

Registered Charity Number 1086811

**THE ROBERT FLEMING HANNAY MEMORIAL CHARITY**

**REPORT AND FINANCIAL STATEMENTS**

For the year ended 5 April 2022

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## **THE ROBERT FLEMING HANNAY FLEMING MEMORIAL CHARITY**

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### **REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 5 APRIL 2022**

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 RFT Management Services Limited  
14 Buckingham Street  
London  
WC2N 6DF

#### **INDEPENDENT EXAMINER**

N Finlayson FCA  
Moore Kingston Smith LLP  
9 Appold Street  
London  
EC2A AAP

#### **SOLICITORS**

Bircham Dyson Bell LLP  
50 Broadway  
Westminster  
London  
SW1H 0BL

#### **REGISTERED CHARITY NUMBER**

1086811

## **TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2022**

The Trustees present their report along with the financial statements of the charity for the year ended 5 April 2022. 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.

## **TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2022 (CONT'D)**

### **ACHIEVEMENTS AND PERFORMANCE**

During the year the Trustees made donations totalling £129,000 (2021 - £144,000) to other charitable organisations, as detailed in note 6.

In addition, the Trustees made donations totalling £184,000 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.

### **FINANCIAL REVIEW AND INVESTMENT POLICY**

The Charity's principal source of income is from its investments which totalled £33,933 (2021 - £53,295). During the year the Trustees spent £138,326 (2021 - £152,605) 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 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 £2,142,342.

### **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

## THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

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### TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2022 (CONT'D)

#### 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.

#### 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

**INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF THE ROBERT FLEMING HANNAY MEMORIAL CHARITY  
FOR THE YEAR ENDED 5 APRIL 2022**

I report to the trustees on my examination of the accounts of the Robert Fleming Hannay Memorial Charity for the year ended 5 April 2022.

**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  
9 Appold Street  
London EC2A 2AP

Date: **1 November 2022**

# THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2022

	NOTE	Expendable Endowment £	Income £	2022 Total Unrestricted Funds £	2021 Total Unrestricted Funds £
<b>INCOME</b>					
Investment Income	3	-	32,746	32,746	51,795
Rental Income	3	-	1,187	1,187	1,500
<b>TOTAL INCOME</b>		-	33,933	33,933	53,295
<b>EXPENDITURE</b>					
Cost of Generating Funds	4	15,348	-	15,348	24,970
Charitable activities	5	8,346	129,980	138,326	152,605
<b>TOTAL EXPENDITURE</b>		23,694	129,980	153,674	177,575
Gains on investments					
Realised	9	9,091	-	9,091	28,943
Unrealised	9	72,461	-	72,461	317,210
<b>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</b>		57,858	(96,047)	(38,189)	221,873
Gross transfers between funds	8	(96,047)	96,047	-	-
<b>NET MOVEMENT IN FUNDS</b>		(38,189)	-	(38,189)	221,873
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		2,180,531	-	2,180,531	1,958,658
<b>BALANCE CARRIED FORWARD</b>		<b>2,142,342</b>	<b>-</b>	<b>2,142,342</b>	<b>2,180,531</b>

**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 2022

	NOTE	2022 £	2021 £
<b>FIXED ASSETS</b>			
Investment property	9	225,002	225,002
Investments	9	1,937,342	2,014,981
		<u>2,162,344</u>	<u>2,239,983</u>
<b>CURRENT ASSETS</b>			
Debtors	10	-	10,846
Cash at Bank		31,006	16,238
		<u>31,006</u>	<u>27,084</u>
<b>LIABILITIES</b>			
Creditors: falling due within one year	11	(26,008)	(61,536)
		<u>4,998</u>	<u>(34,452)</u>
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>			
Creditors: falling due after one year	11	(25,000)	(25,000)
<b>NET ASSETS</b>	12	<u>2,142,342</u>	<u>2,180,531</u>
Representing:			
<b>UNRESTRICTED FUNDS</b>			
Endowment fund		2,142,342	2,180,531
Income		-	-
		<u>2,142,342</u>	<u>2,180,531</u>

Approved by the Trustees and signed on their behalf by:



G A RICHARDS  
Trustee

24<sup>th</sup> ~~October~~ 2022  
Dated

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

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 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 2022 (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 2022 (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 2022 none of the trustees received any remuneration for their services in the year (2021- Nil). The Charity has no employees.

In the financial year ended 5 April 2022 one trustee had expenses totalling £580 reimbursed by the Charity in respect of meeting costs (2021 £nil).

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

**3. INVESTMENT INCOME**

	2022	2021
	£	£
Income from Investments	32,715	51,763
Interest on cash deposits	31	32
Rental Income	1,187	1,500
	<b>33,933</b>	<b>53,295</b>

**4. COSTS OF GENERATING FUNDS**

	2022	2021
	£	£
Investment Management Fees (after rebates)	(68)	(41)
Custody & Administration Fees	3,416	4,731
Investment Advisor Fees	12,000	20,280
	<b>15,348</b>	<b>24,970</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022 (CONT'D)

5. CHARITABLE ACTIVITIES

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

	2022 £
Cobbe Collection	25,000
Holy Trinity Church, Brompton	20,000
Hampshire Medical	10,000
Macmillian Cancer Support	10,000
The Children Society	10,000
The Purcell School	10,000
Downs Sydrome Association	5,000
Help Musician UK Hardship Fund	5,000
The Klosters Apline Concerts Verin	5,000
We hear you Why	5,000
Anti-Slavery International	4,000
Christian Aid	4,000
N.S.P.C.C	4,000
Tear Fund	4,000
(The) Save the Children Fund	4,000
UNICEF -UK	4,000
	<b>129,000</b>
<b>Support and governance costs (see note 7)</b>	<b>9,326</b>
	<b>138,326</b>

6. ANALYSIS OF DONATIONS MADE

	2022 No.	2021 No.	2022 £	2021 £
The prevention of relief of poverty	3	3	12,000	12,000
The advancement of religion	3	1	45,000	15,000
The advancement of education	1	4	20,000	50,000
The advancement of health or the saving of lives	4	3	28,000	18,000
The advancement of the arts, culture, heritage or science	4	5	15,000	40,000
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
	<b>17</b>	<b>18</b>	<b>129,000</b>	<b>144,000</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022 (CONT'D)

7. SUPPORT AND GOVERNANCE COSTS

			Unrestricted Expendable Endowment £	Unrestricted Income £	2022 Total £	2021 Total £
Independent Examiner's Fee- Current Year			4,000	-	4,000	4,000
Independent Examiner's Fee -prior year under accrual			(220)	-	(220)	(340)
Legal and Professional Fees			4,566	-	4,566	4,563
Travel Expenses			-	580	580	-
Bank Charges			-	400	400	382
			<b>8,346</b>	<b>980</b>	<b>9,326</b>	<b>8,605</b>

8. FUND TRANSFERS

The Trustees made a transfer of £96,047 (2021 - £91,087) from the Expendable Endowment Fund to the Income Fund in respect of the charitable activities.

9. FIXED ASSET INVESTMENTS

Investment property

	2022 £	2021 £
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.

# THE ROBERT FLEMING HANNAY MEMORIAL CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022 (CONT'D)

### 9. FIXED ASSET INVESTMENTS (CONT'D)

#### Movement in fixed asset investments

	Unquoted Investments		Quoted Investments		Total	Total
	2022	2021	2022	2021	2022	2021
	£	£	£	£	£	£
Market Value Brought Forward	21,158	28,583	1,993,823	1,816,661	2,014,981	1,845,244
Acquisitions at Cost	-	(1,224)	103,000	44,243	103,000	43,019
Less Disposal Proceeds	(10,277)	-	(251,914)	(219,435)	(262,191)	(219,435)
Realised gain on disposals	837	-	8,254	28,943	9,091	28,943
Net (loss)/gain on revaluation	(8,118)	(6,201)	80,579	323,411	72,461	317,210
<b>Market Value Carried Forward</b>	<b>3,600</b>	<b>21,158</b>	<b>1,933,742</b>	<b>1,993,823</b>	<b>1,937,342</b>	<b>2,014,981</b>
<i>Historical Costs</i>	<i>34,433</i>	<i>45,587</i>	<i>1,811,097</i>	<i>1,885,180</i>	<i>1,845,530</i>	<i>1,930,767</i>
<b>Geographical Analysis</b>						
United Kingdom investments	35	7,951	1,886,910	1,914,152	1,886,945	1,922,103
Overseas investments	3,565	13,207	46,832	79,671	50,397	92,878
	<b>3,600</b>	<b>21,158</b>	<b>1,933,742</b>	<b>1,993,823</b>	<b>1,937,342</b>	<b>2,014,981</b>

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	1,723,766
TM Stonehage Fleming GBL Equities A INC	27,036	113,144

### 10. DEBTORS

	2022	2021
	£	£
Rent Due	-	1,813
Income Due	-	9,033
	<b>-</b>	<b>10,846</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022 (CONT'D)

11. CREDITORS

Creditors Falling Due within one Year

	Unrestricted Expendable Endowment £	Unrestricted Income £	2022 Total £
Accruals	6,008	-	6,008
Grant Creditors	-	20,000	20,000
	<u>6,008</u>	<u>20,000</u>	<u>26,008</u>

  

	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>

Creditors falling due after one year

	Unrestricted Expendable Endowment £	Unrestricted Income £	2022 Total £
Grant Creditors	-	25,000	25,000
	<u>-</u>	<u>25,000</u>	<u>25,000</u>

  

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



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022 (CONT'D)**

**12. ANALYSIS OF CHARITABLE FUNDS**

	Unrestricted Expendable Endowment £	Unrestricted Income £	2022 Total £
Investments	2,162,344	-	2,162,344
Cash at bank	16,616	14,390	31,006
Creditors	(36,618)	(14,390)	(51,008)
	<b>2,142,342</b>	<b>-</b>	<b>2,142,342</b>

  

	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)
	<b>2,180,531</b>	<b>-</b>	<b>2,180,531</b>

**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 £nil were paid during the year (2021: £30,000).