement	—	269,967
Total debtors	3,849,703	4,526,606

11 Cash, bank balances & cash equivalents

	31/03/2022	31/03/2021
	£	£
Cash held at bank	125,987	78,497
Cash held in Liquidity Funds	41,431,095	20,828,693
Total cash, bank balances & cash equivalents	41,557,082	20,907,190

12 Other creditors

	31/03/2022	31/03/2021
	£	£
Accrued expenses	252,917	268,455
Amounts payable on open currency contracts	—	71,830
Total other creditors	252,917	340,285

13 Related parties

Manager's periodic charge, administration fees, safe custody charges and activity charges paid to the Manager, BNY Mellon Fund Managers Limited, or its associates, are shown in Notes 3 and 5, and details of units issued and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders and Note 8.

The balance due to the Manager at 31 March 2022 in respect of these transactions was £194,032 (31/03/2021: The balance due from the Manager was £580,003).

Any investments in or transactions with other BNYM related party entities are individually identified in the portfolio statement.

14 Financial instruments

The objective of the Sub-fund is to maximise returns through capital growth and income.

Please refer to Note 4 of the notes to the applicable financial statements of all Sub-funds for a detailed description of the risks arising from the Sub-fund's financial instruments and the Manager's policies for managing these risks. There were no further specific risks for this Sub-fund.

Market Price Risk

The value of the Sub-fund's investments which were exposed to market price risk was as follows:

	31/03/2022	31/03/2021
	£	£
Investments held at the balance sheet date	690,536,692	757,553,110

Market Price Sensitivity

The following table illustrates the sensitivity of the return and the net assets to an increase or decrease of 5% (31/03/2021: 5%) in the fair values of the Sub-fund's investments. This level of change is considered to be reasonably possible based on observation of market

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

14 Financial instruments (continued)

Market Price Sensitivity (continued)

conditions in the year. The sensitivity analysis is based on the impact of a change to the value of the Sub-fund's investments at each balance sheet date.

	31/03/2022		31/03/2021	
	5% Increase in fair value £	5% Decrease in fair value £	5% Increase in fair value £	5% Decrease in fair value £
Non-derivative securities	34,526,835	(34,526,835)	37,877,656	(37,877,656)
Net capital impact	34,526,835	(34,526,835)	37,877,656	(37,877,656)

Valuation of financial instruments

The categorisation of financial instruments in the tables below reflect the methodology used to measure their fair value.

	31/03/2022 Assets £	31/03/2022 Liabilities £
Level 1: Quoted prices	586,638,864	—
Level 2: Observable market data	103,897,828	—
Level 3: Unobservable data	—	—
	690,536,692	—
	31/03/2021 Assets £	31/03/2021 Liabilities £
Level 1: Quoted prices	655,574,733	—
Level 2: Observable market data	101,978,377	—
Level 3: Unobservable data	—	—
	757,553,110	—

Level 1: Unadjusted quoted price in an active market for an identical instrument.

Level 2: Valuation techniques using observable inputs other than quoted prices within Level 1.

Level 3: Valuation techniques using unobservable inputs.

Interest rate risk

The interest rate risk profile of the Sub-fund's financial assets and liabilities at 31 March 2022 is as follows:

	Floating Rate £	Fixed Rate £	Not Carrying Interest £	Total £
Investment assets	—	94,825,898	595,710,794	690,536,692
Investment liabilities	—	—	—	—
Total	—	94,825,898	595,710,794	690,536,692

The interest rate risk profile of the Sub-fund's financial assets and liabilities at 31 March 2021 is as follows:

	Floating Rate £	Fixed Rate £	Not Carrying interest £	Total £
Investment assets	—	90,627,865	666,925,245	757,553,110
Investment liabilities	—	—	—	—
Total	—	90,627,865	666,925,245	757,553,110

Interest rate sensitivity

Using duration analysis, an increase/decrease of 0.25% (31/3/2021: 0.25%) in interest rates, with all other variables remaining constant, is likely to result in a 0.27% (31/3/2021: 0.28%) decrease/increase respectively in the portfolio valuation.

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

14 Financial instruments (continued)

Foreign currency risk

The table that follows details the currency profile of the Sub-fund's assets:

	31/03/2022	31/03/2022	31/03/2022	31/03/2021
	Investments	Net Current Assets	Total	Total
	£	£	£	£
Cambodian Riel	—	—	—	5,544
Danish Krone	3,916,053	11,765	3,927,818	4,005,450
Euro	49,646,621	138,348	49,784,969	77,026,658
Hong Kong Dollar	8,351,189	—	8,351,189	12,496,086
Japanese Yen	11,717,676	28,995	11,746,671	13,616,692
Norwegian Krone	—	432,227	432,227	10,626,578
Swiss Franc	33,745,558	1,120,782	34,866,340	30,697,122
United States Dollar	201,131,482	1,007,032	202,138,514	193,751,261
Total	308,508,579	2,739,149	311,247,728	342,225,391

Foreign currency sensitivity

The following table illustrates the sensitivity of the return and net assets of the Sub-fund to a 5% (31/03/2021: 5%) strengthening or weakening of its base rate currency against other currencies to which there is significant exposure to. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis assumes all other variables are held constant.

31 March 2022

Currency	Total Exposure £	Impact of a 5% weakening of base currency £	Impact of a 5% strengthening of base currency £
United States Dollar	202,138,514	10,638,869	(9,625,644)

31 March 2021

Currency	Total Exposure £	Impact of a 5% weakening of base currency £	Impact of a 5% strengthening of base currency £
United States Dollar	193,751,261	10,197,435	(9,226,251)

Portfolio Statement by Credit Rating

as at 31 March 2022

	Market Value £ 31/03/2022	Total Net Assets (%) 31/03/2022	Total Net Assets (%) 31/03/2021
Investment grade securities	94,825,898	12.94	11.62
Other assets	595,710,794	81.28	85.49
Portfolio of investments	690,536,692	94.22	97.11
Net current assets	42,332,506	5.78	2.89
Total net assets	732,869,198	100.00	100.00

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

15 Portfolio transaction costs

for the year ended 31 March 2022

	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Equity instruments (direct)	75,189	25	0.03	0	0.00
Debt instruments (direct)	19,773	—	—	—	—
Total purchases	94,962	25		0	
Total purchases including transaction costs	94,987				

	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Equity instruments (direct)	193,376	57	0.03	4	0.00
Debt instruments (direct)	5,129	—	—	—	—
Collective investment schemes	1,680	—	—	—	—
In-specie transfers	40,278	—	—	—	—
Total sales	240,463	57		4	
Total sales net of transaction costs	240,402				

Total transaction costs 82 4

Total transaction costs as a % of average net assets 0.01% 0.00%

For the year ended 31 March 2021

	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Equity instruments (direct)	147,261	46	0.03	65	0.04
Debt instruments (direct)	15,517	—	—	—	—
Total purchases	162,778	46		65	
Total purchases including transaction costs	162,889				

	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Equity instruments (direct)	122,256	44	0.04	2	0.00
Debt instruments (direct)	19,522	—	—	—	—
Collective investment schemes	386	—	—	—	—
Total sales	142,164	44		2	
Total sales net of transaction costs	142,118				

Total transaction costs 90 67

Total transaction costs as a % of average net assets 0.01% 0.01%

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

For the Sub-fund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments. Transactions in money market instruments to manage the Sub-fund's daily liquidity position are excluded from the analysis.

For the Sub-fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

BNY Mellon Charities Funds - Newton Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

15 Portfolio transaction costs (continued)

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.04% (31/03/2021: 0.07%).

16 Unit movement

for the year ended 31 March 2022

	Opening units	Units issued	Units cancelled	Units converted	Closing units
Sterling Accumulation	13,598,649	2,544,927	(1,522,950)	999,612	15,620,238
Sterling Income	256,887,874	1,782,313	(49,197,328)	(1,200,899)	208,271,960
X (Accumulation)	114,284,440	229,328	(2,620,527)	—	111,893,241
X (Income)	144,723,902	—	(29,507,116)	—	115,216,786

17 Unitholder's funds

The Sub-fund currently has the below unit classes in issue. Each unit class suffers a different annual Manager's periodic charge which is payable to the Manager and is shown below:

	Manager's periodic charge
Sterling Accumulation	0.60%
Sterling Income	0.60%
X (Accumulation)	0.00%
X (Income)	0.00%

Consequently, the level of net revenue attributable to each unit class will differ.

The net asset value, the net asset value per unit and the number of units in each unit class are given in the comparative tables. All unit classes have the same rights on winding up.

18 Post Balance Sheet Events

There were no events that occurred after 31 March 2022 which would require disclosure or adjustment to the financial statements of the Sub-fund.

BNY Mellon Charities Funds

Newton Sustainable Growth and Income Fund for Charities

Annual Report

for the year ended 31 March 2022

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Performance and Fund Report

for the year ended 31 March 2022

General Information

Investment Adviser:	Newton Investment Management
Fund Size:	£69.77m
Comparative Index:	75% MSCI AC World NR Index/ 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index/ 5% SONIA 7-Day Compounded
Key Dates: Fund Launch	7 February 2014

Investment Objective

The Sub-fund aims to generate capital growth and income over the long term (5 years or more).

Investment Policy

The Sub-fund is actively managed and invests at least 70% of the portfolio in global equities (company shares), including ordinary shares, preference shares and other equity-related securities and fixed income securities (bonds). Exposure to these asset classes will be achieved through investment in transferable securities, money market instruments, warrants, derivatives (including but not limited to currency-related derivatives). The Sub-fund does not have any restrictions on the portion of the Sub-fund allocated to any of these asset classes. The Sub-fund may invest in bonds rated below investment grade (BBB-) by Standard & Poor's (or equivalent recognised rating agency).

All investments will be expected to conform to the Investment Manager's sustainability criteria, where environmental, social, governance ("ESG") is an integral part of the criteria.

The Investment Manager focuses on investments issued by governments, other public entities and companies (together the "issuers") that demonstrate sustainable business or operating practices and an ability to generate returns consistent with the Sub-fund's objective. Sustainable business or operating practices are those which positively manage the material impacts of an issuer's operations and products on the environment and society.

The Sub-fund adopts a policy of making no direct investment in companies that derive more than 10% of turnover from the production and sale of tobacco.

The Sub-fund may also gain exposure to company shares and bonds through investment in other collective investment schemes (which may include those which are managed or operated by the Investment Manager or an associate of the Investment Manager) and invest in cash and deposits. To the extent the Sub-fund gains exposure to infrastructure, renewable energy, property or commodities, such exposure may be through exchange listed securities, transferable securities and/or collective investment schemes. The Sub-fund may invest in any geographic or economic sectors of the world.

Any use of derivatives will be for efficient portfolio management purposes and hedging only. It is not expected that the use of derivatives will materially affect the overall risk profile of the Sub-fund.

Statutory Performance Data

From To	31/03/2021 31/03/2022	31/03/2020 31/03/2021	31/03/2019 31/03/2020
Sterling Accumulation	8.36%	21.35%	-2.09%
Sterling Income	8.35%	21.36%	-2.09%
X (Income)	8.94%	21.97%	-1.61%
75% MSCI AC World NR Index/ 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index/ 5% SONIA 7-Day Compounded*	8.14%	n/a	n/a
Comparative Index**	n/a	20.53%	-6.54%

*Effective 1 October 2021, the benchmark changed from the London Interbank Bid Rate (LIBID) to the Sterling Overnight Index Average (SONIA). All benchmark past performance prior to this date was calculated against LIBID.

**Effective 8 October 2020, the Performance Benchmark changed from 37.5% FTSE All-Share/37.5% FTSE World ex UK/ 20% Govt All-Stocks/ 5% 7 Day GBP LIBID to 75% MSCI AC World NR Index/ 20% FTSE Actuaries UK Conventional Gilts All Stocks All Stocks TR Index and 5% 7 Day GBP LIBID. The figure for year ending 31 March 2021 represents the composite performance benchmark return.

Source: Lipper as at 31 March 2022 Total return, including gross income reinvested, net of annual charges and excluding initial charge. All figures are in GBP terms.

Past performance is not a guide to future performance. The value of investments and the revenue from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested.

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Performance and Fund Report

(continued)

Fund Report

Attribution

Global *equities* advanced over the start of the review period as the accelerating rollout of Covid-19 vaccination programmes, and the promising results witnessed in those countries furthest ahead in this process, bolstered investors' risk appetite. This was tempered later in the period by the influence of *monetary policy* accommodation, which had undoubtedly been a critical support for financial-asset prices, taking a somewhat different turn as investors began to anticipate a dialling back of the exceptional levels of *monetary stimulus*.

As 2021 progressed, the inflation debate remained a high-profile and contentious issue, with a series of elevated data points prompting many to question the narrative that this phase would be transitory. Given the inextricable linkage with the direction of *monetary policy*, which had been such a prominent support to asset prices since the pandemic began, this became a key factor driving sentiment. Other challenges included new Covid-19 variants, which threatened to undermine global growth. Sentiment was also roiled by the Chinese government's decision to launch fresh interventions across several sectors, the most significant, in terms of market impact, being the major technology platforms.

The picture for *equity* markets was muddled further when Jerome Powell, Chair of the US Federal Reserve (Fed), surprised markets by embracing a more *hawkish* tone with regard to the tapering of the Fed's asset-purchase programme.

The start of 2022 was the most challenging period faced by *equity* investors since the outbreak of the Covid-19 pandemic two years ago. While Russia's invasion of Ukraine at the end of February was the defining *geopolitical* and economic event and an obvious catalyst for *equity* market weakness, equity indices had already been under considerable pressure throughout January. The proximate cause was tightening US *monetary policy*, as the Fed, having fallen 'behind the curve' in addressing *inflationary* pressures, signalled that US interest-rate rises would now come earlier, and potentially be more aggressive, than previously foreshadowed. Such a course of action drove government bond *yields* steeply higher, and in the equity market, put acute pressure on long-*duration* equities. However, many of these names moderated their losses by meaningfully participating in a broader rally which developed towards the end of the first quarter of 2022 as indices bounced.

Against this backdrop, the Sub-fund produced a strong positive return over the reporting period (+8.35%* - Newton Sustainable Growth and Income Fund for Charities Sterling Income Unit Class), and slightly outperformed its performance benchmark (+8.14%**). Asset allocation was positive, owing mainly to the Sub-fund's underweight position in bonds and the holding in physical gold, with the precious metal viewed as a '*safe-haven*' asset; however, this was largely offset by stock disappointments within equities.

Alphabet, the parent company of Google, performed well as the company issued good results in which revenue easily surpassed expectations, with search a specific area of strength. Microsoft also continued to report good results and is well positioned in key secular-growth markets.

RELX contributed as investor confidence in a recovery in exhibitions gathered pace. First-half results were better than expected, with the organic growth displayed by the STM (Scientific, Technical & Medical) segment a particular standout. Plumbing and heating products distributor Ferguson reported a strong trading environment in its US operations, benefiting from price inflation and profit expansion as consumer demand was strong in a tight supply environment. Laureate Education also performed well on the announcement that it is increasing its share-buyback programme.

In a strong demand environment for electric vehicles, the price of lithium significantly increased over the year. This benefited the holding in lithium producer, Albemarle, as the return profile of its growth projects and current contract pricing received a firm underpinning.

Within financials, holdings in Prudential, Ping An Insurance of China and AIA were affected by weaker sales in Hong Kong owing to border closures and the contagion effect from weaker sentiment for China growth and the threat of government intervention. Citigroup also underperformed on lower *yield* and growth expectations later in the quarter, with costs continuing to be an issue for the firm. Viewed as a play on rising interest rates and market *volatility*, good performance from the Sub-fund's holding in Chicago Exchange Company (CME) was a positive within the sector.

The Sub-fund's holdings in Naspers and Prosus (through their exposure to Tencent) and Alibaba were affected by the widening scope of regulatory intervention within China. All three holdings have now been sold. Zero weightings in Electric-vehicle maker Tesla and information technology name Nvidia were further detractors. Tesla's stock price hit a record high during the review period after posting its highest quarterly profit. Despite Nvidia's hopes of buying chip-design company Arm diminishing, under pressure from both UK and US antitrust regulators, its share price pushed higher on strong results and a positive outlook.

Japanese medical-services company M3 retreated despite quarterly results being in line with expectations. Slowing revenue growth in its medical platform represented a potential source of disappointment for investors.

Activity

Within the industrials sector, we sold the holding in CRH following strong performance. Margins in the business have been expanding and we became concerned that higher raw-material costs might weigh on profitability. We used the proceeds to buy equipment-rental business Ashtead. We believe that construction spending in the US should be relatively well supported by potential fiscal measures and by an ageing infrastructure which needs updating. Ashtead is the market-leading rental business in the US, offering customers a low-cost alternative to owning and maintaining their own equipment. We switched the holding in French low-voltage equipment producer Legrand into Hubbell, to reduce the Sub-fund's European industrial exposure and increase US exposure. Hubbell is a company that designs, manufactures and sells electrical and electronic products for construction, industrial and utility applications. The stock provides quality exposure to US utility capital expenditure and should also benefit from broader electrification tailwinds as highlighted by Newton's 'Earth matters' theme.

Elsewhere in the sector, we purchased Trane Technologies, a leading manufacturer of commercial and residential HVAC (heating, ventilation and air conditioning) systems and controls, following significant share-price weakness, as the valuation of the stock had declined in the higher interest-rate environment. Looking ahead, we believe the stock has significant secular tailwinds as demand for the company's products, which offer energy efficiency and other environmental benefits, could grow strongly against a backdrop of higher energy costs. We established a holding in staffing business Hays. In the near term, Hays appears well placed to capture a cyclical recovery across its well-diversified set of industries and geographies. Over the longer term, there is the opportunity for Hays to surpass its prior profit peaks, as its single biggest market is IT (information technology) contracting, which is experiencing strong growth. Following a strong run of performance, the shares of Japanese industrial stock Ebara appeared to be fully valued, and we therefore decided to sell the holding.

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Performance and Fund Report

(continued)

Within the consumer discretionary sector, the Sub-fund acquired a holding in Universal Music Group (UMG), a leading global pure-play record label, following its demerger from Vivendi. The shift towards a subscription-based streaming model has transformed the economics of the music industry, enhancing the visibility of revenues and allowing for significant margin expansion through lower distribution costs and operating leverage, while gaming, social media and emerging-market growth increase addressable markets. We also bought contract catering business Compass, which we believe to be a high-quality business with significantly underappreciated mid to long-term growth potential. With Continental's restructuring story delayed by the coronavirus and supply-chain issues, and with cash flow needing to be reinvested to maintain relevance, we decided to sell the holding. Owing to some concerns over its debt profile, we took advantage of strong recent share-price performance to sell the holding in US housebuilder Lennar. We also sold the holding in Alibaba. While the company remains the dominant e-commerce platform in China, growth has started to slow owing to increased competition and a slowing consumer. The stock has been severely affected by the regulatory crackdown in China and concerns remain that the Chinese government will continue to take a more active role in regulating e-commerce operators and their data use, which could reduce profitability.

In the financials sector, we initiated a position in 3i, which is a UK company that invests proprietary capital across mid-market private equity and infrastructure investments. We believe that 3i can deliver a strong shareholder return over the next three years and is well-underpinned by robust growth at Action, a discount retailer which accounts for 44% of its investment portfolio. We also acquired Cordiant Digital Infrastructure investment trust. The trust is targeting a 9+% per-annum return for investors by acquiring and then investing in operating digital infrastructure assets, with a particular focus on data centres, mobile telecommunications/broadcast towers and fibre-optic network assets. We sold the holding in Citigroup. While the stock appeared to have a low valuation, higher costs are an obstacle to the achievement of the group's return ambitions, and capital returns to shareholders have also disappointed. Furthermore, the Ukrainian conflict has understandably sparked concern around capital-market activity levels and potentially weaker economic growth.

In the health care sector, although some opportunity remains for Merck & Co's cancer drug Keytruda and we expect its success to continue, we decided to exit the holding, mindful of our waning conviction in the growth outlook for the company. We sold the holding in Novartis to fund the addition of AstraZeneca. The switch gives the Sub-fund better growth prospects for an acceptably higher valuation multiple. We believe that recent acquisition Alexion, an American rare-diseases specialist, will enhance AstraZeneca's capabilities in immunology and rare diseases in the long term, while growth from its existing assets should provide an increasingly stable base to build on. We also invested in Cooper Companies, which is a leading global contact lens and surgical products producer with above end-market growth in both. We believe that the Myopia Management business should accelerate top-line growth as well as profitability. We also believe that Cooper can maintain its dominance in fertility products and services in a fast-growing market, driven by new country policies to address lagging birth rates as well as aims to address diversity and inclusion by offering better fertility benefits to more diverse workforces in the US and EU.

In the technology sector, we took advantage of share-price weakness to purchase TE Connectivity, a leader in the connector industry, finding it to be a high-quality cyclical with a mix of structural and thematic growth drivers. Indeed, the connector industry is attractive and growing strongly, benefiting from key trends such as electrification and the 'internet of things'. We sold the holding in Taiwan Semiconductor Manufacturing following a strong period for the semiconductor cycle. While the sector benefits from several structural tailwinds, concerns around the strength of future demand, supply additions and geopolitical tensions resulted in us selling the stock in order to reduce the level of risk in the portfolio. We sold the holding in Texas Instruments. A capital-expenditure cycle is now underway at the company which may remove some of the market tightness in the short term. Furthermore, there is also the potential for increased competition from overseas manufacturers. Naspers' holding in Prosus, and in turn, its considerable exposure to Tencent, led us to sell the holdings in both Naspers and Prosus. Although we continue to like the opportunities afforded by Tencent's business model, regulatory headwinds in China look set to be an overhang for some time to come.

We sold Eversource Energy and used the proceeds to build a new position in Exelon, which has similar investment characteristics at what we considered to be a more reasonable valuation given the recent separation of its utility and generation units. We also sold CMS Energy.

Finally, we introduced new positions in US Treasuries (8-year maturity and below) as *yields* became more attractive, reflecting the tightening bias of the Federal Reserve. These positions should provide some protection for the portfolio if *geopolitical* risks increase or economic growth assumptions falter.

Outlook

Investors face an unusually complex set of circumstances as we move into the remainder of the year. Inflation has entered the mainstream and is compelling central banks to raise rates after more than a decade of ultra-loose policy. At the same time, steep rises in commodity prices are adding to the squeeze on consumer incomes. The hitherto healthy demand environment looks shaky, and rising input costs for companies make pricing power essential to maintain profit margins. Central bankers must walk the tightrope between slowing inflation and too much demand destruction.

Despite economies recovering from the Covid-19 pandemic, it is likely that there will be some lasting legacies of the supply shocks encountered during the last few years. Governmental and corporate desire for supply-chain and resource security was already leading to a greater propensity to onshore production and the Ukrainian conflict is likely to intensify this trend. We believe technology, the energy transition, *geopolitical* security and demographics (among other issues) will continue to have a profound effect on the global economy and act as a disruptive force of change on many industries and countries. At Newton, our themes encompass many of these dynamics and identify investment opportunities, steer us away from longer-term structural threats, and guide our capital allocation and portfolio construction.

*Source: Lipper, Sterling Income share class, midday prices, offer to offer, gross income reinvested, net of fees

**Source: Benchmark data provided by Datastream (in Sterling terms); index composite calculated by Newton

Performance Benchmark: 75% MSCI AC World NR Index; 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index; 5% SONIA 7-Day Compounded

For a definition of italicised terms, please refer to the Glossary on page 52.

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Performance and Fund Report

(continued)

The table below shows the top ten (or all) purchases and sales (excluding any derivative and short term cash transactions) for the year.

Purchases	Sales
United States Treasury Bond 1.5% 15/8/2026	Citigroup
AstraZeneca	Merck & Co
Ashtead	Brenntag
Cordiant Digital Infrastructure Fund	Novartis
Hubbell	Ebara
TE Connectivity	Legrand
United States Treasury Bond 1.5% 15/2/2030	Taiwan Semiconductor Manufacturing ADR
Trane Technologies	Texas Instruments
Cooper Companies	L'Oreal
HDFC Bank ADR	CRH

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Statistics

for the year ended 31 March 2022

Comparative Tables

	31/03/2022 (pence)	31/03/2021 (pence)	31/03/2020 (pence)
Sterling Accumulation			
Change in net assets per unit			
Opening net asset value per unit	177.89	146.48	150.84
Return before operating charges*	14.59	32.62	(3.18)
Operating charges	(1.33)	(1.21)	(1.18)
Return after operating charges	13.26	31.41	(4.36)
Distributions	(2.89)	(2.63)	(3.46)
Retained distributions on accumulation units	2.89	2.63	3.46
Closing net asset value per unit	191.15	177.89	146.48
* after direct transaction costs of:	(0.03)	(0.06)	(0.02)
Performance			
Return after charges	7.45%	21.44%	(2.89%)
Other information			
Closing net asset value (£)	12,651,249	10,818,760	8,662,586
Closing number of units	6,618,624	6,081,654	5,913,665
Operating charges**	0.70%	0.72%	0.73%
Direct transaction costs*	0.02%	0.04%	0.01%
Prices			
Highest unit price	204.03	180.27	172.70
Lowest unit price	177.05	143.14	137.18
<hr/>			
	31/03/2022 (pence)	31/03/2021 (pence)	31/03/2020 (pence)
Sterling Income			
Change in net assets per unit			
Opening net asset value per unit	151.32	126.57	133.20
Return before operating charges*	12.41	28.05	(2.57)
Operating charges	(1.13)	(1.03)	(1.03)
Return after operating charges	11.28	27.02	(3.60)
Distributions	(2.44)	(2.27)	(3.03)
Retained distributions on accumulation units	—	—	—
Closing net asset value per unit	160.16	151.32	126.57
* after direct transaction costs of:	(0.03)	(0.05)	(0.02)
Performance			
Return after charges	7.45%	21.35%	(2.70%)
Other information			
Closing net asset value (£)	16,529,771	15,333,543	6,594,004
Closing number of units	10,320,913	10,133,095	5,209,866
Operating charges**	0.70%	0.72%	0.73%
Direct transaction costs*	0.02%	0.04%	0.01%
Prices			
Highest unit price	172.07	153.93	150.04
Lowest unit price	150.60	123.67	119.18

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there may be other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which may also have reduced the Sub-fund and unit class returns before operating charges.

**The Operating Charges figure is made up of the Annual Management Charge (AMC) and other operating costs. Other operating costs include the costs for other services paid for by the Sub-fund, such as the fees paid to the Fund Accountant, Fund Administrator, Depositary, Custodian, Auditor and Regulator. The Operating Charges figure shown is calculated on an ex-post basis over the period, whereas the Ongoing Charges figure shown in the KIID is a calculation as at a point in time, and therefore there could be immaterial differences between the two.

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Statistics

(continued)

Comparative Tables (continued)

	31/03/2022 (pence)	31/03/2021 (pence)	31/03/2020 (pence)
X (Income)			
Change in net assets per unit			
Opening net asset value per unit	156.84	130.50	136.68
Return before operating charges*	12.75	28.85	(2.88)
Operating charges	(0.17)	(0.18)	(0.19)
Return after operating charges	12.58	28.67	(3.07)
Distributions	(2.47)	(2.33)	(3.11)
Retained distributions on accumulation units	—	—	—
Closing net asset value per unit	166.95	156.84	130.50
* after direct transaction costs of:	(0.03)	(0.06)	(0.02)
Performance			
Return after charges	8.02%	21.97%	(2.25%)
Other information			
Closing net asset value (£)	40,590,175	43,393,831	36,110,775
Closing number of units	24,312,052	27,668,139	27,670,993
Operating charges**	0.10%	0.12%	0.13%
Direct transaction costs*	0.02%	0.04%	0.01%
Prices			
Highest unit price	179.04	159.44	154.66
Lowest unit price	156.20	127.52	122.89

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there may be other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which may also have reduced the Sub-fund and unit class returns before operating charges.

**The Operating Charges figure is made up of the Annual Management Charge (AMC) and other operating costs. Other operating costs include the costs for other services paid for by the Sub-fund, such as the fees paid to the Fund Accountant, Fund Administrator, Depository, Custodian, Auditor and Regulator. The Operating Charges figure shown is calculated on an ex-post basis over the period, whereas the Ongoing Charges figure shown in the KIID is a calculation as at a point in time, and therefore there could be immaterial differences between the two.

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Portfolio Statement (Unaudited)

as at 31 March 2022

Investments	Nominal/Holding	Market Value (£)	Total Net Assets (%)
Bonds 11.14% (10.41%)			
United Kingdom Government Bonds 2.81% (3.41%)			
United Kingdom Gilt 3.75% 22/7/2052	GBP565,000	827,372	1.19
United Kingdom Gilt 4.25% 7/3/2036	GBP345,000	449,733	0.64
United Kingdom Gilt 6% 7/12/2028	GBP532,000	684,628	0.98
Overseas Government Bonds 4.82% (2.75%)			
New Zealand Government Inflation Linked Bond 3% 20/9/2030	NZD554,000	393,396	0.56
United States Treasury Bond 1.5% 15/8/2026	USD1,333,000	969,548	1.39
United States Treasury Bond 1.5% 15/2/2030	USD904,000	643,143	0.92
United States Treasury Bond 3% 15/5/2045	USD1,033,000	834,338	1.20
United States Treasury Inflation Indexed Bonds 0.75% 15/7/2028	USD565,700	524,085	0.75
Sterling Denominated Corporate Bonds 2.96% (3.25%)			
Coventry Building Society 6.875% Perpetual	GBP277,000	286,354	0.41
DWR Cymru Financing UK 6.015% 31/3/2028	GBP190,000	227,320	0.32
European Investment Bank 0.75% 15/11/2024	GBP257,000	250,377	0.36
Motability Operations 1.5% 20/1/2041	GBP120,000	97,136	0.14
National Express 4.25% Perpetual	GBP100,000	97,607	0.14
Orsted 4.875% 12/1/2032	GBP207,000	245,759	0.35
UNITE USAF II 3.374% 30/6/2028	GBP307,000	311,262	0.45
Virgin Media Vendor Financing Notes III DAC 4.875% 15/7/2028	GBP286,000	269,704	0.39
Vodafone 4.875% 3/10/2078	GBP275,000	277,662	0.40
Non-Sterling Denominated Corporate Bonds 0.55% (1.00%)			
Infineon Technologies 3.625% Perpetual	EUR300,000	253,835	0.37
Meituan 3.05% 28/10/2030	USD210,000	128,087	0.18
Collective Investment Schemes 8.76% (5.72%)			
Aquila European Renewables Income Fund	454,907	384,423	0.55
Cordiant Digital Infrastructure Fund	700,714	760,275	1.09
Greencoat UK Wind Fund	648,909	987,640	1.42
Hipgnosis Songs Fund	801,114	964,541	1.38
International Public Partnerships	177,715	307,447	0.44
JLEN Environmental Assets Foresight	247,145	278,285	0.40
Renewables Infrastructure	668,768	902,837	1.29
Schroder Bsc Social Impact Trust	523,420	544,357	0.78
Sdcl Energy Efficiency Income Trust	539,019	630,652	0.90
VH Global Sustainable Energy Opportunities	301,655	354,143	0.51
Commodities 2.92% (2.45%)			
Invesco Physical Gold ETC	14,269	2,036,989	2.92
Equities 69.96% (78.01%)			
United Kingdom 16.78% (12.68%)			
3i	34,566	479,776	0.69
Ashtead	12,400	599,168	0.86
AstraZeneca	10,341	1,047,750	1.50
Atrato Onsite Energy	252,957	283,312	0.40
Barclays	273,050	404,933	0.58
Compass	33,297	549,234	0.79
Ferguson	6,275	651,345	0.93
GlaxoSmithKline	53,834	886,754	1.27
Hays	327,565	402,250	0.58
Home REIT	584,236	724,452	1.04
Informa	113,830	685,029	0.98
Linde	3,971	963,005	1.38
National Grid	45,810	536,985	0.77
Prudential	71,167	806,678	1.16
RELX	65,566	1,561,782	2.24
Travis Perkins	33,451	413,789	0.59
Unilever	20,620	712,421	1.02

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities
Portfolio Statement (Unaudited)

(continued)

Investments	Nominal/Holding	Market Value (£)	Total Net Assets (%)
United States of America 29.19% (30.90%)			
Abbott Laboratories	15,644	1,406,552	2.01
Albemarle	4,524	760,145	1.09
Alphabet	1,229	2,595,643	3.72
Amazon.com	482	1,193,218	1.71
Apple	18,754	2,487,951	3.56
Applied Materials	9,004	900,503	1.29
CME	5,858	1,058,146	1.52
Cooper Companies	2,224	705,366	1.01
Ecolab	5,429	728,100	1.04
Exelon	17,709	640,222	0.92
Goldman Sachs	1,284	321,914	0.46
Hubbell	4,886	681,958	0.98
Laureate Education	79,539	715,860	1.03
Mastercard	4,745	1,288,086	1.85
Microsoft	11,623	2,719,640	3.90
Otis Worldwide	13,717	801,361	1.15
TE Connectivity	6,526	649,254	0.93
Toll Brothers	19,997	713,978	1.02
Australia 0.29% (0.32%)			
Insurance Australia	80,442	200,956	0.29
China 0.54% (2.13%)			
Ping An Insurance of China	69,500	375,095	0.54
Denmark 0.84% (0.51%)			
Novozymes	11,043	582,746	0.84
France 0.83% (3.76%)			
Bureau Veritas	26,378	578,227	0.83
Germany 1.78% (4.23%)			
SAP	14,508	1,239,007	1.78
Hong Kong 1.84% (2.17%)			
AIA	160,800	1,285,782	1.84
India 1.11% (0.51%)			
HDFC Bank ADR	16,548	770,811	1.11
Ireland 6.66% (6.71%)			
Accenture	5,765	1,476,574	2.12
Greencoat Renewables	350,000	335,700	0.48
Medtronic	17,747	1,495,215	2.14
Smurfit Kappa	19,403	662,030	0.95
Trane Technologies	5,851	678,532	0.97
Japan 3.69% (4.90%)			
M3	11,400	318,798	0.45
Recruit	23,700	800,834	1.15
Sony	18,300	1,457,739	2.09
Netherlands 2.26% (1.16%)			
Universal Music	44,161	902,924	1.29
Wolters Kluwer	8,284	675,965	0.97
Norway 0.00% (0.60%)			
South Africa 0.00% (1.02%)			
South Korea 1.32% (1.61%)			
Samsung SDI GDR	9,877	919,698	1.32
Switzerland 2.83% (3.52%)			
Alcon	10,262	624,198	0.89

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Portfolio Statement (Unaudited)

(continued)

Investments	Nominal/Holding	Market Value (£)	Total Net Assets (%)
Switzerland (continued)			
Roche	2,314	699,844	1.00
Zurich Insurance	1,732	652,975	0.94
Taiwan 0.00% (1.28%)			
Derivatives -0.02% (0.03%)			
USD Forward Foreign Currency Contracts -0.02% (0.03%)			
Forward Foreign Currency Contracts to sell NZD(919,069) for USD618,496 12/4/2022		(15,704)	(0.02)
Portfolio of investments*		64,717,441	92.76
Net current assets		5,053,754	7.24
Total Net Assets		69,771,195	100.00
Total unapproved and unquoted securities			0.00%

Comparative figures in brackets refer to 31 March 2021.

Unless otherwise indicated, the holdings in the Portfolio Statement represents the ordinary shares, ordinary stock units, common shares or debt securities of the relevant companies or issuers.

*Net of investment liabilities.

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Statement of Total Return

for the year ended 31 March 2022

	Notes	£	31/03/2022 £	£	31/03/2021 £
Income					
Net capital gains	3		4,572,454		10,571,420
Revenue	4	1,211,901		1,038,791	
Expenses	5	(238,737)		(171,613)	
Interest payable and similar charges	7	(102)		(2)	
Net revenue before taxation		973,062		867,176	
Taxation	6	(70,146)		(79,276)	
Net revenue after taxation			902,916		787,900
Total return before distributions			5,475,370		11,359,320
Distributions	8		(1,107,927)		(930,883)
Change in net assets attributable to Unitholders from investment activities			4,367,443		10,428,437

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 31 March 2022

	£	31/03/2022 £	£	31/03/2021 £
Opening net assets attributable to Unitholders				
Amounts receivable on issue of units	2,414,760		8,014,145	
Amounts payable on cancellation of units	(6,746,244)		(430,971)	
		(4,331,484)		7,583,174
Dilution adjustment		7,272		8,925
Change in net assets attributable to Unitholders from investment activities		4,367,443		10,428,437
Retained distributions on accumulation units		181,830		158,233
Closing net assets attributable to Unitholders		69,771,195		69,546,134

Balance Sheet

as at 31 March 2022

	Notes	£	31/03/2022 £	£	31/03/2021 £
ASSETS					
Fixed assets					
Investment assets*			64,733,145		67,198,814
Current assets					
Debtors	10	1,454,330		180,368	
Cash and bank balances	11	4,663,486		17,415	
Cash equivalents	11	6,363,123		2,404,955	
Total other assets			12,480,939		2,602,738
Total assets			77,214,084		69,801,552
LIABILITIES					
Investment liabilities			(15,704)		—
Creditors					
Distribution payable		(198,844)		(221,540)	
Other creditors	12	(7,228,341)		(33,878)	
Total other liabilities			(7,427,185)		(255,418)
Total liabilities			(7,442,889)		(255,418)
Net assets attributable to Unitholders			69,771,195		69,546,134

*Gross of investment liabilities.

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Distribution Statements

for the year ended 31 March 2022

Final Dividend distribution in pence per unit

Period

Group 1: Units purchased prior to 1 January 2022

Group 2: Units purchased 1 January 2022 to 31 March 2022

	Net Revenue	Equalisation	Amount Paid	Prior Period 31/03/2021
Sterling Accumulation				
Group 1	0.6805	—	0.6805	0.6612
Group 2	0.4604	0.2201	0.6805	0.6612
Sterling Income				
Group 1	0.5721	—	0.5721	0.5767
Group 2	0.1131	0.4590	0.5721	0.5767
X (Income)				
Group 1	0.5750	—	0.5750	0.5895
Group 2	0.2130	0.3620	0.5750	0.5895

Interim Dividend distribution in pence per unit

Period

Group 1: Units purchased prior to 1 October 2021

Group 2: Units purchased 1 October 2021 to 31 December 2021

	Net Revenue	Equalisation	Amount Paid	Prior Period 31/12/2020
Sterling Accumulation				
Group 1	0.5953	—	0.5953	0.5427
Group 2	0.5506	0.0447	0.5953	0.5427
Sterling Income				
Group 1	0.5016	—	0.5016	0.4649
Group 2	0.4329	0.0687	0.5016	0.4649
X (Income)				
Group 1	0.5024	—	0.5024	0.4759
Group 2	0.1721	0.3303	0.5024	0.4759

Interim Dividend distribution in pence per unit

Period

Group 1: Units purchased prior to 1 July 2021

Group 2: Units purchased 1 July 2021 to 30 September 2021

	Net Revenue	Equalisation	Amount Paid	Prior Period 30/09/2020
Sterling Accumulation				
Group 1	0.6658	—	0.6658	0.6652
Group 2	0.6658	0.0000	0.6658	0.6652
Sterling Income				
Group 1	0.5622	—	0.5622	0.5720
Group 2	0.3496	0.2126	0.5622	0.5720
X (Income)				
Group 1	0.5693	—	0.5693	0.6160
Group 2	0.2039	0.3654	0.5693	0.6160

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities**Distribution Statements**

(continued)

Interim Dividend distribution in pence per unit

Period

Group 1: Units purchased prior to 1 April 2021

Group 2: Units purchased 1 April 2021 to 30 June 2021

	Net Revenue	Equalisation	Amount Paid	Prior Period 30/06/2020
<hr/>				
Sterling Accumulation				
Group 1	0.9499	—	0.9499	0.7613
Group 2	0.9499	0.0000	0.9499	0.7613
Sterling Income				
Group 1	0.8043	—	0.8043	0.6578
Group 2	0.2317	0.5726	0.8043	0.6578
X (Income)				
Group 1	0.8216	—	0.8216	0.6534
Group 2	0.2345	0.5871	0.8216	0.6534
			Franked (%)	Unfranked (%)
<hr/>				
Final distributions for 31 March 2022			100.00	0.00
Interim distributions for 31 December 2021			100.00	0.00
Interim distributions for 30 September 2021			100.00	0.00
Interim distributions for 30 June 2021			100.00	0.00

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Notes to the Financial Statements for the year ended 31 March 2022

1 Accounting Policies

The Sub-fund's accounting policies are disclosed on page 4.

2 Distribution Policies

The Sub-fund's distribution policies are disclosed on page 5.

3 Net capital gains

	31/03/2022	31/03/2021
	£	£
The net capital gains on investments during the year comprise:		
Gains on non-derivative securities	4,571,380	10,544,609
Gains/(losses) on derivative contracts	1,404	(28,525)
Currency exchange gains	7,126	63,799
Activity charges	(7,456)	(8,463)
Net capital gains	4,572,454	10,571,420

Net gains listed above of £4,579,910 comprise net realised gains of £5,081,495 and net unrealised losses of £(501,585) (31/03/2021: Net gains listed above of £10,579,883 comprise net realised gains of £2,095,167 and net unrealised gains of £8,484,716). Where realised gains/(losses) include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised gains/(losses).

4 Revenue

	31/03/2022	31/03/2021
	£	£
Bank interest	3,692	14
Collective investment scheme distributions	46,592	—
Interest on debt securities	145,406	139,369
Overseas dividends	730,262	616,199
Property income distributions	17,177	—
UK dividends	268,772	283,209
Total revenue	1,211,901	1,038,791

5 Expenses

	31/03/2022	31/03/2021
	£	£
Payable to the Manager or Associate of the Manager		
Manager's periodic charge	168,482	107,611
Administration fees	35,026	35,835
Safe custody fees	5,110	4,050
	208,618	147,496
Other expenses		
Audit fee	9,017	7,521
Financial Conduct Authority fee	222	84
Professional fees	2,491	443
Trustee's fee	18,104	15,189
Other expenses	285	880
	30,119	24,117
Total expenses	238,737	171,613

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

6 Taxation

	31/03/2022	31/03/2021
	£	£
a) Analysis of the tax charge		
Corporation tax prior year adjustment	—	1,526*
Overseas tax withheld	70,146	77,750
Total tax charge (see Note 6b)	70,146	79,276

b) Factors affecting the tax charge

The tax assessed for the year is lower (31/03/2021: lower) than the standard rate of corporation tax in the UK for unit trusts (20%) (31/03/2021: 20%).

The differences are explained below:

Net revenue before taxation	973,062	867,176
Corporation tax @ 20%	194,612	173,435
Effects of:		
Corporation tax prior year adjustment	—	1,526
Movement in unrecognised tax losses	14,508	5,693
Overseas tax withheld	70,146	77,750
Revenue not subject to corporation tax	(209,120)	(179,128)
Total tax charge (see Note 6a)	70,146	79,276

c) Deferred tax

No deferred tax asset has been recognised in the accounts in relation to tax losses of £101,005 (31/03/2021: £28,465), as it is unlikely that there will be sufficient taxable profits in the future to utilise these amounts. The deferred tax asset not recognised is £20,201 (31/03/2021: £5,693).

*As a result of an adjustment made to UK income tax reclaims.

7 Interest payable and similar charges

	31/03/2022	31/03/2021
	£	£
Interest	102	2
Total interest	102	2

8 Distributions

The distributions take account of amounts added on the issue of units and amounts deducted on the cancellation of units. They comprise:

	31/03/2022	31/03/2021
	£	£
Interim Dividend Distribution 30 June	366,435	261,110
Interim Dividend Distribution 30 September	255,048	240,451
Interim Dividend Distribution 31 December	226,599	188,833
Final Dividend Distribution 31 March	243,882	261,751
	1,091,964	952,145
Amounts added on issue of units	(3,982)	(22,085)
Amounts deducted on cancellation of units	19,945	823
Net distributions for the year	1,107,927	930,883

9 Net movement between revenue after taxation and distributions

	31/03/2022	31/03/2021
	£	£
Net revenue after taxation	902,916	787,900
Capitalised fees less tax relief paid from capital	205,011	142,983
Net distributions for the year	1,107,927	930,883

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

10 Debtors

	31/03/2022	31/03/2021
	£	£
Accrued revenue	125,190	110,638
Amounts receivable on open currency contracts	962,072	6,819
Corporation tax recoverable	141	141
Overseas withholding tax reclaimable	70,268	44,843
Sales awaiting settlement	296,659	17,927
Total debtors	1,454,330	180,368

11 Cash, bank balances & cash equivalents

	31/03/2022	31/03/2021
	£	£
Cash held at bank	4,663,486	17,415
Cash held in Liquidity Funds	6,363,123	2,404,955
Total cash, bank balances & cash equivalents	11,026,609	2,422,370

12 Other creditors

	31/03/2022	31/03/2021
	£	£
Accrued expenses	34,923	27,068
Amounts payable for cancellation of units	5,520,000	—
Amounts payable on open currency contracts	964,089	6,810
Purchases awaiting settlement	709,329	—
Total other creditors	7,228,341	33,878

13 Related parties

Manager's periodic charge, administration fees, safe custody charges and activity charges paid to the Manager, BNY Mellon Fund Managers Limited, or its associates, are shown in Notes 3 and 5, and details of units issued and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders and Note 8.

The balance due to the Manager at 31 March 2022 in respect of these transactions was £5,544,698 (31/03/2021: £16,848).

Any investments in or transactions with other BNYM related party entities are individually identified in the portfolio statement.

14 Financial instruments

The objective of the Sub-fund is to maximise returns through capital growth and income.

Please refer to Note 4 of the notes to the applicable financial statements of all Sub-funds for a detailed description of the risks arising from the Sub-fund's financial instruments and the Manager's policies for managing these risks. There were no further specific risks for this Sub-fund.

Market Price Risk

The value of the Sub-fund's investments which were exposed to market price risk was as follows:

	31/03/2022	31/03/2021
	£	£
Investments held at the balance sheet date	64,733,145	67,178,751

Market Price Sensitivity

The following table illustrates the sensitivity of the return and the net assets to an increase or decrease of 5% (31/03/2021: 5%) in the fair values of the Sub-fund's investments. This level of change is considered to be reasonably possible based on observation of market

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

14 Financial instruments (continued)

Market Price Sensitivity (continued)

conditions in the year. The sensitivity analysis is based on the impact of a change to the value of the Sub-fund's investments at each balance sheet date.

	31/03/2022		31/03/2021	
	5% Increase in fair value £	5% Decrease in fair value £	5% Increase in fair value £	5% Decrease in fair value £
Non-derivative securities	3,236,657	(3,236,657)	3,358,938	(3,358,938)
Net capital impact	3,236,657	(3,236,657)	3,358,938	(3,358,938)

Valuation of financial instruments

The categorisation of financial instruments in the tables below reflect the methodology used to measure their fair value.

	31/03/2022 Assets £	31/03/2022 Liabilities £
Level 1: Quoted prices	56,961,799	—
Level 2: Observable market data	7,771,346	(15,704)
Level 3: Unobservable data	—	—
	64,733,145	(15,704)
	31/03/2021 Assets £	31/03/2021 Liabilities £
Level 1: Quoted prices	59,939,021	—
Level 2: Observable market data	7,259,793	—
Level 3: Unobservable data	—	—
	67,198,814	—

Level 1: Unadjusted quoted price in an active market for an identical instrument.

Level 2: Valuation techniques using observable inputs other than quoted prices within Level 1.

Level 3: Valuation techniques using unobservable inputs.

Counterparty credit risk

Counterparty exposure for non-exchange traded derivatives at 31 March 2022 is as follows:

Counterparty	Forward Currency Contracts £	Total £
Royal Bank of Scotland	(15,704)	(15,704)
Total	(15,704)	(15,704)

Collateral received from these counterparties in respect of derivative contracts was £nil in the form of cash (31/03/2021: £nil).

Collateral pledged to these counterparties in respect of derivative contracts was £nil in the form of cash (31/03/2021: £nil).

Interest rate risk

The interest rate risk profile of the Sub-fund's financial assets and liabilities at 31 March 2022 is as follows:

	Floating Rate £	Fixed Rate £	Not Carrying Interest £	Total £
Investment assets	—	7,771,346	56,961,799	64,733,145
Investment liabilities	—	—	(15,704)	(15,704)
Total	—	7,771,346	56,946,095	64,717,441

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

14 Financial instruments (continued)

Interest rate risk (continued)

The interest rate risk profile of the Sub-fund's financial assets and liabilities at 31 March 2021 is as follows:

	Floating Rate £	Fixed Rate £	Not Carrying interest £	Total £
Investment assets	—	7,239,730	59,959,084	67,198,814
Investment liabilities	—	—	—	—
Total	—	7,239,730	59,959,084	67,198,814

Interest rate sensitivity

Using duration analysis, an increase/decrease of 0.25% (31/3/2021: 0.25%) in interest rates, with all other variables remaining constant, is likely to result in a 0.23% (31/3/2021: 0.26%) decrease/increase respectively in the portfolio valuation.

Foreign currency risk

The table that follows details the currency profile of the Sub-fund's assets:

	31/03/2022 Investments £	31/03/2022 Net Current Assets £	31/03/2022 Total £	31/03/2021 Total £
Australian Dollar	200,956	—	200,956	221,585
Danish Krone	582,746	8,309	591,055	363,619
Euro	4,370,080	36,368	4,406,448	7,428,082
Hong Kong Dollar	1,660,877	—	1,660,877	2,986,169
Japanese Yen	2,577,371	7,528	2,584,899	3,419,456
New Zealand Dollar	(92,081)	306	(91,775)	(18,422)
Norwegian Krone	—	19,897	19,897	442,197
South African Rand	—	—	—	710,921
Swiss Franc	1,977,017	—	1,977,017	2,450,066
United States Dollar	32,277,695	2,756	32,280,451	31,442,480
Total	43,554,661	75,164	43,629,825	49,446,153

Foreign currency sensitivity

The following table illustrates the sensitivity of the return and net assets of the Sub-fund to a 5% (31/03/2021: 5%) strengthening or weakening of its base rate currency against other currencies to which there is significant exposure to. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis assumes all other variables are held constant.

31 March 2022

Currency	Total Exposure £	Impact of a 5% weakening of base currency £	Impact of a 5% strengthening of base currency £
United States Dollar	32,280,451	1,698,971	(1,537,164)

31 March 2021

Currency	Total Exposure £	Impact of a 5% weakening of base currency £	Impact of a 5% strengthening of base currency £
Euro	7,428,082	390,952	(353,718)
United States Dollar	31,442,480	1,654,867	(1,497,261)

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

14 Financial instruments (continued)

Portfolio Statement by Credit Rating

as at 31 March 2022

	Market Value £ 31/03/2022	Total Net Assets (%) 31/03/2022	Total Net Assets (%) 31/03/2021
Investment grade securities	6,872,538	9.84	8.62
Below investment grade securities	898,808	1.30	1.79
Other assets	56,946,095	81.62	86.21
Portfolio of investments	64,717,441	92.76	96.62
Net current assets	5,053,754	7.24	3.38
Total net assets	69,771,195	100.00	100.00

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

15 Portfolio transaction costs

for the year ended 31 March 2022

	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Equity instruments (direct)	12,215	4	0.03	0	0.00
Debt instruments (direct)	1,816	—	—	—	—
Collective investment schemes	1,305	—	—	—	—
Total purchases	15,336	4		0	
Total purchases including transaction costs	15,340				

	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Equity instruments (direct)	20,919	7	0.03	1	0.00
Debt instruments (direct)	885	—	—	—	—
Total sales	21,804	7		1	
Total sales net of transaction costs	21,796				

Total transaction costs 11 1

Total transaction costs as a % of average net assets 0.02% 0.00%

for the year ended 31 March 2021

	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Purchases (excluding derivatives)					
Equity instruments (direct)	25,985	7	0.03	10	0.04
Debt instruments (direct)	7,906	—	—	—	—
Collective investment schemes	3,691	1	0.03	—	—
Total purchases	37,582	8		10	
Total purchases including transaction costs	37,600				

	Transaction Value £000's	Commissions £000's	%	Taxes £000's	%
Sales (excluding derivatives)					
Equity instruments (direct)	17,272	5	0.03	—	—
Debt instruments (direct)	10,616	—	—	—	—
Total sales	27,888	5		—	
Total sales net of transaction costs	27,883				

Total transaction costs 13 10

Total transaction costs as a % of average net assets 0.02% 0.02%

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

For the Sub-fund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments. Transactions in money market instruments to manage the Sub-fund's daily liquidity position are excluded from the analysis.

For the Sub-fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

BNY Mellon Charities Funds - Newton Sustainable Growth and Income Fund for Charities

Notes to the Financial Statements

(continued)

15 Portfolio transaction costs (continued)

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.13% (31/03/2021: 0.15%).

16 Unit movement

for the year ended 31 March 2022

	Opening units	Units issued	Units cancelled	Units converted	Closing units
Sterling Accumulation	6,081,654	550,354	(13,384)	—	6,618,624
Sterling Income	10,133,095	610,065	(422,247)	—	10,320,913
X (Income)	27,668,139	248,134	(3,604,221)	—	24,312,052

17 Unitholder's funds

The Sub-fund currently has the below unit classes in issue. Each unit class suffers a different annual Manager's periodic charge which is payable to the Manager and is shown below:

	Manager's periodic charge
Sterling Accumulation	0.60%
Sterling Income	0.60%
X (Income)	0.00%

Consequently, the level of net revenue attributable to each unit class will differ.

The net asset value, the net asset value per unit and the number of units in each unit class are given in the comparative tables. All unit classes have the same rights on winding up.

18 Post Balance Sheet Events

There were no events that occurred after 31 March 2022 which would require disclosure or adjustment to the financial statements of the Sub-fund.

BNY Mellon Charities Funds - Annual Report & Accounts

Statement of the Manager's Responsibilities and Directors' Statement

Statement of the Manager's Responsibilities

The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Manager to prepare financial statements for each annual accounting year which give a true and fair view of the financial position of the BNY Mellon Charities Funds (the "Trust") as at the end of the year and of the net revenue or expense and the net gains and losses on the property of the Sub-fund for the year then ended. In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Collective Investment Schemes Sourcebook issued by the Financial Conduct Authority and the Trust Deed;
- comply with applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements; and
- prepare the financial statements on the basis that the Sub-fund will continue in operation unless it is inappropriate to presume this.

The Manager is responsible for the management of the Sub-fund in accordance with its Trust Deed, Prospectus and the Collective Investment Schemes Sourcebook. The Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' Statement

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, we hereby certify the Report on behalf of the Directors of BNY Mellon Fund Managers Limited.

C Judd

Director
BNY Mellon Fund Managers Limited

18 July 2022

S Cox

Director
BNY Mellon Fund Managers Limited

18 July 2022

BNY Mellon Charities Funds - Annual Report & Accounts

Statement of the Trustee's Responsibilities and Report of the Trustee

Statement of the Trustee's Responsibilities and Report of the Trustee to the Unitholders of BNYM Charities Funds ("the Trust") in respect of the Report and Accounts of the Trust

The Trustee must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Investment Funds Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Trust documents") as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Trustee must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Trust documents and the Regulations in relation to the investment and borrowing powers applicable to the Trust.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Trustee of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects, the Trust, acting through the AIFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's Units and the application of the Trust's income in accordance with the Regulations and the Trust documents, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Trust.

**NatWest Trustee and
Depositary Services Limited**
Edinburgh

18 July 2022

BNY Mellon Charities Funds - Annual Report & Accounts

Independent Auditor's Report to the Unitholders of BNY Mellon Charities Funds

Opinion

We have audited the financial statements of BNY Mellon Charities Funds (“the Trust”) for the year ended 31 March 2022, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Statements for each Sub-fund, and the accounting policies of the Trust, which include 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 to 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 financial position of the Trust comprising each of its Sub-funds as at 31 March 2022 and of the net revenue and the net capital gains on the scheme property of the Trust comprising each of its Sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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 below. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (the “FRC”) 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

In auditing the financial statements, we have concluded that the Manager’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust’s ability to continue as a going concern for a period to 31 July 2023, which is at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust’s ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor’s report thereon. The Manager is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority (the “FCA”)

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Trust Deed; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the Manager’s report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

BNY Mellon Charities Funds - Annual Report & Accounts
Independent Auditor's Report to the Unitholders of BNY Mellon Charities Funds
(continued)

Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 46, the Manager is 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 Manager 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 Manager is responsible for assessing the Trust'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 Manager either intends to wind up or terminate the Trust or to cease operations, or has 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Trust Deed and the Prospectus.
- We understood how the Trust is complying with those frameworks through discussions with the Manager and a review of the Trust's documented policies and procedures.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk in relation to incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact on amounts available for distribution. We tested the appropriateness of management's classification of a sample of special dividends as either a revenue or capital return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Trust.
- Due to the regulated nature of the Trust, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council'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 Trust's unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Trust's unitholders 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 Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh

18 July 2022

BNY Mellon Charities Funds - Annual Report & Accounts

Additional information

Pricing

The Manager may set the price of units within the limits, which are allowed by the FCA's Collective Investment Schemes Sourcebook. The value of the Sub-funds' underlying assets forms the basis for calculating the price of the units. The Sub-funds are valued at 12 noon on each business day. This time is known as the valuation point.

Dilution adjustment

The Sub-funds' investments are valued on a mid-market basis in accordance with the FCA's regulations.

However, the actual cost of purchasing or selling investments may deviate from the mid-market value used in calculating the unit price, due to dealing costs such as broker charges, taxes and any spread between the buying and selling prices of the underlying investments.

These dealing costs can have an adverse effect on the value of the Sub-funds, and this is known as "dilution".

The Financial Conduct Authority regulations allow the cost of dilution to be met directly from the Sub-funds' assets or to be recovered from investors on the purchase or redemption of units, inter alia, by means of a dilution adjustment to the dealing price, which is the policy that has been adopted by the Manager.

To mitigate the effects of dilution the Manager therefore has the discretion to make a dilution adjustment in the calculation of the dealing price and thereby adjust the dealing price of units on any given day.

The need to make a dilution adjustment will depend on the volume of purchases or redemptions on any given day.

As set out in the Prospectus, the Manager may make a dilution adjustment when calculating the price of a unit. In deciding whether to make a dilution adjustment at any valuation point, the Manager will take into account the number of units to be issued or cancelled. Where the number of units to be issued exceeds the number of units to be cancelled, the dilution adjustment to the unit price will be upwards. Where the number of units to be cancelled exceeds the number of units to be issued, the dilution adjustment to the unit price will be downwards.

The net yield

The published yield of each Sub-fund is the Historic Yield and reflects distributions declared over the past twelve months as a percentage of the quoted unit price as at the date shown. It does not include any initial charge.

Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital.

Charges

An initial charge of 0.00% of the issue price is receivable by the Manager for Sterling Accumulation and Sterling Income units and 'As agreed' for the X (Accumulation) and X (Income) Units.

An annual management charge of 0.60% for Sterling Accumulation and Sterling Income units and 'As agreed' for the X (Accumulation) and X (Income) Units, is deducted in monthly instalments from the Sub-fund's revenue.

Any change to the management charge is subject to 60 days' written notice by the Manager. The Trust Deed also permits payment out of the Sub-funds for the Trustee's fee (plus VAT) together with other fees and expenses associated with the operation of the Sub-funds.

The Newton Growth and Income Fund for Charities & the Newton Sustainable Growth and Income Fund for Charities charges its Manager's periodic charge to the capital account of the Sub-funds, and investors should be aware that there is a potential for future capital erosion.

Buying and selling

Instructions to buy and sell units can be provided to the Manager between 9.00 am and 5.00 pm on any business day, excluding UK public holidays. These will be effected at the price ruling at the next valuation point. Units may also be sold by sending us a completed and signed renunciation form. We will send you a contract note within one business day of processing your buy or sell instruction. No other acknowledgement of your instruction will be made. Payment of redemption proceeds will be made within three business days of the later of receipt of a completed renunciation form or the valuation point following receipt by the Administrator of the request to redeem.

Prices are calculated by reference to the net asset value of the Sub-funds in accordance with the regulations.

The Price and yield of units

The most recent prices will be available on the Manager's website:- <http://www.newtonim.co.uk/uk-charities/daily-prices/>

Prices may also be published in other media on each day the Sub-funds are valued.

Trust status

The Newton Growth and Income Fund for Charities & the Newton Sustainable Growth and Income Fund for Charities are Sub-funds of BNY Mellon Charities Funds, an umbrella Non-UCITS Retail Fund, established under a trust deed dated 31 January 2014, whose effective date of authorisation by the FCA was 31 January 2014.

Minimum investment

The minimum investment for new Unitholders in the Sterling Accumulation and Sterling Income units is £5,000. Additional units may be purchased with a minimum of £2,500. Investments in X (Accumulation) and X (Income) units is 'As agreed' with the manager. These limits may be waived at the Manger's discretion.

Dealing arrangements

The Manager uses dealing commission that it pays to brokers to cover costs relating to the purchase of research services from brokers or third parties. The Manager considers such use of commission to be beneficial to the Sub-funds, as it enables the Manager to obtain valuable research in a cost effective manner.

BNY Mellon Charities Funds - Annual Report & Accounts

Additional information

(continued)

Dealing arrangements (continued)

Payment for research services is included within the full service commission paid to brokers for execution. A portion of this commission is recognised as being for advisory services, principally research. This advisory commission is redistributed across brokers and other research providers according to the value placed by the Manager on the quality of research received.

The Manager currently receives the following goods and services under its Dealing Arrangements in accordance with FCA guidance:

- goods and services relating to the provision of research;
- broker led research;
- research from third party information providers; and
- non-broker led research.

Application forms and Prospectus

All stated documents can be requested by calling 0844 892 2715 or writing to BNY Mellon Fund Managers Limited at the address stated on page 53.

A word of warning

Investors should remember that the value of units and the revenue from them can fluctuate and is not guaranteed. Past performance is not a guide to the future and you may not get back the full amount invested. Unit trusts should be regarded as long term investments and may not be suitable for money you may need at short notice. The value of overseas securities will be influenced by the rate of exchange which is used to convert these into sterling.

Value assessment and report

BNY Mellon Fund Managers Limited published a consolidated assessment of value report which included these Sub-funds in July 2021. This report is available to view on www.bnymellonim.com. An updated report will be published in July 2022.

Significant events

Effective 1 October 2021, the Performance Benchmark for the Newton Growth and Income Fund for Charities changed from 50% FTSE All-Share TR Index, 25% FTSE World ex UK TR Index, 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index and 5% LIBID GBP 7 Day to 50% FTSE All-Share TR Index, 25% FTSE World ex UK TR Index, 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index and 5% SONIA 7-Day Compounded.

Effective 1 October 2021, the Performance Benchmark for the Newton Sustainable Growth and Income Fund for Charities changed from 75% MSCI AC World NR Index, 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index and 5% LIBID GBP 7 Day to 75% MSCI AC World NR Index, 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index and 5% SONIA 7-Day Compounded.

Client classification notice

Under the FCA's Conduct of Business rules we are required to classify our investors. We have classified you as a Retail Client unless otherwise notified. This means that you will have the maximum amount of protection available for complaints and compensation, and will receive information in a straightforward way. However, some clients, such as professional investors, may not necessarily have the same rights under the Financial Ombudsman Service and the Financial Services Compensation Fund. Further details may be found on our website – www.bnymellonim.com under Client Classification.

Securities financing transactions

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions ("SFTs") will be required on all annual reports & accounts published after 13 January 2017. During the period and as at the balance sheet date, the Sub-funds did not engage in SFTs.

Remuneration disclosure of the AIFM

Directors remuneration of BNY Mellon Fund Managers Limited as at 31 March 2022.

Total amount of fixed and variable remuneration proportionate to the BNY Mellon Charities Funds for the year ending 31 March 2022 of the 6 directors and 1 senior manager of the AIFM is disclosed below. This has been calculated on the basis of the BNY Mellon Charities Funds AUM in respect of the total AUM (including AIFs and non-AIFs) under the control of the AIFM.

	Newton Growth and Income Fund for Charities £	Newton Sustainable Growth and Income Fund for Charities £
Fixed	6,532	622
Variable	10,166	968

The amount for senior managers and material risk takers does not differ to the total amount already disclosed, as all the staff of the AIFM are considered senior managers.

As market or regulatory practice develops, BNY Mellon Fund Managers Limited may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. This may result in disclosures in relation to an AIF not being comparable to disclosures made in the prior year, or in relation to other BNY Mellon fund disclosures in that same year.

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Glossary

Term	Definition
Bond(s)	A loan of money by an investor to a company or government for a stated period of time in exchange for a fixed interest rate payment and the repayment of the initial amount at its conclusion.
Duration	A measure of the sensitivity of a fixed income security or bond fund to change in interest rates. The longer a bonds duration, the more sensitive it is to interest rate movements.
Earnings	Money obtained in return for labour or services.
Equity/Equities	Shares issued by a company, representing an ownership interest.
Fixed interest/Fixed income	A loan of money by an investor to a company or government for a stated period of time in exchange for a fixed interest rate payment and the repayment of the initial amount at its conclusion. (Also known as bonds)
Geopolitics/Geopolitical	Geographic influences on power relationships in international relations.
Hawk(s)/hawkish	A hawk, also known as an inflation hawk, is a policymaker or advisor who is predominantly concerned with interest rates as they relate to fiscal policy. A hawk generally favors relatively high interest rates in order to keep inflation in check. In other words, hawks are less concerned with economic growth than they are with recessionary pressure brought to bear by high inflation rates.
Inflation/Inflationary	The rate of increase in the cost of living. Inflation is usually quoted as an annual percentage, comparing the average price this month with the same month a year earlier.
Leverage(d)	When referring to a company, leverage is the level of a company's debt in relation to its assets. A company with significantly more debt than capital is considered to be leveraged. It can also refer to a fund that borrows money or uses derivatives to magnify an investment position.
Monetary policy	A central bank's regulation of money in circulation and interest rates.
Monetary stimulus	An attempt by a government to make the economy grow faster by increasing the money supply (the amount of money in the economy) or lowering interest rates.
'Safe haven'	Refers to assets that investors perceive to be relatively safe from suffering a loss in times of market turmoil.
Volatile/volatility	Large and/or frequent moves up or down in the price or value of an investment or market.
Yield(s)	Income received from investments, either expressed as a percentage of the investment's current market value, or dividends received by the holder.

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Management and Professional Services

Manager and Registered Office

BNY Mellon Fund Managers Limited
BNY Mellon Centre
160 Queen Victoria Street
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United Kingdom
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Client Enquiries:

Call free on 0800 614 330
Call +44 (0) 203 528 4002

Dealing:

Call free on 08085 440 000

Directors

G A Brisk
S Cox (appointed as director 21 September 2021)
AM Islam
C Judd (chairperson)
G Rehn
M Saluzzi

Trustee

NatWest Trustee and Depositary Services Limited
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175 Glasgow Road
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United Kingdom

(Authorised and regulated by the Financial Conduct Authority)

Manager

Newton Investment Management Limited
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160 Queen Victoria Street
London EC4V 4LA
United Kingdom

(Authorised and regulated by the Financial Conduct Authority)

Registrar and Administration

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Client Service Centre
PO Box 366
Darlington DL1 9RF
United Kingdom

(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

Auditors

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX
United Kingdom

Authorisation

BNY Mellon Fund Managers Limited is authorised and regulated by the Financial Conduct Authority. A member of The Investment Association.

BNY Mellon Fund Managers Limited is registered in England No. 1998251. A subsidiary of BNY Mellon Investment Management EMEA Limited.