



ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> JANUARY 2024

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REFERENCE AND ADMINISTRATIVE INFORMATION

**The Horlock Educational Trust**  
(Charitable Trust, established by Deed, 26<sup>th</sup> July 2005)  
Registered Charity Number 1117166

**Trustees**

The Viscount Gough (Deceased 14 April 2023)  
William Fraser OBE  
William Dyson-Laurie  
Richard Davies  
Prof Owen Darbshire (Chair)  
Clive Parsons  
Dr Benjamin Powell  
Sarah Miles  
Thomas Hardy (from 26 February 2024)

**Principal Office**

Kendall & Davies  
Station Road  
Bourton-on-the Water  
Cheltenham  
GL54 2AA

**Independent Examiners**

Hazlewoods LLP  
Staverton Court  
Staverton,  
Cheltenham  
GL51 0UX

**Investment Portfolio Manager**

J.M. Finn  
25 Copthall Avenue  
London, EC2R 7AH

# **REPORT OF THE TRUSTEES FOR THE YEAR TO 31<sup>ST</sup> JANUARY 2024**

## **Structure, governance and management**

### History

The Horlock Educational Trust (HET) was set up in 2005 by Wimburn and Robin Horlock. Robin had established a highly successful pre-preparatory school in North London in the early 1960s. Wimburn had a close connection with the City of London, where he was elected Sheriff in 1972. In later life they retired to their home in Gloucestershire. Having no children, they decided to establish an educational charity.

The Trust was initially endowed with capital sufficient to provide an income for grants totalling about £4,000 annually and this enabled the trustees to explore how best to carry out the Horlock's wishes within the defined objects of the charity. From this there developed a particular interest in preparing disadvantaged young people for (and to find) work. Grants were often linked to personal development and trade skills rather than academic studies.

Wimburn Horlock died in 2009 and Robin in 2020. Their home was left to The Horlock Educational Trust. The proceeds of its sale were received in March 2021 and were immediately invested.

### Meetings

The trustees normally meet twice a year in March and September. These meetings are usually in person, though may also be online if required. Between meetings communication is continued by email where necessary and for the circulation of reports.

### Administrator

The trustees rely on an Administrator, Neil Hewitt, of Kendall and Davies, to advise them on their responsibilities, distribute the grants, manage the banking and circulate the papers. He is the linchpin of the organisation and the trustees are very grateful for his hard work, patience and reliability.

### Induction and training of trustees

New trustees are introduced by personal recommendation, subject to interview, which takes into account their professional experience and proven interest in the objectives of HET. Trustee training from a relevant professional is provided as an extension to trustees' meetings

## **Risk Management**

The trustees considered the major risks to which the charity is exposed.

HET has investments which are the source of funds for the grants it gives. As such, HET depends on the investment market for maintaining its grant budget, though it has over 20 years of grant making capacity at the current level without any market growth. The long term expectation is that grants will be funded from a combination of dividend yield and capital growth. While dividend yield is reasonably predictable, capital growth is far less certain.

To mitigate these risks, HET established an investment sub-committee, comprising William Fraser (Chair), William Dyson-Laurie, Dr Benjamin Powell and Viscount Gough, and appointed a team within J M Finn which specialises in advising clients in the Charity Sector. They receive regular performance

figures from Finns, whose investment managers report in person to all the trustees annually. (Very sadly, Viscount Gough died during the year.)

The grant budget is reviewed at least twice a year, at the March and September meetings. Bearing in mind the intention normally to have initial three year arrangements with beneficiaries, to continue on a rolling basis subject to regular reviews by the trustees, adjustments are made if the trustees judge that HET's capital is becoming excessively eroded.

## Objectives and activities for the public benefit

### Objectives of the Charity as set out in the Trust Deed

- Awarding scholarships exhibitions bursaries or maintenance allowances tenable at any school university or other educational establishment approved by the trustees to persons under 25 years of age who the trustees deem to be in need of financial assistance
- Providing financial assistance outfits clothing tools instruments or books to such persons on leaving school university or other educational establishment to prepare them for or assist their entry into trade profession or service
- In otherwise furthering the education of such persons

## Grant making policy

The trustees have decided that while HET will generally distribute its grant budget in support of educational and vocational needs via charities and other organisations with similar interests, it will consider applications from individuals, including descendants of Frederick and Gwendoline Tanner, (Robin Horlock's parents) as and when they occur, on their own merits and alignment to the charitable aims of the Trust.

Following the substantial increase in HET's assets in March 2021, the trustees raised the annual grants budget to £400,000, although this is subject to regular review.

Grants to charities and other organisations will generally be for an initial period of three years to continue on a rolling basis so that if one of the grants is to be reduced or cease the beneficiary receives at least one clear year's notice. These are 'core grants'.

In addition, trustees may, as appropriate, distribute 'ad hoc' grants – for a single period – when suitable beneficiaries come to our attention and funds permit

### Developments in the year to 31st January 2024

HET has developed relationships with eighteen partner organisations who have aligned goals and through which it seeks to achieve its objectives. Occasional ad hoc grants can also be made.

During the year to 31<sup>st</sup> January 2024, the following have received grants of £10,000 or more:

QEST	Fund apprenticeships	£35,000
RNLI	ALC apprentice scheme – single apprentice	£15,223
Future Gardeners	Participants up to 25 years old	£10,000
XLP	Ready for Work project	£50,000
Treloar Trust	Outdoor Learning Centre	£50,000
Prisoners' Education Trust	Distance learning for under 25 year olds	£10,000
Saddlers' Company Charitable Fund	Walsall Leather Skills Centre	£20,000
Sylva	Wood School	£10,000
Hugh Westwood Educational Trust	Unrestricted	£10,000

Ruskin Mill College	Wool Barn Learning Area	£10,000
Trinity Winchester	SKILL programme	£50,000
Ebony Horse Club	RIDE programme	£10,000
King's College London	Extended Medical Degree Programme	£38,000
The Roberts Centre	BOOST programme	£25,000
City of London Academy	Tutoring-to-Thrive programme	£15,000
Greater Change	Employment & educations support for homeless	£15,000
Pembroke College, University of Oxford	Bursaries for in-need graduates	£15,000
Mary Chan Watson	Completion of education at ISPP, Cambodia	£10,000
Royal Agricultural College	Bursaries for in-need undergraduates	<u>£25,000</u>
		£423,223

Having relatively few beneficiaries, a trustee has been nominated to be the point of contact with each. The trustees thus tend to be invited by 'their' beneficiary to attend special events or briefings. Their reports are then circulated.

## Monitoring achievement

Each beneficiary has a Trustee who serves as the primary point of contact and who monitors the effectiveness of the grants given through visits and the receipt of reports. Reports are circulated to all trustees, who review progress at their meetings in March and September to check that the grants accord with the Horlocks' wishes and to ensure that the funds provided by HET are properly used for the benefit of deserving young people.

## Financial review

HET's principal income, other than at the time of the original endowment in 2005 and the bequest in 2021, has been from its investments. It does not raise funds from the general public.

The trustees' aspiration is that, after sufficient funds to pay grants and operating expenses are paid out, the fund should remain in the region of £10 million. However, the decline in the financial markets did result in the value of the investments falling to £8.2m at 31 January 2024. While invested capital yielded 2.13%, the value of the capital itself reduced by 4%.

The trustees agreed that, regrettably, some reductions in grants were necessary in 2025 to reflect the reduced income, and the affected beneficiaries duly received over 12 months notice.

## Investment policy and performance

### Investment management

HET's assets are invested through J M Finn on a discretionary management basis, to achieve a combined return from income and capital growth. Trustees decided that the risk profile is medium, with no minimum percentage in low risk investments.

### Environmental, Social and Governance considerations

The trustees discussed ESG considerations with our Investment Portfolio Managers. J. M. Finn confirmed that they apply generally accepted standards when reviewing investments. The trustees did not ask for any special restrictions.

## Performance

The value of the Charity's investments declined over the past year to £8.2m at year end. This resulted primarily from the declining equity market, while expenditure was sustained and was just over £410k. Performance was slightly below the bespoke benchmark selected, as well as below the Inflation (CPI) + 4% benchmark.

## **Reserves policy**

The charity's invested assets are its sole reserves. The trustees note that these are sufficient to pay grants at the existing budgeted levels for which HET is committed, for over 20 years without any financial market growth.

## **Plans for the future**

Having identified eighteen organisations which already provide the sort of direct support, training and care for young people to which HET grants would make a significant difference, we are now building those relationships. Our grant budget is now largely, if not fully, committed.

Four of the existing eight trustees were appointed from the start, in 2005. All the trustees recognise the importance of properly managed succession and are actively looking for new trustees with appropriately diverse expertise. Sarah Miles was appointed as a new trustee during the year.

## **Trustees' Responsibilities Statement**

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), including FRS102. The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of movement in funds 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charities and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed and Charity Commission Scheme. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by the Chair of Trustees on behalf of all the Trustees:



Owen Darbshire

Date: 26/10/2024

**The Horlock Educational Trust**

# **INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2024**

I report on the accounts of The Horlock Educational Trust for the period ended 31 January 2024, which are set out below.

## **Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year (under section 144 of the Charities Act 2011 (the Act)) and that an independent examination is needed. It is my responsibility to:

- examine the accounts (under section 145 of the Act);
- to follow the applicable directions given by the Charity Commission (under section 145(5)(b) of the Act); and
- to state whether particular matters have come to my attention.

## **Basis of independent examiners' 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 the 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 examiners' statement**

In connection with my examination, no material matter has come to my attention which gives me cause to believe that, in any material respect:

- the accounting records were not kept in accordance with Section 130 of the Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the accounting 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.

*Martin Howard*

**Martin Howard FCA**

**Hazlewoods LLP  
Chartered Accountants**

26/10/2024

**Date:** .....



## STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Year to 31/01/24 (£)	Year to 31/01/23 (£)
<b>Incoming Resources</b>	2		
Investments		210,154	246,001
<b>Total</b>		<b>210,154</b>	<b>246,001</b>
<b>Resources Expended</b>	3		
Raising funds		39,233	43,437
Charitable activities	4	438,282	422,960
Other		1,020	840
<b>Total</b>		<b>478,535</b>	<b>467,367</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>		<b>(268,381)</b>	<b>(221,366)</b>
Net gains/(losses) on investments		(173,331)	(1,139,725)
<b>Net income/(expenditure)</b>		<b>(441,712)</b>	<b>(1,361,091)</b>
<b>Net movement in funds</b>		<b>(441,712)</b>	<b>(1,361,091)</b>
Reconciliation of funds			
Total funds brought forward		8,693,171	10,054,262
<b>Total funds carried forward</b>		<b>8,251,459</b>	<b>8,693,171</b>

## BALANCE SHEET

	Notes	Unrestricted funds 31/01/24 (£)	Unrestricted funds 31/01/23 (£)
<b>Fixed assets</b>			
Investments	5	8,154,794	8,407,113
<b>Total fixed assets</b>		<b>8,154,794</b>	<b>8,407,113</b>
<b>Current assets</b>			
Accrued income		6,122	20,209
Cash at band and in hand	6	96,853	274,731
<b>Total current assets</b>		<b>102,975</b>	<b>294,940</b>
<b>Creditors: amounts falling due within one year</b>	7	<b>(6,310)</b>	<b>(8,881)</b>
<b>Net current assets</b>		<b>96,665</b>	<b>286,059</b>
<b>Total assets less current liabilities</b>		<b>8,251,459</b>	<b>8,693,171</b>
<b>Total net assets</b>		<b>8,251,459</b>	<b>8,693,171</b>
<b>Funds of the Charity</b>			
<b>Total funds</b>		<b>8,251,459</b>	<b>8,693,171</b>

Signed by the Chair of Trustees on behalf of all the Trustees:

*Owen Darbishire*

Owen Darbishire

Date: 26/10/2024

## **Notes to the accounts**

### **1. Accounting policies**

#### **Basis of accounting**

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014

The accounts have been prepared on the going concern basis. The Trustees do not believe that there are material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

#### **Recognition of legacy income**

Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

#### **Recognition of income from interest and dividends**

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

#### **Investment gains and losses**

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

#### **Liabilities**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

#### **Governance and support costs**

Governance and support costs are presented as a single cost incurred while conducting charitable activities. It is not possible to disaggregate these costs and to classify them.

#### **Multi-year grants**

Some grants are awarded to cover several years and are paid in instalments. The payment of instalments after the first is contingent on the receipt by the Trustees of a report from the grant recipient outlining how the funds granted to date have been used while achieving the aims for which they applied. Such grants are only recognised in the SOFA when this performance condition is satisfied.

#### **Investments**

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end.

## 2. Incoming resources

		Year to 31/01/24 (£)	Year to 31/01/23 (£)
Investments	Interest income	31,084	14,702
	Dividend income	179,070	231,299
<b>Total</b>		<b>210,154</b>	<b>246,001</b>

## 3. Resources expended

	Year to 31/01/24 (£)	Year to 31/01/23 (£)
<b>Expenditure on raising funds</b>		
Investment management costs	39,233	43,437
<b>Total expenditure on raising funds</b>		<b>43,437</b>
<b>Expenditure on charitable activities</b>		
Grants made	428,723	411,869
Governance and support costs	9,559	11,221
<b>Total expenditure on charitable activities</b>	<b>438,282</b>	<b>423,090</b>
<b>Other expenditure</b>		
Statutory assurance fees	1,020	1,000
<b>Total other expenditure</b>	<b>1,020</b>	<b>1,000</b>

## 4. Grant making

Analysis of grants paid (included in expenditure on charitable activities) by nature of recipient. Grants are made in the furtherance of HET's general charitable aims and are not categorised according to activity type. Governance and support costs relating to individual grants are not identified or allocated.

	Year to 31/01/24 (£)	Year to 31/01/23 (£)
Grants to institutions	418,723	410,369
Grants to individuals	10,000	1,500
<b>Total</b>	<b>428,723</b>	<b>411,869</b>

HET has made grants to particular institutions in the year to 31/01/2024 that are material in the context of its grant making by virtue of the amounts granted relative to total expenditure on grants.

Names of institution	Purpose	Total amount of grants paid (£)
XLP, a company limited by guarantee, registered in England and Wales, number 4959458, and a registered charity, number 1101095	Supporting the "Ready for Work Programme" which helps young people from challenging backgrounds gain access to intensive courses, workshops, 1-2-1 coaching session, work experience, volunteering opportunities, job application and interview support.	50,000
Trinity Winchester, a registered charity, number 1074604	Supporting the "Learning 4 Life" programme, a collection of initiatives designed to help young people cope with life and find employment.	50,000
Treloar Trust, a registered charity, number 1092857	Supporting the Outdoor Learning Centre, Outdoor Learning Technician and Learning Technology for severely disabled children to equip them for independent lives.	50,000

<b>Total material grants to institutions in the reporting period</b>	<b>150,000</b>
Other unanalysed grants	268,723
<b>Total grants paid</b>	<b>418,723</b>

## 5. Fixed asset investments

All fixed asset investments are listed investments

	<b>Year to 31/01/24 (£)</b>	<b>Year to 31/01/23 (£)</b>
<b>Fair value at beginning of period</b>	<b>8,407,113</b>	<b>9,980,908</b>
Additions	1,953,340	648,136
Disposals	(2,032,327)	(1,082,207)
Net gain/(loss)	(173,331)	(1,139,725)
<b>Fair value at end of year</b>	<b>8,154,794</b>	<b>8,407,113</b>

## 6. Cash at bank and in hand

	<b>31/01/24 (£)</b>	<b>31/01/23 (£)</b>
Short term deposits	7,443	70,063
Current account	471	906
Cash on hand at investment manager	88,940	203,762
<b>Total cash at bank and on hand</b>	<b>96,853</b>	<b>274,731</b>

## 7. Creditors: amounts falling due within one year

	<b>31/01/24 (£)</b>	<b>31/01/23 (£)</b>
Trade creditors		<b>2,340</b>
Accruals	6,310	6,541
<b>Total creditors falling due within one year</b>	<b>6,310</b>	<b>8,881</b>

## 8. Transactions with Trustees and related parties

No Trustees have been paid any remuneration or benefits in the reporting period, or prior reporting period. Trustee expenses totalling £369 have been reimbursed to Mr Clive Parsons and to Mr Richard Davies, expenses of £130 were reimbursed in the prior reporting period.

Mr Richard Davies, a Trustee of HET, is a partner of Kendall & Davies Limited who provide governance and support services. An expense of £8,946 to Kendal & Davies Limited was recognised for services rendered in the year to 31/01/24 (£11,091, in the year to 31/01/23).