

Registered Charity Number 1086811

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

REPORT AND FINANCIAL STATEMENTS

For the year ended 5 April 2021

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THE ROBERT FLEMING HANNAY FLEMING MEMORIAL CHARITY

REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 5 APRIL 2021

The Robert Fleming Hannay Memorial Charity was established under a Trust Deed dated 1 August 2000, which determined the objects and powers. The Robert Fleming Hannay Memorial Charity is registered with the Charity Commission for England and Wales as Charity Number 1086811.

TRUSTEES

Fiona Elizabeth Hannay
Geoffrey Adrian Richards
Christian Alison Kathleen Ward

PRINCIPAL OFFICE

The Robert Fleming Hannay Memorial Charity
c/o RF Trustee Co. Limited
15 Suffolk Street
London
SW1Y 4HG

INDEPENDENT EXAMINER

N Finlayson FCA
Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

SOLICITORS

Bircham Dyson Bell LLP
50 Broadway
Westminster
London
SW1H 0BL

REGISTERED CHARITY NUMBER

1086811

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2021

The Trustees present their report along with the financial statements of the charity for the year ended 5 April 2021. The financial statements have been prepared in accordance with the Charity's Trust Deed, the Charities Act 2011, as amended, and the reviewed Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees who held office throughout the year are shown on page 1.

The Trust Deed stipulates that there shall be no less than two Trustees. New Trustees, when required, are selected by the serving Trustees and are appointed by a Resolution of existing Trustees. New Trustees undergo an induction to acquaint them with the activities of the charity.

No Trustee receives a fee for the service they provide to the charity, all time spent is donated free of charge.

The Trustees meet a minimum of two times a year.

RFT Management Services Limited provides the charity with charity administration and financial reporting services.

OBJECTS AND ACTIVITIES

The Charity's objects are the support such institutions and purposes which are charitable according to the law of England and Wales, in such manner and such proportions as the Trustees shall from time to time at their discretion decide.

The Trustees have been granted wide powers in furtherance of the Charity's objects.

GRANT MAKING POLICY

The Trustees consider applications and make grants they receive from various sources at the Trustee meetings. However, due to constraints on income, unsolicited applications can no longer be considered. Although some donations may be made to the same charities each year none shall be either promised or guaranteed.

The Trustees have considered the Charity Commission's general guidance on public benefit including the guidance 'public benefit: running a charity (PB2)'. In particular, the Trustees consider how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries.

ACHIEVEMENTS AND PERFORMANCE

During the year the Trustees made donations totalling £144,000 (2020 - £219,000) to other charitable organisations, as detailed in note 6.

In addition, the Trustees made donations totalling £105,000 in respect of ongoing grants agreed in prior years (and accrued in prior year accounts) to other charitable organisations.

The Trustees look forward to being able to continue their charitable work in the coming years in accordance with the grant making policy.

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2021 (CONT'D)

FINANCIAL REVIEW AND INVESTMENT POLICY

The Charity's principal source of income is from its investments which totalled £53,295 (2020 - £59,536). During the year the Trustees spent £152,605 (2020 - £230,001) on charitable activities and the governance and administration of the Charity.

The Trustees have an agreed an investment policy for the Charity's investment portfolio and have instructed the investment managers that the portfolio is to be invested to produce a suitable mixture of income and capital growth. The Trustees continue to monitor the performance of the portfolio with regular investment reports

To meet these objectives, the Charity's investments are managed across a range of asset classes, maintaining diversification, to produce an appropriate balance between risk and return.

FUTURE PLANS

The Trustees have carefully considered the impacts of coronavirus on the charity. Whilst the charity has no staff it has received confirmation from RFT Management Services Limited (RFTMS) who provide all charity administration and financial accounting services that RFTMS have taken necessary steps to protect their staff. The Trustees have and continue to follow Government advice and will monitor future developments closely.

The Trustees do not envisage any material changes to the operation of the Charity.

RESERVES POLICY

The capital is an expendable endowment, and, at this time, the Trustees do not consider a specific Reserve Policy necessary. However, to ensure there is cash available for any emergency the Trustees have instructed that £50,000 of the investment portfolio is held as "cash not for investment". At the Balance Sheet date, the reserves of the charity, including the expendable endowment, amounted to £2,180,531.

RISK MANAGEMENT

The Trustees have reviewed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate those risks. The principal risk faced by the Charity is an investment risk. This risk could be the reduction in the capital value of the investments and the income derived from the investments, required by the Trustees in meeting their charitable objectives. This risk has been addressed by the appointment of professional advisors to monitor investment performance and to decide on acquisitions and disposals

KEY MANAGEMENT PERSONNEL

The Trustees are considered to be the Key Management Personnel of the charity. The Trustees are not remunerated for their services and there are no paid staff employed. RFT Management Services Limited provides the Trustees with charity administration and financial reporting services.

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2021 (CONT'D)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' 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 and 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 for that period.

In preparing those 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;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure the financial statements comply with the Charities Act 2011, the Charities SORP and the provisions of the trust deeds. 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.

Approved by the Trustees and signed on their behalf by:



G A RICHARDS

Trustee

Dated 29 October 2021

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ROBERT FLEMING HANNAY MEMORIAL CHARITY FOR THE YEAR ENDED 5 APRIL 2021

I report to the trustees on my examination of the accounts of the Robert Fleming Hannay Memorial Charity for the year ended 5 April 2021.

Responsibilities and basis of report

As the trustees of the charity 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 Charity'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 Charity 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.

Moore Kingston Smith LLP

Neil Finlayson
Moore Kingston Smith LLP, Chartered Accountants
Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 2 November 2021

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2021

	NOTE	Expendable Endowment £	Income £	2021 Total Unrestricted Funds £	2020 Total Unrestricted Funds £
INCOME					
Investment Income	3	-	51,795	51,795	58,036
Rental Income	3	-	1,500	1,500	1,500
TOTAL INCOME		-	53,295	53,295	59,536
EXPENDITURE					
Cost of Generating Funds	4	24,970	-	24,970	25,289
Charitable activities	5	8,223	144,382	152,605	230,001
TOTAL EXPENDITURE		33,193	144,382	177,575	255,290
Gains/(Losses) on investments					
Realised	9	28,943	-	28,943	(5,514)
Unrealised	9	317,210	-	317,210	(320,796)
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		312,960	(91,087)	221,873	(522,064)
Gross transfers between funds	8	(91,087)	91,087	-	-
NET MOVEMENT IN FUNDS		221,873	-	221,873	(522,064)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,958,658	-	1,958,658	2,480,722
BALANCE CARRIED FORWARD		2,180,531	-	2,180,531	1,958,658

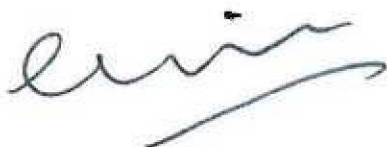
CONTINUING OPERATIONS: all of the charity's activities relate to continuing operations.

TOTAL RECOGNISED GAINS AND LOSSES: the charity has no recognised gains and losses other than those shown in the statement of financial activities.

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY**BALANCE SHEET AS AT 5 APRIL 2021**

	NOTE	2021 £	2020 £
FIXED ASSETS			
Investment property	9	225,002	225,002
Investments	9	2,014,981	1,845,244
		<u>2,239,983</u>	<u>2,070,246</u>
CURRENT ASSETS			
Debtors	10	10,846	1,813
Cash at Bank		16,238	102,784
		<u>27,084</u>	<u>104,597</u>
LIABILITIES			
Creditors: falling due within one year	11	(61,536)	(136,185)
NET CURRENT LIABILITIES		<u>(34,452)</u>	<u>(31,552)</u>
Creditors: falling due after one year	11	(25,000)	(80,000)
NET ASSETS	12	<u>2,180,531</u>	<u>1,958,658</u>
Representing:			
UNRESTRICTED FUNDS			
Endowment fund		2,180,531	1,958,658
Income		-	-
		<u>2,180,531</u>	<u>1,958,658</u>

Approved by the Trustees and signed on their behalf by:



G A RICHARDS
Trustee

Dated 29 October 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

1. ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and a registered charity and therefore has also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), and Charities Act 2011, as amended. The financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest pound.

(b) Going Concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees have carefully considered the impacts of coronavirus on the charity. Whilst the charity has no staff it has received confirmation from RFT Management Services Limited (RFTMS) who provide all charity administration and financial accounting services that RFTMS have taken necessary steps to protect their staff. The Trustees have and continue to follow Government advice and will monitor future developments closely. The most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets (see the investment policy and risk management sections of the Trustees' annual report for more information).

(c) Fund Structure

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

The Expendable Endowment Fund represents those assets which are held for the longer term for the Charity, in accordance with the terms of the Trust Deed. Income arising on the Expendable Endowment Fund can be used in the Unrestricted Income Fund. As an Expendable Endowment Fund can be used in accordance with the objects of the Charity and is included in the unrestricted funds, capital can also be spent in certain circumstances in fulfilment of the Trust's objects. Any capital gains or losses arising on the investments held in the Expendable Endowment Fund form part of that Fund.

(d) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

Investment Income

Investment income is accounted for when receivable and is stated gross of any reclaimable taxation relief.

Rental Income

Rental income is accounted for when receivable and is stated gross of any reclaimable taxation relief.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021 (CONT'D)

1. ACCOUNTING POLICIES (CONT'D)

(e) Expenditure

Liabilities are recognised 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 and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Costs of generating funds

The costs of generating funds consist of investment management and related costs.

Charitable Activities

Costs of charitable activities include grants made and support and governance costs. Donations payable are recognised when they are approved by the trustees and the recipient of the grant has been informed of the amount to be paid.

Support & Governance Costs

Support and Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include expenses related to the independent examiner's fee, professional fees, and support costs.

(f) Investment Property

Property is stated at market value at the balance sheet date. It is the policy of the trustees to revalue the property every 5 years, where they believe that a significant difference to carrying value has arisen.

(g) Fixed Asset Investments

Investments are valued at market value at the balance sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(h) Foreign Currencies

Transactions in foreign currencies are recognised at the rate of exchange at the date of transaction. Monetary assets and liabilities are translated into sterling at the rate of exchange on the balance sheet date. Exchange differences are recognised through the statement of financial activities.

(i) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

(j) Critical accounting estimates and areas of judgement

In preparing financial statements, it is necessary to make certain adjustments, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021 (CONT'D)

1. ACCOUNTING POLICIES (CONT'D)

(k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term deposits with a maturity date of three months or less.

(l) Financial Instruments

The charity has elected to apply the provisions of Section 11 Basic Financial Instruments of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. INFORMATION REGARDING TRUSTEES AND EMPLOYEES

In the financial year ended 5 April 2021 none of the trustees received any remuneration for their services in the year (2020- Nil). The Charity has no employees.

In the financial year ended 5 April 2021 no expenses were paid to the trustees in the year (2020 - £360).

The trustees are considered to comprise the Charity's key management.

3. INVESTMENT INCOME

	2021	2020
	£	£
Income from Investments	51,763	57,701
Interest on cash deposits	32	335
Rent Income receivable	1,500	1,500
	<u>53,295</u>	<u>59,536</u>

4. COSTS OF GENERATING FUNDS

	2021	2020
	£	£
Investment Management Fees (after rebates)	(41)	117
Custody & Administration Fees	4,731	4,892
Investment Advisor Fees	20,280	20,280
	<u>24,970</u>	<u>25,289</u>

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021 (CONT'D)

5. CHARITABLE ACTIVITIES

The charity undertook no direct charitable activities but awarded donations to in furtherance of its charitable activities as follows:-

	2021 £
The Royal College of Music Student Bursary Appeal	20,000
Holy Trinity Church Brompton	15,000
Klosters Alpine Concerts	10,000
MacMillan Cancer Support	10,000
Philharmonia Orchestra	10,000
The Children's Society	10,000
The English Concert	10,000
The Purcell School	10,000
The Royal College of Music – Student Hardship COVID Fund	10,000
Down Syndrome Association	5,000
Help Musician UK Hardship Fund	5,000
Young Classical Artist Hardship Fund	5,000
Anti Slavery International	4,000
Christian Aid	4,000
NSPCC	4,000
Save the Children Fund	4,000
Tearfund	4,000
Unicef	4,000
	144,000
Support and governance costs (see note 7)	8,605
	152,605

6. ANALYSIS OF DONATIONS MADE

	2021 No.	2020 No.	2021 £	2020 £
The prevention of relief of poverty	3	3	12,000	12,000
The advancement of religion	1	2	15,000	35,000
The advancement of education	4	5	50,000	135,000
The advancement of health or the saving of lives	3	3	18,000	18,000
The advancement of the arts, culture, heritage or science	5	1	40,000	10,000
The advancement of human rights, conflict resolution or reconciliation, or the promotion of religious or racial harmony or equality or diversity	1	1	4,000	4,000
The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	1	1	5,000	5,000
	18	16	144,000	219,000

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021 (CONT'D)

7. SUPPORT AND GOVERNANCE COSTS

			Unrestricted Expendable Endowment £	Unrestricted Income £	2021 Total £	2020 Total £
Independent Examiner's Fee- Current Year			4,000	-	4,000	4,000
Independent Examiner's Fee -prior year under accrual			(340)	-	(340)	1,200
Legal and Professional Fees			4,563	-	4,563	5,114
Travel Expenses			-	-	-	360
Bank Charges			-	382	382	327
			8,223	382	8,605	11,001

8. FUND TRANSFERS

The Trustees made a transfer of £91,087 (2020 - £160,151) from the Expendable Endowment Fund to the Income Fund in respect of the charitable activities.

9. FIXED ASSET INVESTMENTS

Investment property

	2021 £	2020 £
Value brought forward	225,002	225,002
Value carried forward	225,002	225,002

The Charity owns a 50% share of the property known as 10 Home Farm, Heddington, Wiltshire, from which rental income is receivable (note 3). The valuation of the property represents 50% of the initial purchase price paid in December 2013. The Trustees are of the opinion that the current market value is not materially different from the cost shown above.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021 (CONT'D)

9. FIXED ASSET INVESTMENTS (CONT'D)

Movement in fixed asset investments

	Unquoted Investments		Quoted Investments		Total	Total
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Market Value Brought Forward	28,583	50,527	1,816,661	2,298,960	1,845,244	2,349,487
Acquisitions at Cost	(1,224)	-	44,243	69,500	43,019	69,500
Less Disposal Proceeds	-	(22,507)	(219,435)	(224,926)	(219,435)	(247,433)
Realised gain/(loss) on disposals	-	374	28,943	(5,888)	28,943	(5,514)
Net (loss)/gain on revaluation	(6,201)	189	323,411	(320,985)	317,210	(320,796)
Market Value Carried Forward	21,158	28,583	1,993,823	1,816,661	2,014,981	1,845,244
<i>Historical Costs</i>	<i>45,587</i>	<i>46,607</i>	<i>1,885,180</i>	<i>1,976,677</i>	<i>1,930,767</i>	<i>2,023,284</i>
Geographical Analysis						
United Kingdom investments	7,951	10,748	1,914,152	1,718,907	1,922,103	1,729,655
Overseas investments	13,207	17,835	79,671	97,754	92,878	115,589
	21,158	28,583	1,993,823	1,816,661	2,014,981	1,845,244

The following investments comprise in excess of 5% of the value of the portfolio:

	Holding	Value (£)
Thesis Unit Management Ltd Northern Lights	1,377,710	1,650,748
FF&P Global Equities Fund II Class A Income	83,852	213,404

10. DEBTORS

	2021	2020
	£	£
Rent Due	1,813	1,813
Income Due	9,033	-
	10,846	1,813

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021 (CONT'D)

11. CREDITORS

Creditors Falling Due within one Year

	Unrestricted Expendable Endowment	Unrestricted Income	2021 Total
	£	£	£
Accruals	6,536	-	6,536
Grant Creditors	-	55,000	55,000
	<u>6,536</u>	<u>55,000</u>	<u>61,536</u>

	Unrestricted Expendable Endowment	Unrestricted Income	2020 Total
	£	£	£
Accruals	6,185	-	6,185
Grant Creditors	-	130,000	130,000
	<u>6,185</u>	<u>130,000</u>	<u>136,185</u>

Creditors falling due after one year

	Unrestricted Expendable Endowment	Unrestricted Income	2021 Total
	£	£	£
Grant Creditors	-	25,000	25,000
	<u>-</u>	<u>25,000</u>	<u>25,000</u>

	Unrestricted Expendable Endowment	Unrestricted Income	2020 Total
	£	£	£
Grant Creditors	-	80,000	80,000
	<u>-</u>	<u>80,000</u>	<u>80,000</u>

THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021 (CONT'D)

12. ANALYSIS OF CHARITABLE FUNDS

	Unrestricted Expendable Endowment	Unrestricted Income	2021 Total
	£	£	£
Investments	2,239,983	-	2,239,983
Debtors	10,846	-	10,846
Cash at bank	9,756	6,482	16,238
Creditors	(80,054)	(6,482)	(86,536)
	2,180,531	-	2,180,531

	Unrestricted Expendable Endowment	Unrestricted Income	2020 Total
	£	£	£
Investments	2,070,246	-	2,070,246
Debtors	1,813	-	1,813
Cash at bank	71,742	31,042	102,784
Creditors	(185,143)	(31,042)	(216,185)
	1,958,658	-	1,958,658

13. FUTURE COMMITMENTS

The Trustees have indicated an ongoing pledge of £15,000 per year to Holy Trinity Church, Brompton for the foreseeable future. This will be recognised each year as the amounts are paid.

14. RELATED PARTY TRANSACTIONS

Mr G A Richards is a member of the Council for The Royal College of Music to whom donations totalling £30,000 were paid during the year (2020: £20,000).