

**Reading Real Estate Foundation**

**Charity Number 1092627**

**Company Number 04347140**

**Annual Report and Financial Statements**

**For the Year Ended 31 July 2021**

**Reading Real Estate Foundation**  
**Contents**  
**For the Year ended 31 July 2021**

	Page
Charity information	3
Trustees' Report	4-9
Statement of trustees' responsibilities	10
Independent auditor's report	11-15
Statement of financial activities	16
Balance sheet	17
Notes to the financial statements	18-28

## **Reading Real Estate Foundation**

### **Charity information**

**For the Year ended 31 July 2021**

#### **Trustees**

Mr D Atkins

Ms S Clayton

Ms S Foley Chair

Professor V Gibson

Mrs C Hughes (until 1 January 2021)

Mr P Allen

Ms K S Norton

Mr C M Taylor

Mr S Lancaster

Mr B Laxton

Mr J M Ridley

Professor K Pain

Professor C Collins (until 5 November 2020)

Associate Professor Shaheena Janjuha-Jivraj (until 1 March 2021)

Professor G Marcato (from 1 January 2021)

Professor K Akrivou (from 9 February 2022)

#### **Registered & Principal office**

University of Reading

PO Box 217

Whiteknights House (G11)

Whiteknights

Reading

Berkshire

RG6 6AH

#### **Charity registered number**

1092627

#### **Company registered number**

04347140

#### **Country of incorporation**

United Kingdom

#### **Auditor**

Deloitte LLP

3 Victoria Square, Victoria St, St Albans, AL1 3TF

#### **Banker**

Barclays Bank plc

90-93 Broad Street, Reading, RG1 2AP

## **Reading Real Estate Foundation**

### **Trustees' Report**

The trustees of Reading Real Estate Foundation ('the charity') present their report and the audited financial statements of the charity for the year ended 31 July 2021. This report also constitutes a Directors' report as required by company law as the charity is a charitable company.

### **Structure and legal status**

The charity is registered with the Charity Commission (since 26 January 2002) and is also a private company limited by guarantee. It was registered on 4 January 2002 in England and is governed by its memorandum and articles of association. The exemptions for small companies have been taken in relation to the strategic and trustees' report. Each member of the charity's liability is limited to £1 in the event of winding up. The sole member is currently the University of Reading ('the University'). The names of the members of the Council of the University can be obtained from its financial statements. Details about the trust are disclosed on page 3.

The trustees, who are also directors for company law purposes, are listed on page 3. As set out in the articles of association, new trustees may be appointed by an ordinary resolution of members or by a decision of the trustees. They have no fixed term of appointment. They receive a copy of 'The Essential Trustee: What you need to know' and receive a copy of the charity's memorandum and articles of association. The University has the right to nominate a majority of the trustees. None of the trustees held any disclosable interest in the charity.

### **Objectives and aims**

The objective of the charity is the advancement of education in the art and science of real estate at the University.

The aims of the charity are:

- to strengthen the links between the Department of Real Estate and Planning at the University and the Real Estate industry through an active and engaged alumni community;
- to support the department and the industry in widening participation to Real Estate programmes;
- to help support and develop the quality of real estate education at the University; and
- to help maintain the position of the University as a centre of excellence for real estate education and research and to raise awareness of this worldwide.

The strategic approach to achieving these aims is led by the Board of Trustees made up of representatives from the real estate industry, Henley Business School and the University of Reading. Through close collaboration with the Department of Real Estate & Planning and through the Board of Trustees' subcommittees, which are run by volunteers who are leaders in the industry, the charity develops and delivers activities that serve the purpose of enhancing education and research and strengthening links with the industry.

## **Reading Real Estate Foundation**

### **Trustees' Report (continued)**

#### **Operation of the charity**

The Board of Trustees meets three times per year to oversee the running of the charity. The Management Group meet more regularly to conduct the business of the charity. The Management Group comprises the Executive Director (although not a formally appointed company director), Jean-Pierre Choulet, who has general oversight of the charity and Kerry Johnston who leads the charity on a day-to-day basis.

A budget is set for each academic year setting out the income and expenditure targets for the charity, including specific targets for certain projects. The income budget is broken down by type of income (i.e., fundraising and events), whilst the expenditure budget includes specific targets for areas such as bursaries & awards, student activities, research and academic support and events. These targets are presented to the Board of Trustees at the start of the academic year with progress updates provided at each meeting.

The Management Group meets regularly to:

- monitor income, expenditure and targets for the year;
- ensure that best practice guidelines are achieved as agreed by the Board of Trustees; and
- ensure that Charity Commission standards are complied with.

The Management Group keeps overheads and expenses not directly related to a particular event or educational activity to a minimum.

#### **Policy for awarding grants, scholarships and bursaries**

The charity awards grants, scholarships and bursaries to students of the Department of Real Estate and Planning at the University. The Disbursement Committee meets at least twice a year to review applications and to award funds. Applications are carefully reviewed according to agreed guidelines. Awards adhere to levels for each individual; agreed with the Board of Trustees. In academic year 2020/21 the Committee was chaired by Cathy Hughes until 1 January 2021, when she was replaced by Gianluca Marcato (Head of Department for Real Estate & Planning, Henley Business School, and RREF Trustee), and key staff from the Department of Real Estate & Planning.

#### **Political donations**

The charity made no political donations in the current or previous year.

#### **Sources of funding**

The charity receives funding from corporate sponsors and patrons as well as individual donors including alumni. It also generates income from fundraising events.

#### **Review of activities and financial performance**

The charity recorded net income of £153,927 for the year to 31 July 2021 (2020: net income of £18,445).

## **Reading Real Estate Foundation**

### **Trustees' Report (continued)**

Total income for the year was £638,642 (2020: £592,951) which included a donation of £114,507 from the University (£100,982 in respect of staff salaries and £13,525 in respect of rent).

Income from grants and donations increased by £50,073. This is primarily due to an increase in Pathways to Property income which totalled £312,119 (2020: £272,600).

However, continued difficult trading conditions in the Real Estate industry did not allow for a growth in financial support in other areas. This is an area the Management Group has under review, with plans in place to revise expenditure/commitments as appropriate.

Activities for generating funds, such as events, raised £365 (2020: £840), as restrictions on face-to-face activities because of COVID-19 prevented a number of events from taking place.

Total expenditure for the year was £484,715 compared to £574,506 in 2020, due mainly to a decrease in awards, grants and bursaries to £100,295 (2020: £135,931) and a decrease in the expenditure associated with student activities by £16,578.

To further the objectives of the charity as outlined on page 4, the charity continued to deliver on key initiatives such as the Mentoring Programme with support from alumni and professionals in the real estate and planning industry. The charity also continued to support activities such as Mock Assessment Days, alongside the annual Real Estate and Planning Careers Fair and evening lecture series. This has contributed to the continuing development of the curriculum and the ongoing ability of the University to produce highly employable Real Estate and Planning graduates. During the year, the charity continued to support an initiative focused on resilience to support students in the area of mental health.

The charity continues to build on the successful Pathways to Property project, now in its eighth year, in partnership with over 20 other real estate firms, with the objective of widening access to the Real Estate industry and raising awareness of Real Estate as a profession and subject of study. In July 2021, 103 students (2020: 97 students) participated in the eighth Pathways to Property Summer School. This year, due to the restrictions in place, the event was held online with content spanning 3 days, and including taster lectures, virtual site visits, careers advice and university life sessions as well as a group project.

### **Financial position and reserves**

The charity had net current assets of £1,252,355 at 31 July 2021 (2020: £1,098,428). The amount owed to the charity by the University at 31 July 2021 was £1,284,209 (2020: £1,110,923).

The trustees aim to retain a reserve for committed costs, such as the ongoing provision of bursaries and awards, and for protection against fluctuations in income. A period of twelve months has been adopted as an appropriate minimum level of reserves.

The total reserves of the charity at 31 July 2021 were £1,252,355 (2020: £1,098,428). This included restricted funds of £864,105 (2020: £736,977) in respect of Pathways to Property, the George Fiennes Bursary and other restricted donations. Unrestricted funds totalled £388,250 (2020: £361,451).

## **Reading Real Estate Foundation**

### **Trustees' Report (continued)**

#### **Public benefit**

The trustees of the charity have due regard to the Charity Commission's public benefit guidance. All charities must have charitable purposes and apply them for the public benefit. The charity's core charitable purpose is to support and develop the quality of real estate education and research at the University. Key activities in the year to ensure the delivery of core objectives included:

- the provision of bursaries to students in financial need and grants to students suffering hardship;
- events to strengthen the link between industry and the Department of Real Estate and Planning;
- organising seminars and a series of evening lectures in which industry speakers gave students insight into the real estate industry and prevailing market issues;
- expanding the membership of the charity's mentoring scheme network through which members are encouraged to offer expert advice and guidance to students;
- raising awareness of real estate as a profession to a wider audience of school and college pupils in state schools.

#### **Fundraising**

The charity has a fundraising strategy aimed at delivering its fundraising targets through different streams of income, mainly corporate fundraising and individual fundraising. Funds raised during the year (excluding donations from the University) totalled £522,979 against a target of £496,728 and the previous year's total of £492,844.

Fundraising activities are carried out by professional fundraisers within the charity and by volunteers managed by the charity. No commercial participators are engaged. The charity does not undertake any mass fundraising activities aimed at the general public. Individuals approached for fundraising purposes are typically already engaged with the charity and are under no undue pressure to donate. During the year 461 volunteers assisted the charity in its fundraising and mentoring efforts by providing generally several hours of service each.

The individual heading the charity's fundraising function, under the management of the charity's Executive Director, is a member of the Institute of Fundraising and holds a Certificate in Fundraising awarded by the Institute of Fundraising.

The internal fundraising function of the charity is under the management of the charity's Executive Director. The Executive Director is also a member of the Development Committee, a body comprising volunteer fundraisers, chaired by one of the charity's trustees.

No complaints were received by the charity in respect of fundraising during the year.

**Reading Real Estate Foundation**  
**Trustees' Report (continued)**

**Risk management**

The trustees give due consideration to the major risks to which the charity is exposed, in particular those related to operations and finances. The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

The loss of funding from major corporate patrons is the main risk which would reduce the charity's income. To alleviate this risk, the charity continually uses the alumni sub-boards and committees to drive activities forward and to recruit supporters and sponsors. The charity continues to improve the events and activities that it organises in order to continue drawing in funding, and sponsorships.

**Plans for future periods**

The charity plans to continue with the current student initiatives and bursary funding. Alongside this, the management team is currently identifying potential areas of future support and funding in the areas of teaching & learning, research initiatives and international opportunities for students.

The Pathways to Property Project Board is currently reviewing project activity with a view to expanding the reach of the project. A focus for the project is to increase the number of students going on to study or work in property after attending the summer school, and to develop a community of students who have been through the programme in order that they may support each other as they enter the industry.

More broadly, the charity is developing opportunities to engage with smaller organisations and start-ups, both financially and through volunteering, in order to ensure it can adapt its activities and stay relevant to a changing industry.



**Reading Real Estate Foundation**  
**Trustees' Report (continued)**

**Going Concern**

The charity has significant unrestricted reserves accumulated from historical surpluses and it has net current assets. The trustees do not believe that any material uncertainties exist as to the ability of the charity to continue as a going concern for the foreseeable future.

**Statement of disclosure of information to auditor**

The trustees who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and each trustee has taken all the steps that he/she ought to have taken as a trustee to make him/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

Approved for issue by the Board of Trustees



Samantha Foley  
Director and Trustee  
29 April 2022

## **Reading Real Estate Foundation**

### **Statement of trustees' responsibilities**

The trustees (who are also directors of Reading Real Estate Foundation for the purposes of company law) 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **Reading Real Estate Foundation**

### **Independent auditor's report to the members of Reading Real Estate Foundation**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Reading Real Estate Foundation (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of financial activities;
- the balance sheet; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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.

We are independent of the charitable company 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's') 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 trustees' 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **Reading Real Estate Foundation**

### **Independent auditor's report to the members of Reading Real Estate Foundation (continued)**

#### **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 trustees are 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 our 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 course of 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are 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 trustees determine 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the charitable company or to cease operations, or have 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Reading Real Estate Foundation**

### **Independent auditor's report to the members of Reading Real Estate Foundation (continued)**

#### **Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act and UK Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- The risk that donation income is incomplete: We tested the completeness of donation income by tracing a cash receipt sample through to where these had been recognised in income during the year.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and

## **Reading Real Estate Foundation**

### **Independent auditor's report to the members of Reading Real Estate Foundation (continued)**

- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption in preparing the trustees' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

## **Reading Real Estate Foundation**

### **Independent auditor's report to the members of Reading Real Estate Foundation (continued)**

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ben Sheriff FCA  
(Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
St Albans, UK  
29 April 2022

**Reading Real Estate Foundation**

**Statement of financial activities (including income and expenditure account)**

**For the Year ended 31 July 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 (Note 17) £
<b>Income</b>					
Grants and donations	3	306,322	331,164	637,486	587,413
Charitable activities	4	365	-	365	840
Interest receivable	5	791	-	791	4,698
<b>Total income</b>		<b>307,478</b>	<b>331,164</b>	<b>638,642</b>	<b>592,951</b>
<b>Expenditure</b>					
Raising funds	6	15	-	15	1,211
Charitable activities	7	265,797	190,264	456,061	505,261
Other expenditure	8	14,867	13,772	28,639	68,034
<b>Total expenditure</b>		<b>280,679</b>	<b>204,036</b>	<b>484,715</b>	<b>574,506</b>
<b>Net income and net movement in funds for the year</b>		<b>26,799</b>	<b>127,128</b>	<b>153,927</b>	<b>18,445</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		361,451	736,977	1,098,428	1,079,983
<b>Total funds carried forward</b>		<b>388,250</b>	<b>864,105</b>	<b>1,252,355</b>	<b>1,098,428</b>

The statement of financial activities includes all gains and losses recognised in the year. All items of income and expenditure derive from continuing activities.

The accompanying accounting policies and notes form part of these financial statements.



**Reading Real Estate Foundation**

**Company Number 04347140**

**Balance sheet as at 31 July 2021**

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	10	1,307,299	1,124,162
Cash at bank and in hand		4,523	15,743
		<hr/> 1,311,822	<hr/> 1,139,905
<b>Creditors:</b>			
Amounts falling due within one year	11	(59,467)	(41,477)
		<hr/> 1,252,355	<hr/> 1,098,428
<b>Net current assets being total assets less current liabilities, being net assets</b>			
<b>The funds of the charity:</b>			
Restricted income funds	12	864,105	736,977
Unrestricted funds	13	388,250	361,451
		<hr/> 1,252,355	<hr/> 1,098,428
<b>Total charity funds</b>			

The accompanying accounting policies and notes form part of these financial statements.

The financial statements on pages 16 to 28 were approved by the Board of Trustees and signed on its behalf by:



Samantha Foley  
Director and Trustee  
29 April 2022

## Reading Real Estate Foundation

### Notes to the financial statements

#### 1. Accounting policies

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* (Charities SORP (FRS 102)) effective from 1 January 2019, *the Financial Reporting Standard applicable in the UK and Republic of Ireland* (FRS 102) and the *Companies Act 2006*.

The charity meets the definition of a public benefit entity under FRS 102, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently thirteen Trustees. The sole member of the company is the University. Each member's liability in the event of winding up is limited to £1. The charity is a registered charity. The registered office is given on page 3.

Assets and liabilities are initially recognised at historical cost or transaction value. The financial statements have been prepared on the going concern basis which the trustees believe to be appropriate.

A summary of the primary accounting policies is set out below:

##### a. Income

Income is recognised when the charity is entitled to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Grant income is recognised when the charity is entitled to the funds and any performance-related conditions have been met. Income received in advance of performance-related conditions is deferred on the balance sheet and released in line with such conditions being met.

Donation income is a type of non-exchange transaction without performance-related conditions. Donations are recognised as income when the charity is entitled to the funds. Where donations have donor-imposed restrictions, they are recognised as income when the charity is entitled to the funds and the income is retained within a restricted reserve until such time as it is utilised in line with the restrictions. The charity takes an exemption from providing the names of grant recipients, and the amounts of such grants, during the lifetime of the settlor who donated the funds from which the grants are paid, or during the lifetime of any spouse or civil partner of the settlor.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market. A corresponding amount is then recognised in expenditure in the period of receipt. In accordance with the Charities SORP (FRS 102), time given by volunteers is not recognised as income.

## **Reading Real Estate Foundation**

### **Notes to the financial statements (continued)**

#### **1. Accounting policies (continued)**

Income received in advance for specific events is deferred until the time of the event.

Interest receivable is credited to the statement of financial activities on a receivable basis.

#### **b. Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Where possible, expenditure is allocated to the fundraising or charitable activity to which it relates. Staff costs are included within expenditure on charitable activities since most of their time is spent on these activities. Other support costs which assist the work of the charity but do not directly relate to identifiable charitable activities are classified as other expenditure.

Short-term employment benefits such as salaries and compensated absences are recognised as an expense in the period in which the employees render service to the charity. Any unused benefits are accrued and measured as the additional amount the charity expects to pay as a result of the unused entitlement.

Contributions to defined contribution pension schemes are recognised as an expense in the period during which services are rendered by employees. Differences between contributions payable in the year and contributions actually paid are shown as accruals in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

#### **c. Tax**

The charity is considered to pass the tests set out in Paragraph 1 of Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The charity is partially exempt in respect of Value Added Tax, so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs.

## **Reading Real Estate Foundation**

### **Notes to the financial statements (continued)**

#### **1. Accounting policies (continued)**

##### **d. Fund accounting**

Unrestricted funds are funds which are available to spend on activities that further the objectives of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by either the donor or by the terms of an appeal for funds. The costs of raising and administering such funds are charged against the specific fund.

##### **e. Financial instruments**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### **f. Liabilities**

A liability is recognised where the charity has a present obligation to act or perform in a particular way. The obligation may be either a legal obligation or a constructive obligation. Where there is uncertainty over the amount or timing of a liability, it is classified as a provision. All other liabilities are classified as creditors.

#### **2. Critical accounting judgements and key sources of estimation uncertainty**

In preparing financial statements, judgements have to be made in determining the most appropriate methods of applying the charity's accounting policies to the economic transactions which arise during the year. It is also necessary to make assumptions about the future in determining the values of assets and liabilities at the balance sheet date. The trustees believe there are no areas where critical accounting judgements are required and there are no areas of estimation uncertainty.

## Reading Real Estate Foundation

### Notes to the financial statements (continued)

#### 3. Income from grants and donations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Corporate gifts	45,152	-	45,152
Pathways to Property	-	312,119	312,119
George Fiennes bursaries	-	12,500	12,500
P Byrne Fund	-	295	295
David Robins Town & Country Planning Research Fund	-	6,250	6,250
Donations from the University	114,507	-	114,507
Other donations	129,960	-	129,960
Awards and grant contributions	1,500	-	1,500
Other income	15,203	-	15,203
	<b>306,322</b>	<b>331,164</b>	<b>637,486</b>

  

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Corporate gifts	45,000	-	45,000
Pathways to Property	-	272,600	272,600
George Fiennes bursaries	-	15,000	15,000
P Byrne Fund	-	405	405
REP Innovation Fund	-	7,031	7,031
Donations from the University	94,569	-	94,569
Other donations	133,891	-	133,891
Awards and grant contributions	2,500	-	2,500
Other income	16,417	-	16,417
	<b>292,377</b>	<b>295,036</b>	<b>587,413</b>

Income from grants and donations includes restricted income in relation to the Pathways to Property initiative, the REP Innovation Fund and other donations. More information on these is provided in note 12. The charity has not received any government grants (2020: nil).

The charity benefits greatly from the involvement and support of its volunteers. In accordance with the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

## Reading Real Estate Foundation

### Notes to the financial statements (continued)

#### 4. Income from charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Breakfast forums	365	840
	<u>365</u>	<u>840</u>

The RREF Annual (Gala) Dinner did not take place in 2020/21 or 2019/20.

#### 5. Interest receivable

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest received from the University	791	4,698

The charity operates a pooled banking arrangement with the University and receives interest on the funds held on its behalf by the University. The interest rate is based on the return achieved by the University on short-term deposits.

#### 6. Expenditure on raising funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Breakfast forums	15	16
Stewardship	-	1,195
	<u>15</u>	<u>1,211</u>

Due to COVID-19 restrictions no face-to-face event activity took place in 2020/21

## Reading Real Estate Foundation

### Notes to the financial statements (continued)

#### 7. Expenditure on charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Grant awards and bursaries to individuals	100,295	-	100,295
Student and graduate events	1,669	-	1,669
Research funding	10,949	-	10,949
Pathways to Property	-	72,314	72,314
George Fiennes bursaries	-	15,004	15,004
P Byrne Fund	-	1,506	1,506
David Robins Town & Country Planning Research Fund	-	3,695	3,695
Pathways to Property staff costs	-	97,745	97,745
Staff costs	152,884	-	152,884
Other	-	-	-
	<u>265,797</u>	<u>190,264</u>	<u>456,061</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Grant awards and bursaries to individuals	135,931	-	135,931
Student and graduate events	18,247	-	18,247
Research funding	510	-	510
Pathways to Property	-	80,089	80,089
George Fiennes bursaries	-	30,000	30,000
P Byrne Fund	-	2,006	2,006
David Robins Town & Country Planning Research Fund	-	9,244	9,244
Pathways to Property staff costs	-	83,506	83,506
Staff costs	138,423	-	138,423
Other	7,305	-	7,305
	<u>300,416</u>	<u>204,845</u>	<u>505,261</u>

Grant awards and bursaries to students in financial need are a key part of the activities of the charity and aim to widen access to learning and research in real estate and planning at the University.

The support and governance costs of the Charity are borne by the University, and it is not practical to allocate these costs across the activities of the Charity.

## Reading Real Estate Foundation

### Notes to the financial statements (continued)

#### 8. Other expenditure

	Total funds 2021 £	Total funds 2020 £
Finance charge from the University	22,219	34,560
Auditor's remuneration – auditing of financial statements	2,760	2,760
Rental charge	13,525	13,525
Other	(9,865)	17,189
	<u>28,639</u>	<u>68,034</u>

#### 9. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2021 £	2020 £
<i>Staff costs</i>		
Salaries and wages	201,575	179,197
Social security costs	19,176	15,534
Pension costs	29,878	27,198
	<u>250,629</u>	<u>221,929</u>

No employees had employee benefits in excess of £60,000 (2020: nil employees). The staff costs disclosed relate to staff who have worked for the charity but have employment contracts with the University of Reading who are a related party.

The monthly average staff headcount was 8 (2020: 7).

The trustees were not paid and did not receive any other benefits from employment with the charity in the year (2020: £nil) and neither were they reimbursed expenses during the year (2020: £nil). No trustee received payment for professional or other services supplied to the charity (2020: £nil). The trustees are considered to be the key management personnel of the charity.

#### 10. Debtors

	2021 £	2020 £
Trade debtors	23,089	13,239
Amounts due from the University	1,284,210	1,110,923
	<u>1,307,299</u>	<u>1,124,162</u>

All debtors are due within one year. The amounts due from the University are repayable on demand and attract interest at the rate the University obtains for short term deposits.



## Reading Real Estate Foundation

### Notes to the financial statements (continued)

#### 11. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	-	-
Taxation and social security	100	2,019
Accrued expenditure	59,367	32,958
Deferred income	-	6,500
	<u>59,467</u>	<u>41,477</u>

The movements in deferred income during the period were as follows:

	2021	2020
	£	£
At 1 August	6,500	10,000
Utilised	(6,500)	(10,000)
Income received in advance	-	6,500
At 31 July	<u>-</u>	<u>6,500</u>

Both the prior year and current year balances relate to donations received.

#### 12. Analysis of movements in restricted funds

	Balance at 1 August 2020	Incoming resources	Resources expended	Balance at 31 July 2021
	£	£	£	£
Pathways to Property	637,998	312,119	(164,396)	785,721
George Fiennes Bursary	16,325	12,500	(15,004)	13,821
REP Innovation Fund	50,586	-	(18,006)	32,580
David Robins Town & Country	26,159	6,250	(5,124)	27,285
Other Funds	5,909	295	(1,506)	4,698
	<u>736,977</u>	<u>331,164</u>	<u>(204,036)</u>	<u>864,105</u>

	Balance at 1 August 2019	Incoming resources	Resources expended	Balance at 31 July 2020
	£	£	£	£
Pathways to Property	533,052	272,600	(167,654)	637,998
George Fiennes Bursary	31,325	15,000	(30,000)	16,325
REP Innovation Fund	43,555	7,031	-	50,586
David Robins Town & Country	48,856	-	(22,697)	26,159
Other Funds	7,510	405	(2,006)	5,909
	<u>664,298</u>	<u>295,036</u>	<u>(222,357)</u>	<u>736,977</u>

## Reading Real Estate Foundation

### Notes to the financial statements (continued)

#### 12. Analysis of movements in restricted funds (continued)

Pathways to Property is an initiative which aims to encourage Year 12 students in UK state schools and colleges to find out more about a career in the property sector. The initiative is supported by many leading organisations in the Real Estate industry including British Land, Landsec and SEGRO, The Sutton Trust and other charitable trusts.

The George Fiennes Bursary is used to recognise academic excellence and provide support for Real Estate & Planning students.

The REP Innovation Fund has been set up to foster innovation in teaching & learning and research in Real Estate at Henley Business School, University of Reading.

The David Robins Town and Country Planning Research Fund has been set up in the memory of alumnus David Robins, to support the development of outstanding research in Town and Country Planning at the School of Real Estate & Planning, Henley Business School, University of Reading.

#### 13. Analysis of movements in unrestricted funds

	Balance at 1 August 2020 £	Incoming resources £	Resources expended £	Balance at 31 July 2021 £
General fund	361,451	307,477	(280,678)	388,250
	361,451	307,477	(280,678)	388,250

	Balance at 1 August 2019 £	Incoming resources £	Resources expended £	Balance at 31 July 2020 £
General fund	415,685	297,915	(352,149)	361,451
	415,685	297,915	(352,149)	361,451

## Reading Real Estate Foundation

### Notes to the financial statements (continued)

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

	General funds 2021 £	Restricted funds 2021 £	Total 2021 £
Current assets	432,071	879,751	1,311,822
Creditors due within one year	(43,821)	(15,646)	(59,467)
	<u>388,250</u>	<u>864,105</u>	<u>1,252,355</u>

	General funds 2020 £	Restricted funds 2020 £	Total 2020 £
Current assets	397,471	742,434	1,139,905
Creditors due within one year	(36,020)	(5,457)	(41,477)
	<u>361,451</u>	<u>736,977</u>	<u>1,098,428</u>

#### 15. Ultimate parent undertaking

These financial statements have been presented in respect of an individual company, Reading Real Estate Foundation, a wholly owned subsidiary undertaking of the University of Reading. The smallest and largest group to consolidate these results is the University of Reading. Control can be exercised by the University of Reading as it has the power to appoint and remove Trustees. The consolidated financial statements of the University of Reading can be obtained from the University of Reading, PO Box 217, Whiteknights, Reading, RG6 6AH, which is the registered office address, or on the University's website.

Since the company meets the definition of a qualifying entity under FRS 102 and is included in the consolidated financial statements of the University, the company has taken certain disclosure exemptions available under FRS 102 including:

- Exemption from presenting a statement of cash flows
- Exemption from disclosing key management personnel compensation
- Exemption from disclosing transactions entered into with the University and its wholly owned subsidiaries
- Exemptions from financial instrument disclosures

#### 16. Related party transactions

The charity has taken advantage of the exemption available under paragraph 33.1a of the provisions of FRS 102 Related Party Disclosures, on the grounds that it is a wholly owned subsidiary of a group headed by the University of Reading, whose financial statements are publicly available.

## Reading Real Estate Foundation

### Notes to the financial statements (continued)

#### 17. Statement of financial activities for the previous year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
<b>Income</b>			
Grants and donations	292,377	295,036	587,413
Charitable activities	840	-	840
Interest receivable	4,698	-	4,698
<b>Total income</b>	<b>297,915</b>	<b>295,036</b>	<b>592,951</b>
<b>Expenditure</b>			
Raising funds	1,211	-	1,211
Charitable activities	300,416	204,845	505,261
Other expenditure	50,522	17,512	68,034
<b>Total expenditure</b>	<b>352,149</b>	<b>222,357</b>	<b>574,506</b>
<b>Net (expenditure)/income and net movement in funds for the year</b>	<b>(54,234)</b>	<b>72,679</b>	<b>18,445</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	415,685	664,298	1,079,983
<b>Total funds carried forward</b>	<b>361,451</b>	<b>736,977</b>	<b>1,098,428</b>

#### 18. Post balance sheet events

There have been no significant post balance sheet events.