

**The Kathleen Trust**  
**(Registered Charity No.1064516)**

**Accounts**

**for the year ended 5 April 2024**

# **The Kathleen Trust**

## **Trustees' Annual Report for the year ended 5 April 2024**

The trustees present their annual report and financial statements of the charity for the year ended 5 April 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

### **Objectives and grant making policies:**

The trust was established to make grants out of its income and/or expendable endowment at the trustees' absolute discretion who shall pay, apply or appropriate the whole or any part thereon at any time and in any manner for such purposes or objectives which are recognised by law as good charitable purposes, organisations or objects. It has been agreed that the principal policy of the trustees would be to assist young and impecunious musicians. Applications for grants are received by one of the trustees, who examines them and selects a list of appeals for the trustees to consider at their next formal trustees meeting.

The trustees' general policy is to aim to distribute each year the income as it arises but from time to time they may also distribute capital. The trustees receive applications for grants and consider each one of the applications at their formal meetings. Grants are awarded in support of impecunious and young musicians. During the year, the trustees formally met twice.

### **Achievements and performance:**

During the year ended 5 April 2024 the trustees met the trust's objectives by making grants totaling £52,564 as shown on page 13.

### **Financial review:**

Total income was £31,344 (2023: £33,348) with expenditure amounting to £73,364 (2023: £143,703). Net assets at the end of the year were £1,544,960 (2023: £1,527,669).

### **Investment policy:**

The trustees have wide powers of investment, including power to invest in the name of nominees. The investment objective is to generate the optimum amount of income for distribution whilst at the same time investing for growth. The trustees' investment portfolio is managed on a discretionary basis by Evelyn Partners. The trustees agree their strategy for asset allocation with the managers.

### **Public benefit:**

The trustees have considered the Charity Commission's guidance on public benefit and in accordance with that guidance they review the activities of the organisations to which they make donations to satisfy themselves that those activities meet the principles of public benefit laid down by the Commission.

### **Reserves:**

The trustees make grants in accordance with their policy. They have no power to retain income and routinely distribute this each year.

They also distribute expendable endowment as they consider appropriate. They have no requirement to retain reserves for any specific purposes and have not retained any reserves other than the expendable endowment.

### **Risk management:**

The trustees have assessed the major risks to which the charity is exposed and are satisfied they are not exposed to any significant risks other than fluctuation in the value of their investment portfolio. They have appointed professional investment managers and review the investment performance on a regular basis.

### **Plans for the future:**

The trustees plan for the future is to continue their grant making policy. The trustees aim to utilise the unrestricted and endowment funds to achieve this objective.

# The Kathleen Trust

## Trustees' Annual Report for the year ended 5 April 2024

### Structure, Governance and Management

**Settlers:** Lady Phoebe Anne Scott (deceased)

**Name of Charity:** The Kathleen Trust

The principal governing document is the Settlement Deed dated 8 September 1997. The Settlement is a private charitable trust controlled by its trustees.

The power of appointing new trustees is vested in the surviving trustees. If new or additional trustees are appointed they will be encouraged to receive appropriate training depending on their qualifications and experience.

**Charity registration number:** 1064516

### Reference and administrative information

**Trustees:** Camilla Withington  
Hermoine Stanford  
Felicity Rice

**Principal office address:** Currey & Co LLP  
33 Queen Anne Street  
London, WIG 9HY

**Solicitors:** Currey & Co LLP  
33 Queen Anne Street  
London, WIG 9HY

**Accountants:** Mercer & Hole Trustees Limited  
72 London Road  
St Albans, Herts AL1 1NS

**Independent examiner:** Steve Robinson FCA  
Mercer & Hole LLP  
72 London Road,  
St Albans, Herts AL1 1NS

**Investment manager:** Evelyn Partners  
45 Gresham Street  
London, EC2V 7BG

# The Kathleen Trust

## Trustees' Annual Report for the year ended 5 April 2024

### Statement of Trustees' responsibility

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Statement of Recommended Accounting Practice: Accounting and Reporting by Charities (SORP 2019), UK Accounting Standards and the Charities Act 2011 and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Signed:** .....  
on behalf of the Trustees

**Date:** .....

# **The Kathleen Trust**

## **Independent Examiner's Report to the Trustees of The Kathleen Trust**

I report to the trustees on my examination of the accounts of The Kathleen Trust (the Trust) for the year ended 5 April 2024, which are set out on pages 1 to 13.

### **Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Date:

Steve Robinson  
Mercer & Hole LLP  
72 London Road  
St Albans  
Herts  
AL1 1NS

# The Kathleen Trust

## Statement of Financial Activities

for the year ended 5 April 2024

|  |      | Expendable<br>Endowment<br>Funds | Unrestricted<br>Income<br>Funds | 2024 Total       | 2023 Total       |
|--|------|----------------------------------|---------------------------------|------------------|------------------|
|  | Note | £                                | £                               | £                | £                |
| <b>Income and endowments</b>                 |      |                                  |                                 |                  |                  |
| Investment Income                            | 3    | -                                | 32,227                          | 32,227           | 33,450           |
| Tax recoverable write off                    |      | (445)                            | -                               | (445)            | -                |
| Exchange rate gain                           |      | (438)                            | -                               | (438)            | (102)            |
| Transfer between funds                       | 1c   | (28,933)                         | 28,933                          | -                | -                |
| <b>Total income and endowments</b>           |      | <b>(29,816)</b>                  | <b>61,160</b>                   | <b>31,344</b>    | <b>33,348</b>    |
| <b>Expenditure on:</b>                       |      |                                  |                                 |                  |                  |
| Cost of raising funds                        | 4    |                                  |                                 |                  |                  |
| Investment management costs                  |      | 12,204                           | -                               | 12,204           | 16,456           |
| Charitable activities                        | 5    | -                                | 61,160                          | 61,160           | 127,248          |
| <b>Total expenditure</b>                     |      | <b>12,204</b>                    | <b>61,160</b>                   | <b>73,364</b>    | <b>143,704</b>   |
|  |      | <b>(42,020)</b>                  | <b>-</b>                        | <b>(42,020)</b>  | <b>(110,356)</b> |
| <b>Net gain/(loss) on listed investments</b> | 6    | <b>59,311</b>                    | <b>-</b>                        | <b>59,311</b>    | <b>(113,916)</b> |
| <b>Net (expenditure)/income</b>              |      | <b>17,291</b>                    | <b>-</b>                        | <b>17,291</b>    | <b>(224,272)</b> |
| <b>Net movement in funds</b>                 |      |                                  |                                 |                  |                  |
| <b>Reconciliation of funds</b>               |      |                                  |                                 |                  |                  |
| Total funds brought forward                  |      | <b>1,527,669</b>                 | <b>-</b>                        | <b>1,527,669</b> | 1,751,941        |
| <b>Total funds carried forward</b>           |      | <b>1,544,960</b>                 | <b>-</b>                        | <b>1,544,960</b> | 1,527,669        |

# The Kathleen Trust

## Balance sheet

5 April 2024

|   | Note | 2024      | 2023      |
|---|------|-----------|-----------|
|   |      | £         | £         |
| <b>Fixed assets</b>                           |      |           |           |
| Listed investments at market value            | 6    | 1,517,465 | 1,475,937 |
| Salomon violin and Victor Fetique bow         | 10   | 23,500    | 23,500    |
| <b>Total fixed assets</b>                     | 10   | 1,540,965 | 1,499,437 |
| <b>Current assets</b>                         |      |           |           |
| Cash held as part of the investment portfolio |      | 14,289    | 39,766    |
| Income tax recoverable                        | 7    | -         | 445       |
| Debtors                                       |      | 5         | 5         |
|   |      | 14,294    | 40,216    |
| <b>Current liabilities</b>                    |      |           |           |
| Amounts falling due within one year           | 8    | (10,299)  | (11,984)  |
| <b>Net current assets</b>                     |      | 3,995     | 28,232    |
| <b>Net assets</b>                             |      | 1,544,960 | 1,527,669 |
| <b>Expendable endowment funds</b>             | 9    | 1,544,960 | 1,527,669 |
| <b>Unrestricted income funds</b>              | 9    | -         | -         |
| <b>Total funds</b>                            |      | 1,544,960 | 1,527,669 |

Approved by the trustees on .....and signed on their behalf by

..... Trustee

# The Kathleen Trust

## Notes to the Accounts for the year ended 5 April 2024

### 1. Accounting policies

#### a) *Basis of preparation*

The Charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have therefore necessarily departed from the extant Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Statement of Recommended Practice: Accounting and Reporting by Charities effective from 1 April 2005, which has since been withdrawn.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Trust are fluctuation in the value of their investment and a fall in investment income but the trustees have arrangements in place to mitigate those risks by delegating the management of the portfolio to professional managers and regularly review their performance.

#### b) *Going concern*

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### c) *Funds structure*

The endowment funds represent the original capital gift to the charity, plus subsequent additions to the endowment, less amounts which have been transferred to the unrestricted funds for distribution. The trustees are entitled to use the endowment in furtherance of the general objectives of the charity at their discretion, and they transfer funds from the endowment to the unrestricted funds as required.

The trustees have transferred £28,933 (2023: £93,795) from the expendable endowment funds to cover the deficit on the unrestricted income funds.

Unrestricted funds represent the income arising from the endowment, and the trustees aim to expend the income for charitable purposes within a reasonable period of receipt.

#### d) *Income recognition*

All income is recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the income can be measured with sufficient reliability.

Dividend income and interest from investment managers is received gross and shown gross.



**The Kathleen Trust**  
**Notes to the Accounts**  
**for the year ended 5 April 2024**

**1. Accounting policies (continued)**

**e) *Expenditure recognition***

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

The trustees do not employ fundraisers and therefore the only cost of generating funds are the fees payable to the fund managers for the management and holding of the investments which produce the bulk of the charity's income.

During the year, the grants were paid in April and October to third parties in the furtherance of the charitable objectives of the Trust and included on a payment basis.

No remuneration has been paid to the trustees and they have not incurred any expenses during the year.

No staff are employed by the charity.

The costs of raising funds consist of investment management costs. **Charitable activities** Costs of charitable activities include grants made, governance costs and administration cost in the pursuit of the charitable objects of the Trust.

**g) *Cash at bank***

Cash at bank is held to meet the day to day running costs of the charity as they fall due.

**h) *Creditors***

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt.

**i) *Fixed asset investments***

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**j) *Realised gains and losses***

Realised gains represent the profit by comparing the net proceeds of sale of investment with the market value of that investment as at 5 April 2023 or subsequent cost.

Unrealised gains represent the difference in market value at 5 April 2024 as compared with the market value at 5 April 2023 or subsequent cost.

**The Kathleen Trust**  
**Notes to the Accounts**  
**for the year ended 5 April 2024**

**2. Related party transactions and trustees' expenses and remuneration**

The charity's trustees give their time freely and receive no remuneration for the work that they undertake as trustees. However, they can claim expenses to reimburse them for costs that they incur in fulfilling their duties. During the year the trustees' remuneration and re-imbursed costs were £nil (2023: £nil).

Felicity Rice is a partner of Currey & Co, Solicitors, who provide the legal services for the charity. Their fees for the year amounted to £2,064 including VAT (2023 : £7,482).

**3. Investment income**

|                  | <b>2024</b>   | <b>2023</b>   |
|------------------|---------------|---------------|
|                  | £             | £             |
| Dividends        | 32,024        | 33,224        |
| Deposit interest | 203           | 226           |
|                  | <u>32,227</u> | <u>33,450</u> |

**4. Cost of raising funds**

|                               | <b>2024</b>   | <b>2023</b>   |
|-------------------------------|---------------|---------------|
|                               | £             | £             |
| Investment management charges | <u>12,204</u> | <u>16,456</u> |

The investment management costs are all attributable to the endowment funds.

**5. Charitable activities**

|                       | <b>2024</b>   | <b>2023</b>    |
|-----------------------|---------------|----------------|
|                       | £             | £              |
| Charitable activities | <u>61,160</u> | <u>127,248</u> |

**The breakdown of charitable activities is as follow:**

|                      | <b>2024</b>   | <b>2023</b>    |
|----------------------|---------------|----------------|
|                      | £             | £              |
| Grants - see page 13 | <u>52,564</u> | <u>105,000</u> |
|                      | <u>52,564</u> | <u>105,000</u> |

The charity undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities.

**Analysis of charitable expenditure:**

| <b>Governance costs</b>            | <b>2024</b>   | <b>2023</b>    |
|------------------------------------|---------------|----------------|
|                                    | £             | £              |
| <b>Unrestricted income funds</b>   |               |                |
| Accountant's charges               | 4,098         | 11,016         |
| Independent examination fees       | 2,268         | 3,600          |
| Legal fees                         | 2,064         | 7,482          |
| Insurance premium                  | 151           | 135            |
| Bank charges                       | 15            | 15             |
|                                    | <u>8,596</u>  | <u>22,248</u>  |
| <b>Total Charitable activities</b> | <u>61,160</u> | <u>127,248</u> |

**The Kathleen Trust**  
**Notes to the Accounts**  
**for the year ended 5 April 2024**

**6. Fixed asset investments**

|   | <b>2024</b>      | <b>2023</b>      |
|---|------------------|------------------|
|   | <b>£</b>         | <b>£</b>         |
| <b>Quoted investments (at Market Value)</b> |                  |                  |
| Market value at 5 April 2023                | 1,475,937        | 1,701,465        |
| Additions                                   | 163,719          | 403,852          |
| Disposals                                   | (181,502)        | (515,464)        |
| Net realised investment gains/(losses)      | (3,497)          | (56,872)         |
| Net unrealised investment gains/ (losses)   | 62,808           | (57,044)         |
| Market value at 5 April 2024                | <u>1,517,465</u> | <u>1,475,937</u> |
| Historical cost at 5 April 2024             | <u>1,449,832</u> | <u>1,459,909</u> |

All investments are carried at their fair value. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at

The main risk to the Trust from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The charity manages these investment risks by retaining expert advisors.

**7. Tax recoverable**

|                    | <b>2024</b> | <b>2023</b> |
|--------------------|-------------|-------------|
|                    | <b>£</b>    | <b>£</b>    |
| UK tax recoverable | -           | 445         |
|                    | <u>-</u>    | <u>445</u>  |

**8. Liabilities: Amounts falling due within one year**

|                         | <b>2024</b>   | <b>2023</b>   |
|-------------------------|---------------|---------------|
|                         | <b>£</b>      | <b>£</b>      |
| Accountancy fees        | 7,182         | 7,656         |
| Legal fees              | -             | 1,248         |
| Investment manager fees | 3,117         | 3,080         |
|                         | <u>10,299</u> | <u>11,984</u> |

## The Kathleen Trust

### Notes to the Accounts for the year ended 5 April 2024

#### 9. Analysis of net assets between funds

|                            | Fixed Assets     | Net Current Assets | Total            |
|----------------------------|------------------|--------------------|------------------|
|                            | £                | £                  | £                |
| <b>2024</b>                |                  |                    |                  |
| Expendable Endowment Funds | 1,540,965        | 3,995              | 1,544,960        |
| Unrestricted Funds         | -                | -                  | -                |
| <b>Total</b>               | <u>1,540,965</u> | <u>3,995</u>       | <u>1,544,960</u> |
| <b>2023</b>                |                  |                    |                  |
| Expendable Endowment Funds | 1,499,437        | 28,232             | 1,527,669        |
| Unrestricted Funds         | -                | -                  | -                |
| <b>Total</b>               | <u>1,499,437</u> | <u>28,232</u>      | <u>1,527,669</u> |

#### 10. Violin and Bow

The trustees Salomon violin and Victor Fetique bow are still on loan to Mr Marius Stravinsky and both the violin and bow are appropriately insured.

# The Kathleen Trust

## Notes to the Accounts for the year ended 5 April 2024

### 11. Comparative fund split (Analysis of 2023 figures)

|  |             | <b>Expendable<br/>Endowment<br/>Funds</b> | <b>Unrestricted<br/>Income<br/>Funds</b> | <b>2023 Total</b> |
|--|-------------|---|--|-------------------|
| <b>Income and endowments</b>                 | <b>Note</b> | <b>£</b>                                  | <b>£</b>                                 | <b>£</b>          |
| <b>Income and endowments</b>                 |             |   |  |                   |
| Investment Income                            | <b>3</b>    | -   | 33,450                                   | 33,450            |
| Exchange rate gain                           |             | (102)                                     | -  | (102)             |
| Transfer between funds                       | <b>1b</b>   | (93,798)                                  | 93,798                                   | -                 |
| <b>Total income and endowments</b>           |             | <u>(93,900)</u>                           | <u>127,248</u>                           | <u>33,348</u>     |
| <b>Expenditure on:</b>                       |             |   |  |                   |
| Cost of raising funds                        | <b>4</b>    |   |  |                   |
| Investment management costs                  |             | 16,456                                    | -  | 16,456            |
| Charitable activities                        |             | -   | 127,248                                  | 127,248           |
| <b>Total expenditure</b>                     |             | <u>16,456</u>                             | <u>127,248</u>                           | <u>143,704</u>    |
|  |             | <u>(110,356)</u>                          | <u>-</u>                                 | <u>(110,356)</u>  |
| <b>Net gain/(loss) on listed investments</b> | <b>6</b>    | (113,916)                                 | -  | (113,916)         |
| <b>Net (expenditure)/income</b>              |             | <u>(224,272)</u>                          | <u>-</u>                                 | <u>(224,272)</u>  |
| <b>Reconciliation of funds</b>               |             |   |  |                   |
| <b>Total funds brought forward</b>           |             | <u>1,751,941</u>                          | <u>-</u>                                 | <u>1,751,941</u>  |
| <b>Total funds carried forward</b>           |             | <u>1,527,669</u>                          | <u>-</u>                                 | <u>1,527,669</u>  |

**The Kathleen Trust**  
**Notes to the Accounts**  
**for the year ended 5 April 2024**

| <b>12. Grants</b>                            | <b>2024<br/>£</b>         |
|--|---------------------------|
| <b>Grants to individuals (3)</b>             | 3,000                     |
| <b>Grants to institutions</b>                |                           |
| RWCMD Students' Union                        | 3,000                     |
| Royal Academy Of Music                       | 10,000                    |
| The Guildhall school trust                   | 11,000                    |
| The Henry C.Hoare charitable trust           | 3,564                     |
| The Royal College of Music                   | 15,000                    |
| The Royal Conservatoire                      | 2,000                     |
| Trinity college London                       | 3,000                     |
| Trinity Laban Conservatoire of Music & Dance | 2,000                     |
|  | <hr/> 49,564              |
| <b>Total grants per accounts</b>             | <hr/> <b>52,564</b> <hr/> |

All grants paid during the year are to institutions for the benefit of assisting young and impecunious musicians.