



The Tanlaw Foundation

Charity registration no. 1094181

Trustees' report and accounts

For the year ended 31 October 2021

The Tanlaw Foundation

Legal and administrative information

Settlors	The Right Honourable the Lord Tanlaw The Right Honourable the Lady Tanlaw
Trustees	The Right Honourable the Lord Tanlaw The Right Honourable the Lady Tanlaw The Hon Asia Brooke Trotter The Hon Brooke Brooke Mackay
Date of settlement	10 July 1996
Charity number	1094181
Principal address	8 Finsbury Circus London EC2M 7AZ
Accountants	Evelyn Partners LLP 45 Gresham Street London EC2V 7BG
Independent examiners	Holden Granat LLP Springfield House 23 Oatlands Drive Weybridge Surrey KT13 9LZ
Investment advisors and banker	Rathbone Investment Management Ltd 8 Finsbury Circus London EC2M 7AZ

The Tanlaw Foundation

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Trustees' report for the year ended 31 October 2021

The trustees have pleasure in presenting their report and accounts for the year ended 31 October 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the attached accounts and the recommendations of 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 (FRS 102) (effective 1 January 2019).

Activities, specific objects and relevant policies

Objects and activities

The Trust Deed was varied on 11 September 2002 to include the following objectives:

The trustees shall hold the capital and income of the Foundation upon trust and apply the income and all or such parts of the capital to charitable purposes and in particular, but not limited to, the provision of grants to support individuals or registered charities for people with learning difficulties or other special needs in the United Kingdom.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and, when reviewing the Foundation's aims and objectives, managing the Foundation's assets and considering any applications for financial assistance.

Investment policy

The trustees currently hold the Foundation's funds at Rathbones Investment Management Limited. The trustees have a wide power of investment which work to achieve the charity's aims and objectives.

The Foundation's assets have been invested on a balanced approach between capital growth and income, with investments managed at the upper end of medium risk (Rathbones risk profile 4 out of 6).

The trustees regularly review the performance of all the Foundation's assets and the investment criteria will be regularly discussed by the trustees, with assistance from the investment advisors.

Achievements and performance

Grants

During the year the trustees agreed to provide funding to 20 charitable causes, both in the United Kingdom and overseas, which are detailed in note 4 to the accounts. These have been made in line with the Foundation's objectives, and with due regard to the guidance issued by the Charity Commission on public benefit.

Projects

The trustees continue to support any project costs incurred to support the wind harp installed at Dalharrold, in memory of all those who were forced to leave Mackay country during the Sutherland clearances in the 18th & 19th centuries.

The trustees continue to expand their radio telescope project, with sites now in operation in Scotland and Northumberland.

The sites are available to the scientific community. Each telescope can be independently or collectively controlled from a remote location and will have a special program related to: Astro-chronometry (time measurement by counting the oscillations of neutron (Pulsar) stars); the study of NEOs (Near Earth objects that might pose a threat to the planet including derelict satellites etc); daily imaging of the Sun and relation to Northern Lights (Aurora Borealis); SETI (Search for Extra Terrestrial Intelligence); and satellite communications.

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Trustees' report for the year ended 31 October 2021

The trustees are currently working to finalise the structure for the ongoing ownership and operation of the sites, which they aim to finalise in 2022.

Investments

During the period the main source of funding was investment income, arising from the portfolio of investments held at Rathbones Investment Management Limited.

The trustees are satisfied with the performance of the Foundation's investments.

Financial review

Results for the year

The financial activities are summarised on page 7 of the accounts. During the year the trustees received total incoming resources of £50,697 (2020 - £234,084) and expended £460,456 (2020 - £637,063). The net outgoing resources for the year were outgoing £409,759 (2020 - outgoing £402,979).

The Right Honourable the Lord and Lady Tanlaw made gift to the Foundation, totalling £1,082,978. Of this, £586,517 was gifted by Lord Tanlaw and £496,461 was gifted by Lady Tanlaw. The full £1,082,978 is considered to be an endowment to the Foundation, held in a designated fund, and used to provide ongoing income for the Foundation.

Reserves policy

The Endowment Fund is unrestricted and is held to provide future income for the Unrestricted Fund for distribution by the trustees, in order to further the aims and objectives of the Foundation. The trustees have power to make transfers between the Endowment and Unrestricted Funds.

The level of free reserves at 31 October 2021 was £6,180,859 (2020 - £4,677,299), which is held on both the Unrestricted income fund and the Endowment Fund. The Foundation's assets are adequate to fulfill its obligations to apply funds for charitable purposes, as defined in the Deed, in the next financial year.

Whilst the ongoing coronavirus pandemic continues to cause volatility in global markets, the trustees have considered the potential impact on the financial position of the charity over the next 12 months and have concluded that there is no reason why the charity should not continue to adopt the going concern basis in the preparation of its financial statements.

Plans for future periods

The trustees continue to work with the Strathnavar Museum and Mackay Country Community Centre to encourage the local and wider communities to visit the wind harp site. It is anticipated that the music produced by the harp will be made available online for a small charge to support of the costs of the harp.

The trustees continue to expand their radio telescope project, with sites now in operation in Scotland and Northumberland. The trustees are currently working to finalise the structure for the ongoing ownership and operation of the sites, which they aim to finalise in 2022.

The trustees also hope to expand their activities in Mackay country and its history.

The Tanlaw Foundation

Trustees' report for the year ended 31 October 2021

Governance, structure and management

Governance

The Foundation was established by a charitable trust deed on 10 July 1996 and is registered with the Charity Commission, Charity Registration number 1094181.

Settlers

The Right Honourable the Lord Tanlaw
The Right Honourable the Lady Tanlaw

Trustees

The trustees who served during the year were:

The Right Honourable the Lord Tanlaw
The Right Honourable the Lady Tanlaw
The Hon Asia Brooke Trotter
The Hon Brooke Brooke Mackay

The current settlers of the Trust Deed have the power to appoint new trustees by a resolution at a meeting. The number of serving trustees shall at no point exceed four in number.

When appointing new trustees, the settlers will give full consideration to the Foundation's purpose and aims to ensure that they appoint individuals who understand the duties expected of them, and who will act in the best interests of the Foundation.

The trustees feel that their combined skill set is sufficient to ensure the efficient performance of the Foundation at this time and feel that, given the size and nature of the Foundation, a formal programme of training is not currently necessary, but they will continue to monitor the situation and will provide suitable training where circumstances arise.

The Foundation is administered by all the trustees and they conduct the affairs of the Foundation and exercise all the powers and discretions conferred upon them by law, provided that no such power or discretion shall be exercised except in furtherance of the charitable objects. The trustees do not receive remuneration or reimbursement of expenses, nor are there any employees.

Related parties

There were no related party transactions during the year (2020 - none).

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the Foundation. They are in regular and frequent contact to review the developments with regard to the Foundation, its activities and to make any important decisions. The trustees review the proposals for grants to be made and approve such grants as appropriate. When necessary, the trustees seek advice and support from the Foundation's professional advisers including investment managers and accountants.

The Tanlaw Foundation

Trustees' report for the year ended 31 October 2021

Risk factors

The trustees have assessed the major risks to which the Foundation is exposed. The Foundation does not have any supplier or employment contracts and therefore it has no financial commitments other than the charitable funding commitments. A formal review of the Foundation's risk management process is undertaken on an annual basis.

Principal address

8 Finsbury Circus, London, EC2M 7AZ

Accountants

Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG

Independent examiners

Holden Granat LLP, Springfield House, 23 Oatlands Drive, Weybridge, Surrey, KT13 9LZ

Investment managers and bankers

Rathbone Investment Management Ltd, 8 Finsbury Circus, London, EC2M 7AZ

On behalf of the board of trustees

The Right Honourable the Lord Tanlaw
Trustee

Dated: 31 August 2022

The Tanlaw Foundation

Statement of trustees' responsibilities

The trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the Foundation's financial activities during the year and of its financial position at the end of the year.

In preparing accounts giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the Foundation and which enable them to ensure that the accounts comply with the applicable law. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Tanlaw Foundation

Independent examiner's report to the trustees of The Tanlaw Foundation

I report on the accounts of the charity for the year ended 31 October 2021, which are set out on pages 7 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (a) examine the accounts under section 145 of the 2011 Act;
- (b) to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (c) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (i) to keep accounting records in accordance with s130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Susan Kumar ACA
Holden Granat LLP
Springfield House
23 Oatlands Drive
Weybridge
Surrey
KT13 9LZ

Dated: 31 August 2022

The Tanlaw Foundation

Statement of financial activities for the year ended 31 October 2021

	Notes	Unrestricted income funds £	Endowment funds £	Total 2021 £	Total 2020 £
Income					
Deposit interest		14	-	14	901
Investment income		50,684	-	50,684	63,183
Additions	1.3	-	1,082,978	1,082,978	1,170,000
Total income		50,698	1,082,978	1,133,676	1,234,084
Expenditure					
<u>Costs of raising funds</u>					
Investment management fees	3	(25,498)	-	(25,498)	(19,945)
<u>Expenditure on charitable activities</u>					
Grants and support costs	4 & 5	(434,958)	-	(434,958)	(617,118)
Total expenditure		(460,456)	-	(460,456)	(637,063)
Net expenditure before gains and losses on investments		(409,758)	1,082,978	673,220	597,021
Transfers between funds		-	-	-	-
		(409,758)	1,082,978	673,220	597,021
Net gains on investment assets	8	830,340	-	830,340	50,019
Net movement in funds		420,582	1,082,978	1,505,746	647,040
Fund balances brought forward at 1 November 2020		-	4,677,299	4,677,299	4,030,259
Fund balances carried forward at 31 October 2021		420,582	5,760,277	6,183,045	4,677,299

The notes on pages 9 to 14 form part of the accounts.

The Tanlaw Foundation

Balance sheet as at 31 October 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Quoted investments	8		5,080,409		3,718,293
Project related assets	9		429,868		416,912
			<u>5,510,277</u>		<u>4,135,205</u>
Current assets					
Cash at bank and in hand		683,796		618,890	
Debtors	10	766		664	
		<u>684,562</u>		<u>619,554</u>	
Current liabilities					
Creditors: amounts falling due within one year	11	(13,980)		(77,460)	
Net current assets			<u>670,582</u>		<u>542,094</u>
Net assets			<u>6,180,859</u>		<u>4,677,299</u>
Represented by:					
Unrestricted income funds			420,582		-
Endowment funds			5,760,277		4,677,299
			<u>6,180,859</u>		<u>4,677,299</u>

The accounts were approved by the trustees on 31 August 2022

The Right Honourable the Lord Tanlaw
Trustee

The notes on pages 9 to 14 form part of the accounts.

The Tanlaw Foundation

Notes to the accounts for the year ended 31 October 2021

1 Accounting policies

1.1 Basis of preparation

These accounts have been prepared under the historical cost convention, as amended to include quoted investments at market value.

These accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), and with the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102 effective from 1 January 2019. The accounts are also prepared in accordance with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

1.2 Exemption

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102:

- the requirements of section 7 Statement of Cash Flows.

1.3 Fund accounting

The funds held are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objects of the trust and which have not been designated for any other purposes.

The Right Honourable the Lord and Lady Tanlaw made gift to the Foundation, totalling £1,082,978. Of this, £586,517 was gifted by Lord Tanlaw and £496,461 was gifted by Lady Tanlaw. The full £1,082,978 is considered to be an endowment to the Foundation, held in a designated fund, and used to provide ongoing income for the Foundation.

1.4 Going concern

The trustees are confident that the charity will continue to be a going concern and the financial statements have been prepared on this basis.

1.5 Functional currency

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these accounts are rounded to the nearest £.

1.6 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The Tanlaw Foundation

Notes to the accounts for the year ended 31 October 2021

(Continued)

1 Accounting policies

1.7 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

1.8 Quoted investments

Investments are stated at market value at the balance sheet date. Realised gains and losses on investments, calculated on the difference between the sale proceeds and their cost are credited or charged to the Statement of Financial Activities (SOFA) in the year of gains or losses.

Unrealised gains and losses representing the movement in the market values during the year are credited or charged to the SOFA in the year of the gains or losses.

1.9 Project related assets

These assets are provided by the Foundation for the use and enjoyment of the scientific community and wider public.

1.10 Depreciation

Expenditure on the radio telescopes are subject to an annual depreciation charge at 10% on a reducing balance basis.

The wind harp at Dalharrold is considered to be a piece of artwork and is therefore not subject to depreciation.

1.11 Grants paid

Donations granted are recognised in the year in which the award was formally approved, irrespective of the period covered by the donation.

1.12 Liabilities

Liabilities are recognised on the balance sheet as soon as a constructive obligation resulting from a past event can be reliably measured. Current liabilities represent those liabilities which are expected to be settled within the next 12 months from the balance sheet date.

2 Legal status of the trust

The Foundation is governed by a Trust Deed dated 10 July 1996 and is constituted as a charitable trust.

3 Costs of raising funds

	2021 £	2020 £
Investment management fees	25,498	19,945
	<u>25,498</u>	<u>19,945</u>

The Tanlaw Foundation

Notes to the accounts for the year ended 31 October 2021

4 Grants

		2021	2020
	£	£	£
Medical and disability			
Cancer Research UK	20,000	20,000	
Medical Research Foundation	-	10,000	
Great Ormond Street Hospital	-	255,000	
The Brain Tumor Charity	2,500	-	
IBS Research Appeal	5,000	5,000	
Parkinson Disease Society	2,500	-	
Bude Surf Life Saving Club	10,000	-	
Rainbow Trust	30,000	30,000	
Cornwall Air Ambulance Trust	30,000	-	
Starlight Children's Foundation	20,000	-	
Barts Charity	-	10,000	
		120,000	330,000
Overseas Aid			
Rokpa Trust	5,000	5,000	
UNICEF UK	40,000	-	
		45,000	5,000
Religion			
All Saints, Isleworth (The Joshua Chapel)	-	5,000	
		-	5,000
Education			
Book Trust	5,000	5,000	
Doorstep Library	3,000	3,000	
Education Endowment Foundation	-	20,000	
Farr Primary School, Inverness	8,000	-	
Strathnaver Museum	2,500	3,220	
United World Schools	100,000	100,000	
		118,500	131,220
Wildlife and environment			
Animal Aid Unlimited (USA)	10,000	10,000	
Cornish Seal Sanctuary	20,000	-	
Borneo Rescue Centre	-	10,000	
		30,000	20,000
Relief of Poverty			
Childhood Trust	10,000	10,000	
Felix Project	10,000	10,000	
Trussel Trust	40,000	40,000	
		60,000	60,000
		373,500	551,220

The Tanlaw Foundation

Notes to the accounts for the year ended 31 October 2021

4	Grants		(Continued)
	Reconciliation of grants payable		
	Commitments made in the year	373,500	551,220
	Grants paid during the year	(373,500)	(551,220)
	Commitments at 31 October 2021	-	-

5	Support costs	Unrestricted income funds	Endowment funds	Total 2021	Total 2020
		£	£	£	£
	Depreciation	43,678	-	43,678	37,318
	Accountancy fees	7,980	-	7,980	26,400
	Independent auditor's fee	-	-	-	2,160
	Independent examiner's fees	1,380	-	1,380	-
	Legal fees	8,400	-	8,400	-
	Bank interest and charges	20	-	20	20
		61,458	-	61,458	65,898

All support costs are considered to be costs of governance.

6 Trustees' remuneration

The trustees do not receive remuneration from the charity and are not reimbursed for any expenses.

7 Employees

There were no employees during the year (2020 - none).

The Tanlaw Foundation

Notes to the accounts for the year ended 31 October 2021

8 Fixed asset investments

	2021 £	2020 £
Quoted investment summary		
Market value at 1 November 2020	3,718,293	3,408,416
Disposal proceeds	(556,965)	(638,445)
Additions	1,088,740	898,303
Net investment gains	830,341	50,019
Market value at 31 October 2021	5,080,409	3,718,293
Net investment gains on quoted investments comprised:		
Realised gains/(losses)	(2,186)	(115,939)
Unrealised gains/(losses)	832,526	165,958
	830,341	50,019
Investments at market value comprised:		
UK interest bearing securities	371,685	346,768
UK equities	3,076,306	2,486,729
Overseas equities	1,632,418	884,796
	5,080,409	3,718,293
Material investments (greater than 5% of portfolio)		
Findlay Park Funds American Fund Unhedged	526,527	220,120
Link Funds Solutions Trojan Inc S Inc	-	223,512
Janus Henderson Investments Global Tech Leaders I Acc	461,305	-
M&G Securities Ltd Global Macro Bond J Inc	-	226,640
Scottish Mortgage Inv Trust 5p Ordinary	300,300	198,900
	1,288,132	869,172

The Tanlaw Foundation

Notes to the accounts for the year ended 31 October 2021

9	Project related assets	2021	2020
		£	£
	Radio telescope at Tanlawhill		
	Cost value at 1 November 2020	380,145	311,460
	Project expenditure	56,634	106,003
	Depreciation	(43,678)	(37,318)
	Cost value at 31 October 2021	393,101	380,145
	Clan Mackay Wind Harp at Dalharrold		
	Cost value at 1 November 2020	36,767	36,767
	Project expenditure	-	-
	Cost value at 31 October 2021	36,767	36,767
	Total cost value at 31 October 2021	429,868	416,912
10	Debtors	2021	2020
		£	£
	Investment income not received at year end	766	664
		766	664
11	Creditors: amounts falling due within one year	2021	2020
		£	£
	Accountancy fees	12,600	31,020
	Independent auditor's fees	-	2,160
	Independent examiner's fees	1,380	-
	Project expenditure (radio telescope)	-	44,280
		13,980	77,460
12	Related parties		

There were no related party transactions during the year (2020 - none).