

**THE FINBOROUGH FOUNDATION**

Charity Registration Number: 1125130

Company Registration Number: 06446031 (England and Wales)

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**THE FINBOROUGH FOUNDATION**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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## THE FINBOROUGH FOUNDATION

### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### Trustees' Annual Report

The Trustees have pleasure in submitting their Annual Report and Financial Statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 (FRS 102)" (second edition - October 2019 - effective 1 January 2019).

#### REFERENCE AND ADMINISTRATION DETAILS

**Trustees who served during  
the year and on the date  
the Report was approved:**

C Pettiward (Chairman)  
J M Pettiward  
J R Pettiward  
A M Pettiward  
Rathbones Trust Company Limited

**Registered Office:** 43 Hillway, Highgate, London, England, N6 6AH

**Charity Registration Number:** 1125130

**Company Registration Number:** 06446031

**Solicitors:** JPC Law, Omni House, 252 Belsize Road, London, NW6 4BT

**Accountancy:** Rathbones Trust Company Limited, Port of Liverpool Building, Pier Head, Liverpool L3 1NW

**Auditors:** Grunberg & Co Ltd, 5 Technology Park, Colindeep Lane, Colindale, London, NW9 6BX

**Bankers:** Barclays, 1 Churchill Place, London, E14 5HP

**Investment Managers:** Rathbone Greenbank, 10 Queen Square, Bristol, BS1 4NT

**Property Managers:** Daniel Watney LLP, 165 Fleet Street, London, EC4A 2DW

## THE FINBOROUGH FOUNDATION

### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### Trustees' Annual Report

#### OBJECTIVES AND ACTIVITIES

The Finborough Foundation's objectives during the financial period were to:

- \* advance the training and study of medicine, science and the arts
- \* promote the conservation, protection and improvement of the environment
- \* support homeless children and adults and protect them from abuse.

The Foundation delivers public benefit through its activity of grant making to selected registered charities, whose aims accord to those of the Foundation.

The Trustees review applications for funding and make donations from income generated from its capital assets.

The Trustees have complied with the duty in s17(5) of the Charities Act 2011 to have due regard to the Charity Commission's Public Benefit guidance when exercising any relevant powers or duties.

#### ACHIEVEMENTS AND PERFORMANCE

##### Donations made

During the year, donations totalling £85,000 (£111,000 in 2022) were made to 13 charities from the Foundation. Grants awarded ranged from £5,000 to £25,000. The total value and proportion of grants made were as follows:

	£	%
Medicine, science and the arts	45,000	53
Conservation, protection and improvement of the environment	15,000	18
Support for homeless children and adults	25,000	29
	<u>85,000</u>	<u>100</u>

A full list of donations made during the year is shown within the notes to these accounts.

#### FINANCIAL REVIEW

The Foundation's portfolio of properties were donated by the Founder, Mr Charles Pettiward, in 2009. The portfolio continues to be managed and maintained to a high standard and underpins the financial strength of the Foundation, generating rental income from which donations are made, subject to the Trustees' review. A property was sold during the year and proceeds invested in shareholdings.

Total Income generated during the year totalled £265,893 (£269,412 - 2022). Of that amount, £321,868 (£243,692 - 2022) was applied directly towards the charity's purposes during the year, as analysed in the notes to the accounts. The Trustees are pleased to note the majority of net income received during the year was expended through its activities.

## **THE FINBOROUGH FOUNDATION**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Trustees' Annual Report**

The SoFA includes the net gains and losses arising on revaluations and disposals throughout the year. To the year ended 31 December 2023 net gains totalled £70,696 (2022 - net losses £115,140).

There was a net increase in funds during the year ended of £14,721 (2022 - £89,420). As a result, the Trustees held funds totalling £8,146,796 as at 31 December 2023, compared with £8,132,075 held as at 31 December 2022. All funds held were Unrestricted in nature.

#### **Reserves**

The Trustees aim to expend each year's income, net of expenses, through the awarding of grants and the Foundation does not have any long-term commitments as at the balance sheet date. Accordingly, the Trustees do not consider it necessary to maintain a set amount as free reserves, as all funds remain available at the Trustees' discretion.

#### **Investments - Property Portfolio**

The Foundation's capital is primarily represented by its property portfolio. As at 31 December 2023 the Trustees obtained a desktop appraisal of the value. As a result, the valuation of the properties in the accounts has been increased by £62,000 (2022 - £109,500). The Trustees do not believe this makes a significant differences to the long term future of the Foundation or its planned activities.

#### **Investments**

The value of the Trust's portfolio as at 31st December 2023 totalled £547,497 (2022 - £411,431). In accordance with the requirements of the Trustee Act 2000, the Trustees are establishing a Policy Statement with the investment manager. The policies will be reviewed regularly against investment performance.

#### **Plans for the future - Investment Objectives**

The Trustees will continue to seek advice from their professional advisors and consider further property sales when the market conditions are deemed to be favourable. The proceeds will be invested to increase the opportunity for diversification to secure a reasonable growth income while preserving the capital value of the Foundation in the long-term.

The Trustees wish to ensure that their investment objectives are achieved with an acceptable risk, which further implies the need for diversification of investment by the Foundation to include a range of investments assets including fixed interest stocks, UK and overseas shares with consideration of Environmental, Social and Governance (ESG) aspects.

## THE FINBOROUGH FOUNDATION

### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### Trustees' Annual Report

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Finborough Foundation is a charitable company, limited by guarantee as defined by the Companies Act 2006. It was incorporated on 5 December 2007 and is registered with the Charity Commission of England and Wales. The charity was founded by the generosity of Mr Charles Pettiward, who donated properties to be held by the Trustees. The property portfolio generates the primary source of income for the Foundation in the form of rental income. The Foundation's sole activity is grant-making.

The Trustees, who are also the Directors for the purpose of company law and who served during the year and up to the date of signature of the financial statements are:

C Pettiward (Chairman)  
J M Pettiward  
J R Pettiward  
A M Pettiward  
Rathbones Trust Company Limited

The Trustees meet to review grant applications received, as well as to discuss strategy and governance matters. The Foundation's investment manager from Rathbones Greenbank attended one such meeting.

#### **Recruitment, appointment and induction of new trustees**

The number of Trustees should not be less than three. Prospective trustees are primarily nominated by a current Trustee for the specific skills they possess which will be of particular benefit for the effective administration and governance of Foundation.

New Trustees are provided with an induction pack containing key information, such as the Foundation's governing documents and the latest Annual Report and Accounts. New Trustees are asked to read the Charity Commission guidance on the role, responsibilities and conduct of trustees (CC3: The Essential Trustee) and to visit the Charity Commission website.

#### **Principal Risks and Uncertainties**

The Trustees have considered the major risks to which the charity is exposed, together with the system which have been established to mitigate those risks. They regularly consider risk and whether the systems to mitigate those risks, including insurance, remain appropriate. The Trustees consult with their professional advisors regularly.

The Trustees consider that the greatest risk affecting its ability to carry out its objectives would arise from a serious shortfall in its annual income. However, the Trustees resolve to donate net income arising and all funds remain available to further the Foundation's purposes at the Trustees discretion.

The Trustees are in the process of diversifying the Foundation's assets and will established objective and policies to be adhered to by the investment manager. In accordance with the Trustee Act 2000, the performance and policies will be regularly reviewed.

## THE FINBOROUGH FOUNDATION

### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### Trustees' Annual Report TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the Directors of The Finborough Foundation for the purpose of company law, are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year.

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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards (FRS102) 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 Charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. 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.

In so far as the trustees are aware:

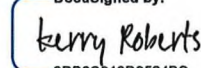
- there is not relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

The auditors, Grunberg & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

There financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

As approved and signed on behalf of the Board of Trustees:

DocuSigned by:  
  
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Kerry Roberts  
on behalf of Rathbones Trust Company

31 October 2024 | 2:54 PM GMT

Date

## **THE FINBOROUGH FOUNDATION**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Independent auditor's report to the members of The Finborough Foundation**

##### **Opinion**

We have audited the financial statements of The Finborough Foundation for the year ended 31 December 2023 which comprise Statement of Financial Actives, the Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 December 2023 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 and Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 below. 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 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. We have not identified any material matters that require enhancement or attention to be drawn to in relation to the trustees' statement in 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.

##### **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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.



## **THE FINBOROUGH FOUNDATION**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Independent auditor's report to the members of The Finborough Foundation**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

#### **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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees have been prepared in accordance with applicable legal requirements.

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

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 material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you 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 agreements 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
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

#### **Responsibilities of trustees**

As explained more fully in the Statements of Trustees' Responsibilities, the trustees (who are also directors of the charitable company for the purposes 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 controls as the trustees determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparation of 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.

## **THE FINBOROUGH FOUNDATION**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Independent auditor's report to the members of The Finborough Foundation**

##### **Auditors' 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 a report of the Auditors 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, and whether the financial results of our client differed from the industry trends;
- the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements;
- the matters discussed around the audit engagements team during the planning process regarding how and where fraud might occur in the financial statement and any potential indicators of fraud.

Audit procedures performed included reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements; discussions with the trustees' on their own assessment of the risks that irregularities may occur either as a result of fraud or error, their assessment of compliance with laws and regulations and whether they were aware of any instances of non-compliance, including any potential litigation or claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgement made in making accounting estimates are indicative of a potential bias; inspection of relevant legal correspondence and board minutes; and evaluation of the business rationale of any significant transactions that are unusual or outside the normal course of business.

As a result of our assessment, it is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business. However, laws and regulations considered to have a direct effect on the financial statements included in the UK Companies Act, the Charities Act, Charities SORP (FRS 102) 2019, GDPR and Health & Safety legislation.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. There is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

## THE FINBOROUGH FOUNDATION

### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### Independent auditor's report to the members of The Finborough Foundation

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. The description forms part of our auditor's report.

#### Other matters which we are required to address

The prior year comparative figures are unaudited.

#### 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 the opinions we have formed.

DocuSigned by:

*Gedalia Waldman*

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**Gedalia Waldman BA FCA (Senior Statutory Auditor)**

for and on behalf of Grunberg & Co Limited  
Chartered Accountants & Statutory Auditors  
5 Technology Park  
Colindeep Lane  
Colindale  
London  
NW9 6BX

31 october 2024 | 3:01 PM GMT

**Date**

# THE FINBOROUGH FOUNDATION

## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### Statement of financial activities

		Unrestricted Funds 2023 £	Total 2023 £	Total Unrestricted 2022 £
	<i>Notes</i>			
<b>Income from:</b>				
Investments	3	265,893	265,893	268,749
Other income	4	0	0	663
<b>Total</b>		<b>265,893</b>	<b>265,893</b>	<b>269,412</b>
<b>Expenditure on:</b>				
Charitable activities	5	321,868	321,868	243,692
<b>Total</b>		<b>321,868</b>	<b>321,868</b>	<b>243,692</b>
Net gains/(losses) on investments	10, 11 & 12	70,696	70,696	(115,140)
<b>Net movement in funds</b>		<b>14,721</b>	<b>14,721</b>	<b>(89,420)</b>
<b>Reconciliation of funds:</b>				
Balance as at 1 January 2023		8,132,075	8,132,075	8,221,495
<b>Balance as at 31 December 2023</b>		<b>8,146,796</b>	<b>8,146,796</b>	<b>8,132,075</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 12 to 19 form part of these accounts.

THE FINBOROUGH FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of Financial Position as at 31 December 2023

		Unrestricted Funds 2023 £	Total Funds 2023 £	Total Unrestricted Funds 2022 £
	Notes			
<b>Fixed Assets</b>				
Investment Properties	10	6,932,000	6,932,000	7,440,000
Investments	11	547,497	547,497	411,431
<b>Total Fixed Assets</b>		<b>7,479,497</b>	<b>7,479,497</b>	<b>7,851,431</b>
<b>Current Assets</b>				
Debtors	13	713,340	713,340	217,568
Cash at bank and in hand		41,283	41,283	145,023
<b>Total Current Assets</b>		<b>754,623</b>	<b>754,623</b>	<b>362,591</b>
<b>Liabilities:</b>				
Creditors: Amounts falling due within one year	14	87,324	87,324	81,947
<b>Net Current Assets</b>		<b>667,299</b>	<b>667,299</b>	<b>280,644</b>
<b>Total Net Assets</b>		<b>8,146,796</b>	<b>8,146,796</b>	<b>8,132,075</b>
<b>Funds of the Charity</b>				
Unrestricted funds		8,132,075	8,132,075	8,221,495
<b>Total Funds as at 31 December 2023</b>		<b>8,146,796</b>	<b>8,146,796</b>	<b>8,132,075</b>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 12 to 19 form part of these accounts.

As approved and signed on behalf of the Board of Trustees:

DocuSigned by:  
  
 3DB8C013D05248C...  
 Kerry Roberts

31 October 2024 | 2:54 PM GMT

Date

## THE FINBOROUGH FOUNDATION

### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### Notes to the Accounts

#### 1 Accounting Policies

##### Charity information

The Finborough Foundation is a private company limited by guarantee incorporated in England and Wales. Its registered office is 43 Hillway, Highgate, London, England, N6 6AH. The Charity is a Public Benefit Entity as defined by FRS 102.

##### 1.1 Accounting Convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102)" and the Charities SORP "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 (FRS 102)" (effective from 1 January 2019).

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

The accounts have been prepared on the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

The charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

##### 1.2 Going Concern

At the time of approving the accounts the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the 'going concern' basis of accounting in preparing the accounts

##### 1.3 Charitable Funds

Unrestricted funds are available for use at the discretion of the charity in furtherance of their charitable objectives unless the funds have been designated for other purposes.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income Tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

All dividend income is recorded net and includes tax deducted only when it is repayable to the charity.

## THE FINBOROUGH FOUNDATION

### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### Notes to the Accounts

##### 1.5 Expenditure

Expenditure is recognised when paid or when there is a legal or constructive obligation for which it is more likely than not that a transfer of economic benefit will be required in settlement and the amount can be reliably measured as at the reporting date. A constructive obligation exists where the charity has communicated the commitment to provide particular goods, services or funding to the recipient by the reporting date and there are no conditions attached to its payment falling due after the reporting date.

Provisions for liabilities must be recognised when either the timing or the amount of future expenditure required to settle the obligation is uncertain. These are distinguished separately on the balance sheet. If a transfer of resources is no longer required, provisions are reversed and charged to the SoFA.

All support costs are paid from Unrestricted Funds.

##### 1.6 Investments

Investment property, which is property held to earn rentals and / or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the balance sheet date. The surplus or deficit on revaluation is recognised as profit or loss in the Statement of Financial Activities.

Investments held in the fund are included at their market value as follows:

- (a) Listed securities are valued at the mid market value ruling at the balance sheet date.
- (b) Listed securities held in foreign currencies have been valued at the mid market value and translated into their sterling equivalents at the rates ruling at the balance sheet date.
- (c) Gilts are valued at the mid market value ruling at the Balance Sheet date and include interest that has accrued up to that date.

Investments are classified as a fixed asset except when classified as a current asset where the intention of the Trustees is to dispose of the asset and not reinvest the proceeds.

##### 1.7 Other recognised Gains and Losses

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost and are charged or credited to the Statement of Financial Activities in the year of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities resulting from revaluing investments to market value at the Balance Sheet date.

##### 1.8 Cash and cash equivalents

Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

##### 1.9 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

## THE FINBOROUGH FOUNDATION

### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### Notes to the Accounts

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Taxation

The Charity is not liable to income tax or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or the expense to which it relates.

#### 1.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The charity does not hold or expected to hold any restricted funds. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



# THE FINBOROUGH FOUNDATION

## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### Notes to the Accounts

#### Investment Properties

Investment properties are stated at fair value with annual review and revaluation to reflect the market conditions. In drawing their conclusion on the value of the properties, the trustees appoint an external valuer to consider the purpose of the properties, the level of occupancy, rental yields, and the climate of the property market in general. The charity's investment properties were last reviewed by external valuers as at 31 December 2022.

3	Income from Investments	2023	2022
		£	£
	Rental income	256,133	266,640
	Investment income:		
	Unit Trust Income	1830	
	Overseas Interest	951	123
	Overseas Income	1,905	28
	UK Equities and Income	4,063	206
	Fixed Interest	409	0
	Non reclaimable tax	(202)	-4
	Bank Interest	804	1,756
		<u>265,893</u>	<u>268,749</u>

4	Other income	2023	2022
		£	£
	Other	0	663
		<u>0</u>	<u>663</u>

5	Charitable activities	Unrestricted Funds		Total Funds	Total Funds
	Grant making:	Direct	Support		
		Activities	Costs	2023	2022
		£	£	£	£
	Donations made (note 6)	85,000	0	85,000	111,000
	Support costs (note 7)	0	207,688	207,688	103,673
	Governance costs (note 8)	0	29,180	29,180	29,019
		<u>85,000</u>	<u>236,868</u>	<u>321,868</u>	<u>243,692</u>

# THE FINBOROUGH FOUNDATION

## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### Notes to the Accounts

#### 6 Donations made

An analysis of donations made from Unrestricted Funds by type is summarised as follows:

	£	%
Medicine, science and the arts	45,000	53
Conservation, protection and improvement of the environment	15,000	18
Support for homeless children and adults	25,000	29
Total unrestricted donations	85,000	100

A full list of donations made to institutions from Unrestricted Funds and analysed by type for the year:

	£	£
<i>Medicine, science and the arts</i>		
Treloar Trust	20,000.00	
Anthony Nolan Trust	5,000.00	
Asthma + Lung UK	5,000.00	
Action Medical Research	5,000.00	
Medecins sans Frontieres	0.00	
Versus Arthritis	5,000.00	
University College London Cancer Institute	5,000.00	
<i>Total Medicine, science and the arts</i>		45,000
<i>Conservation, protection and improvement of the environment</i>		
Kew Foundation for Grow Wild Project	5,000.00	
RSPB for Harapan Rainforest	5,000.00	
Survival International	5,000.00	
		15,000
<i>Total Conservation, protection and improvement of the environment</i>		
<i>Support for homeless children and adults</i>		
NSPCC		
Save the Children		
Inspirations		
YMCA England	5,000.00	
Coram	5,000.00	
Hope & Homes for Children	10,000.00	
Independent Age	5,000.00	
<i>Total Support for homeless children and adults</i>		25,000
Total Unrestricted Donations made		85,000

## THE FINBOROUGH FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

## Notes to the Accounts

7	Support Costs	2023	2022
		£	£
	Insurance	2,922	2,962
	Rates and water	3,709	5,611
	Light and heat	3,478	3,512
	Repairs and renewals	57,316	37,923
	Major works	71,633	
	Property Management fees	33,051	30,274
	Service charges and cleaning	24,538	23,253
	Health and Safety	10,950	0
	Bank charges	91	138
		<u>207,688</u>	<u>103,673</u>

8	Governance Costs	2023	2022
		£	£
	Legal fees	6,178	11,338
	Accountancy and compliance fees	7,200	10,104
	Auditors' remuneration	7,200	5,627
	Rathbones Investment Management fees	4,702	0
	Other professional fees	3,900	1,950
		<u>29,180</u>	<u>29,019</u>

## 9 Details of certain expenditure

## Trustee Remuneration and benefits

None of the Trustees have been paid any remuneration or received any other benefits during the year ended 31 December 2023 (2022 - nil).

## Trustee expenses

No amounts were reimbursed to any Trustees for expenses incurred (2022 - nil) during the year ended 31 December 2023.

## Employees

The Foundation had no employees during the year ended 31 December 2023 (2022 - nil).  
All related party transactions are detailed in note 16 to the accounts.

10	Investments	Fair Value	Additions	Disposal	Revaluation	Fair Value
	Properties	01/01/23	at cost	proceeds	Gains/(Losses)	31/12/23
		£	£	£	£	£
	Freehold	2,050,000	0	0	27,000	2,077,000
	Long leasehold	5,390,000	0	(570,000)	35,000	4,855,000
	Short leasehold	0	0	0	0	0
		<u>7,440,000</u>	<u>0</u>	<u>(570,000)</u>	<u>62,000</u>	<u>6,932,000</u>

# THE FINBOROUGH FOUNDATION

## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### Notes to the Accounts

Investment properties are carried at fair value, determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

11	Investments	Value at 01/01/23 £	Purchases at cost £	Sales proceeds £	Unrealised Gains/(Losses) £	Value at 31/12/23 £
	<i>Listed:</i>					
	Bonds and Fixed Interest	79,776	9,724	(28,123)	3,718	65,095
	Overseas	158,258	48,606	(11,347)	15,292	210,809
	UK Equities and Income	173,397	93,708	(3,672)	8,160	271,593
		<u>411,431</u>	<u>152,038</u>	<u>(43,142)</u>	<u>27,170</u>	<u>547,497</u>

12	Net gains/(losses) on investments	2023	2022
	Revaluation of investments	26,817	(3,581)
	Revaluation of investments properties	62,000	(109,500)
	Loss on sale of investments properties	(18,121)	(2,059)
		<u>70,696</u>	<u>(115,140)</u>
13	Current assets	2023	2022
	<i>Debtors</i>	£	£
	Property sale proceeds	551,879	0
	Other debtors	161,461	217,568
		<u>713,340</u>	<u>217,568</u>
14	Liabilities:	2023	2022
	<i>Creditors: Amounts falling due within one year</i>	£	£
	Other creditors	55,172	55,172
	Accruals and Deferred income	32,152	26,775
		<u>87,324</u>	<u>81,947</u>

# THE FINBOROUGH FOUNDATION

## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### Notes to the Accounts

15 Financial Instruments	2023 £	2022 £
Financial assets measured at amortised cost	<u>754,623</u>	<u>362,591</u>
Financial liabilities measured at amortised cost	<u>87,324</u>	<u>81,947</u>
Financial assets measured at fair value through SOFA	<u>547,497</u>	<u>411,431</u>

### 16 Related Party Transactions

Other charitable organisations of which the Trustees of this charity have an interest in are always properly declared and acknowledged. If such a situation arises, the Trustee with the related party interest does not participate in the decision other than to clarify facts.

Amounts paid from the Foundation to any such charitable organisations are disclosed in note 6.

The freehold of certain properties are subject to a head lease to a Management Company, in which the Finborough Foundation holds shares. The Management Companies then sublease the flats in these properties either to third parties or back to The Finborough Foundation.

Included in other creditors is an amount of £35,000 loaned to the charity by Mr Charles Pettiward, Trustee. The loan is interest free and repayable on demand. No benefit was received by Mr Pettiward in exchange for this loan.

As permitted by the Foundation's governing documents, Rathbones Trust Company Limited was paid £7,200 (2022 - £6,000) in respect of professional services provided to the charity.

There have been no other related party transactions requiring disclosure in respect of the reporting period.

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