

THE SIR HENRY ROYCE MEMORIAL FOUNDATION

England & Wales · Charity number 1128686

Details

Status	Registered
Legal form	Charitable company
Company number	06819026
Registered	2009-03-19
Register	View on the Charity Commission register

Contact

Address	Hunt House 70 High Street Paulerspury Towcester NN12 7NA
Phone	07984533352
Email	admin@henryroyce.org.uk
Website	www.henryroyce.org.uk

Activities

Objects: 3.1 TO PROMOTE THE ADVANCEMENT OF THE SCIENCE AND TECHNOLOGY OF ENGINEERING AND PARTICULAR BUT NOT EXCLUSIVELY, THE SCIENCE OF MECHANICAL ENGINEERING, ITS HISTORY AND DEVELOPMENT FOR THE PUBLIC BENEFIT AND THE PURSUIT OF EXCELLENCE IN THE SCIENCE OF ENGINEERING. 3.2 TO ADVANCE EDUCATION INCLUDING, BUT NOT EXCLUSIVELY, BY THE FOLLOWING MEANS; 3.2.1 PROVIDING AND MAINTAINING (I) A MUSEUM FOR THE PRESERVATION AND EXHIBITION OF ANY OBJECTS WHATSOEVER IN CONNECTION WITH THE LIFE AND WORKS OF SIR HENRY ROYCE, WAITER OWEN BENTLEY AND OTHER ENGINEERS OF SIMILAR STANDING, THEIR ASSOCIATES AND SUCCESSORS AND IN CONNECTION WITH THE SCIENCE OF MECHANICAL ENGINEERING GENERALLY; (II) A LIBRARY CONTAINING ANY BOOKS MANUSCRIPTS PHOTOGRAPHS FILMS SOUND RECORDS OR OTHER ITEMS WHATSOEVER CONNECTED WITH THE SCIENCE OF ENGINEERING; (III) WORKSHOPS AND OTHER FACILITIES FOR RESEARCH AND STUDY CONNECTED WITH THE SCIENCE OF ENGINEERING; 3.2.2 MAKING AVAILABLE FOR STUDY AND RESEARCH THE CORPUS OF THE PUBLISHED AND UNPUBLISHED RECORDS OF THE EXPERIMENTS RESEARCH AND WORKS OF SIR HENRY ROYCE, WAITER OWEN BENTLEY AND OTHER ENGINEERS OF SIMILAR STANDING, THEIR ASSOCIATES AND SUCCESSORS; 3.2.3 PROVIDING GRANTS, LOANS, SCHOLARSHIPS OR OTHER FORMS OF FINANCIAL ASSISTANCE FOR RESEARCH OR OTHER PROJECTS OR COURSES CONNECTED WITH THE STUDY OF ENGINEERING; 3.2.4 PROMOTING PUBLIC UNDERSTANDING OF AND EDUCATION IN THE DISCIPLINE OF ENGINEERING, PARTICULARLY THROUGH COLLABORATION WITH OTHER ORGANISATIONS, SCHOOLS AND OTHER EDUCATIONAL INSTITUTIONS.

Activities: Cherishing the Legacy Providing a safe and accessible home at the Hunt House for the archives, memorabilia and artefacts from the life and history of Sir Henry Royce and the old Rolls-Royce company. Promoting the Ideals To support excellence in engineering by a programme of awards, lectures, exhibitions and events to stimulate interest in engineering issues.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£169,993	£120,504	-	-
2024-06-30	£93,207	£150,572	-	-
2023-06-30	£135,338	£127,057	-	-
2022-06-30	£164,262	£160,999	-	-
2021-06-30	£177,133	£212,487	-	-

Trustees

Name	Role	Appointed
Robert Douglas Fuller	Chair	2021-12-15
Clive Edward Green		2024-02-27
Giles Usher		2025-12-13
JANE ELIZABETH PEDLER		2024-02-17
John Francis Neale		2021-12-15
John Stephen Steward		2024-02-17

THE SIR HENRY ROYCE MEMORIAL FOUNDATION

England & Wales - Charity number 1128686

Accounts

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

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THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2025**

Trustees	A A Ferrier (resigned 7 December 2024) R D Fuller G Mead (resigned 7 December 2024) J F Neale Dr C J Phillpotts (resigned 20 September 2024) C E Green J E Pedler J S Steward V Feetham (co-opted 7 December 2024)
Company registered number	06819026
Charity registered number	1128686
Registered office	The Hunt House 70 High Street Paulerspury Northants NN12 7NA
Company secretary	T S Dinsdale (appointed 19 December 2024)
Accountants	Streets Chartered Accountants Potton House Wyboston Lakes Great North Road Bedford MK44 3BZ

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2025

The Trustees present their annual report together with the financial statements of the Foundation for the 1 July 2024 to 30 June 2025. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

2025 End of year accounts - Chairman's Report

The current board has been very busy during this financial year.

These have included the following:

- Numerous meetings with the R.R.E.C.
- Substantial repairs have been carried out to the Hunt House, which is owned by the Foundation.

Our lack of members (398 as at the 30th June 2025 of which 188 are Life Members) is still of major concern to the Trustees.

Foundation Funding

The Foundation has two main sources of funding which are, the net rental income from Hunt House and donations. I have given a breakdown of each below.

Hunt House net rental income

Income:

The rental income from the R.R.E.C.	£60,620
Total general donations (including annual donations)	£39,533
10% for sale of archive material	£12,005
Legacies	£50,000
Events	£508
Other incl. interest	£197
Total	£162,863

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Costs:

38% of total Electricity bill	£2,599
38% of total Gas bill	£3,638
50% of Rates bill	£2,003
38% of refuse	£0
38% of water rates	£106
50% of Buildings insurance cost	£6,684
Maintenance cost in 2024/5 Financial year	£25,529
38% of cleaning bill	£10,948 (paid to R.R.E.C.)

Total costs **£31,892 (excluding staff etc)**

We also sadly lost our president Charles Tabor this year who left the Foundation a legacy of £50,000, for which we are truly grateful.

The Foundation board has spent £25,529 this financial year on the maintenance of the Hunt House. We have suggested a budget for the 2026 financial year of a further £35,000 (to take account of roof repairs), without tackling the major repairs to the conservatory. The Grade 2 listing restricts what can be done in the way of improvements and upgrades.

You should be aware that this is mainly due to the lack of maintenance during the pandemic.

This does not include the costs of actually running the Foundation e.g. West Wittering files indexing, staff costs, IT costs, audit fees, mandatory insurance costs etc. Therefore, without substantial additional donations the Foundation will again find itself in a deficit situation in 2025/26.

As noted before the Foundation board has been notified by the R.R.E.C. that is considering moving out of Hunt House at some stage. The Foundation is in discussions with the R.R.E.C. to ensure a seamless move as far as members of both organisations are concerned should this ever happen.

If the R.R.E.C. do move out the future of Hunt House will be subject to regular reviews by the Foundation. We would expect to let out parts of the Hunt House to new tenants after undertaking some changes to facilitate this.

Donations

Like most clubs and charities the Foundation has suffered a significant reduction in members over the last few years due to various reasons. One hurdle has been that the R.R.E.C. no longer allow R.R.E.C. members to become Foundation members or to give a donation to the Foundation at the same time as renewing their R.R.E.C. membership or donate to the Foundation from within the R.R.E.C. website.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

We currently have 398 members (anyone who pays £30 or more a year) of which 188 are Life members who, having paid a one-off fee, no longer have to make donations to the Foundation to stay a member, although some continue to make regular donations.

In addition, we received £1,200 in restricted donations. Restricted donations can only be used for the designated purpose and not to cover running expenses e.g. awards or acquisitions.

Events and Lectures

The Foundation held its main event, the Heritage Weekend. This was considered a success and attended by 46 members and guests. We have already arranged the Heritage Weekend for November 2025 and hope to welcome more motoring enthusiasts from the R.R.E.C. and other clubs during the next year.

In addition, the Foundation hopes to renew its customary programme of educational lectures during 2025/26.

Awards

The Foundation continues to support the IET Awards with a certificate, medal and a cash award. We will continue to do this as well as looking for other opportunities to further our charitable aims.

Related parties

Any connection between a trustee or senior manager of the Foundation and a business arrangement must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. As at the end of this financial year no members of the board of the Foundation are also board members of the R.R.E.C.

Trustee Remuneration

None of our trustees receive remuneration or other benefit from their work with the Foundation.

Notes on the 2025 accounts

Accountants

We are very happy with our current accountants, Street Chartered Accountants.

Significant items in this year's accounts

The Foundation has spent a significant amount of money on repairs to Hunt House during this financial year.

This lack of any other regular income other than the rent for Hunt House from the R.R.E.C. has meant that the Foundation is severely limited in what charitable works it can undertake. The Foundation board are not happy with this but currently cannot see a way forward whilst the costs of maintaining Hunt house are so high.

What the Foundation board undertook in the 2024/25 Financial year

The Foundation has now funded and made images from the West Wittering and Experimental files freely available to the public whilst asking for donations. This is a first for the Foundation with nearly 57,500 of those images indexed as at the end of June 2025, with more being indexed every month.

The Foundation Board organised Open Days for the community to raise awareness and introduce people to the wonderful Heritage of the Honourable Charles Rolls and Sir Henry Royce. 66 school children and staff from the local Primary school attended to celebrate the 80th Anniversary of WWII on 9th May and the following day the

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Hunt House was open to the community in the surrounding areas. SHRMF played host to Sir John Stuttard who launched a book co-authored with Roger Tanner "Rolls-Royce in East Africa". The event was very successful in receiving many donations and several new members to the Foundation. The SHRMF has also hosted visits from several organisations and clubs including the Daventry 41Club, Milton Keynes Aviation Society, Michael Web R.R.B.S.A. and the R.R.E.C. Middlesex section.

The Future, what the Foundation board would like to achieve

The Foundation board are committed to making more of the archives available to the public and are in discussions with Bentley Motors, Rolls Royce Motor Cars, the W. O. Bentley Foundation and both the R.R.E.C. and BDC to help achieve this. We are also investigating how we might make the artifacts at Hunt House available to be viewed by more members of the public.

The Foundation board are committed to helping young people take up engineering apprenticeships, especially in car maintenance and restoration. We can only do this if we can attract substantially more members and donations.

Finally, it should never be forgotten that the Foundation is a charity and needs donations to continue to undertake charitable works.

A little recent history of the Sir Henry Royce Memorial Foundation

- i) The Foundation is the custodian of the Rolls-Royce and Bentley Archives and Artifacts which are held in Hunt House.
- ii) After originally raising funds, the Foundation owns and maintains the Hunt House part of which is leased to the RREC. Rent arising from this lease supports the Foundation (see previous comments regarding how much this actually contributes). The maintenance of Hunt House is the responsibility of the Foundation.
- iii) The Foundation has an independent membership that elects the trustees of the charity.
- iv) The Foundation allows members of the Rolls-Royce community and other members of the public to donate and leave legacies in a tax effective manner.
- v) It preserves and makes available the archives to members of the Foundation and the RREC. We also are making the West Wittering and Experimental files publicly and freely available online.
- vi) Most importantly, as it is a charity, it exists for the public good and aims to preserve the memory of Sir Henry Royce and Rolls-Royce and Bentley Motor cars as well as aero engines up to the advent of the Merlin engine.

What it does not do

- i) Run as to create a significant surplus year on year. A charity can be run for a surplus and that surplus carried forward to future years to bolster reserves against any deficits. The foundation does not intend to run at a deficit if it can help it.
- ii) Interfere with the running of the RREC.
- iii) Get involved with engineering and aeronautics beyond Sir Henry's direct knowledge and influence

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

In addition to what the Foundation does, this is what we intend to add

- i) Given sufficient funds we would like to employ a curator/archivist to be responsible for and support the large volume of material we hold.
- ii) Continue to digitise and make available the archives and artifacts to the public – we are a charity. This includes on line access to any engineering drawings etc. We would expect applicants, and particularly commercial endeavours, to make a donation to the charity.
- iii) Promote the support and encouragement of apprentices within the Rolls Royce and Bentley Specialists Association and at Bicester. Recognise an outstanding contribution to automotive engineering on an annual basis by offering a modest 'Nobel Prize' type recognition. We hope this will eventually be seen as a very prestigious award
- iv) Seek to promote and memorialise Sir Henry Royce, and particularly his cars, at every opportunity using effective and modern promotional activities.

We are aware that we have set ourselves some tasks here and this will not happen overnight but the aspirations are worthwhile and we hope will go some way to a fitting memorial of Sir Henry's memory.



R D Fuller
Chair of Trustees

Date: 23 October 2025

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Objectives and activities

a. Policies and objectives

The purposes of the Foundation are:

To promote the advancement of the science and technology of engineering and in particular the science of mechanical engineering relating to car restoration, its history and development for the public benefit and the pursuit of excellence in the science of engineering.

To advance education including, but not exclusively, by the following means:

Providing and maintaining:

- (i) a museum for the preservation and exhibition of any objects whatsoever in connection with the life and works of Sir Henry Royce and Walter Owen Bentley (especially the cars bearing their names) their associates and successors and in connection with the science of engineering generally;
- (ii) a library containing any books, manuscripts, photographs, films, sound records or other items whatsoever connected with Sir Henry Royce and Walter Owen Bentley and the cars bearing their names;
- (iii) workshops and other facilities for research and study connected with the Rolls-Royce and Bentley motor cars;
- (iv) making available for study and research the corpus of the published and unpublished records of the experiments, research and works of Sir Henry Royce, Walter Owen Bentley their associates and successors;
- (v) providing grants, loans, scholarships or other forms of financial assistance for research or other projects or courses connected with the maintaining Rolls-Royce and Bentley motor cars;
- (vi) promoting public understanding of and education in the discipline of engineering, particularly through collaboration with the community, schools and other educational institutions.

Significant activities:

The Foundation is principally engaged in the preservation of the Legacy of Sir Henry Royce and the support of excellence in engineering.

The strategies employed to achieve the Foundation's aims and objects are:

- Delegate responsibility for the important tasks to individual Trustee Directors, backed up where appropriate by a small committee.
- Support these animators by regular review at board level and by board participation in the events they organise.
- Board members and management are constantly on the lookout for opportunities to promote the use of The Hunt House and its facilities and to invite like-minded organisations to hold events there.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Objectives and activities (continued)

Putting these strategies into action the Foundation has five main areas of activity:

- Events
- Awards
- Lectures
- Building maintenance and improvement
- Preservation and promotion of the archives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees are of the view that, as all the activities of the Foundation are directly or indirectly those of a museum or are educational in nature, they are therefore for the public benefit (especially making the Experimental and West Wittering files available on line for free public use).

Achievements and performance

a. Investment policy and performance

The Trustees, having regard to the liquidity requirements of operating the Foundation, have kept available cash resources in interest-bearing deposit accounts. Their plan is to achieve a rate on deposit that matches or exceeds inflation as measured by the retail prices index however in today's market this has not been possible.

The other significant investment is in the Hunt House. The property is of mixed use and, whilst a part of the building is retained to house the archival records; part is leased on a formal lease to R.R.E.C. Limited. The terms of the lease are set out in the accounting policies.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Principal risks and uncertainties

The Trustees' policy is to have a low appetite for risk.

Assessment and management of risk is built into the day-to-day management of all activities of the Foundation, through mechanisms that ensure the long-term sustainability of its activities. A risk register documents the main risks identified and the actions necessary for mitigation. The Board review and agree these at least once a year and the Trustees receive reports by exception.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

The Trustees have defined and assessed the major risks to which the Foundation is exposed, in particular, those relating to heritage, operations and finances of the Foundation and are satisfied that robust systems are in place to mitigate their impact. In examining the major strategic, business and operational threats facing the Foundation, the Trustees have considered both the likelihood and the potential impacts arising from them, giving special attention to matters of dependency of income, public perception, adverse publicity, staff employment implications, staff turnover, criminal/civil law issues and government policy. All of these risks are rigorously monitored and, as a consequence, there is continuing focus on evolving danger. Following identification, the necessary steps to maximise the impact of recovery actions are agreed and executed.

The following are viewed as significant potential risks:

Lack of experienced Trustees:

The Foundation board recognises the need for more Trustees to serve on the Foundation board.

The process is ongoing and the recruitment of new Trustees is attracting different skill sets to the Board.

Operational Risks:

The physical security of heritage archives, historic artefacts and the systems associated with their coordination is a key risk, but the Trustees consider appropriate safeguards are in place.

Financial Risks:

The dependence on a dominant source of income is a major risk issue in theory, the provider of The Foundation's main income (R.R.E.C. Limited and its members) leases the Foundation's premises to utilise as its operating base. The Trustees have started to put into place plans for the continued use of the Hunt House should the RREC not be a source of revenue. The Reserves Policy reflects and addresses the financial risks as defined above.

Structure, governance and management

a. Constitution

The Sir Henry Royce Memorial Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

A Board of Directors governs the Foundation. The Board delegates the day-to-day management of the Foundation to the Foundation staff. The present membership of the Board of Directors is set out on page 1. The maximum number of Directors allowed by the Memorandum and Articles of Association is twenty and the minimum number is four, but is limited to twelve by the rules set down in the Policies and Procedures Manual Part A, which can only be amended by the members in a General Meeting.

In accordance with the Memorandum and Articles of Association, new Directors may be appointed either by the Members at a General Meeting, or, in certain circumstances, by the Directors. The Directors may appoint a person who is willing to act to be a Director subject to clauses 16.5 and 16.6 of the Articles of Association and Section 1 of the Policy and Procedures Manual Part A.

Induction and training of new trustees:

Upon election a new Director is given a welcome pack including a brief history of the Foundation, a copy of the

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Structure, governance and management (continued)

Memorandum & Articles of Association, a skills matrix to determine how best they can support the Foundation or a web link to the Charity Commission's guidance notes for trustees such as "The Essential Trustee: What You Need to Know" (Leaflets CC3, CC3a and CC29 refer).

c. Trustees' indemnities

The Charity had qualifying third party indemnity provision for the benefit of the Trustees (who are also Directors of The Sir Henry Royce Memorial Foundation for the purposes of company law) and Officers of the Charity in place during the financial year.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Foundation for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Foundation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



R D Fuller
Chair of Trustees
Date: 23 October 2025

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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 JUNE 2025

Independent Examiner's Report to the Trustees of The Sir Henry Royce Memorial Foundation ('the Foundation')

I report to the charity Trustees on my examination of the accounts of the Foundation for the year ended 30 June 2024.

Responsibilities and Basis of Report

As the Trustees of the Foundation (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Foundation are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Foundation's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Foundation as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

This report is made solely to the Foundation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Foundation's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees as a body, for my work or for this report.

Signed:



Dated: 23 October 2025

Mr A Endersby

FCA

Streets S J Males
Basepoint Business and Innovation Centre
110 Butterfield
Great Marlings
Luton
LU2 8DL

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	89,609	1,300	90,909	22,799
Other trading activities	4	13,398	-	13,398	3,671
Investments	5	65,686	-	65,686	66,737
Total income		168,693	1,300	169,993	93,207
Expenditure on:					
Charitable activities		108,904	8,536	117,440	150,572
Other expenditure	6	3,064	-	3,064	-
Total expenditure		111,968	8,536	120,504	150,572
Net income/(expenditure)		56,725	(7,236)	49,489	(57,365)
Transfers between funds	16	(8,536)	8,536	-	-
Net movement in funds		48,189	1,300	49,489	(57,365)
Reconciliation of funds:					
Total funds brought forward		1,927,856	13,778	1,941,634	1,998,999
Net movement in funds		48,189	1,300	49,489	(57,365)
Total funds carried forward		1,976,045	15,078	1,991,123	1,941,634

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 31 form part of these financial statements.

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REGISTERED NUMBER: 06819026

BALANCE SHEET
AS AT 30 JUNE 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	11	1,740,615	1,740,208
Investments	12	2	2
		<u>1,740,617</u>	<u>1,740,210</u>
Current assets			
Debtors	13	30,288	41,155
Investments	14	63,711	60,955
Cash at bank and in hand		163,064	146,316
		<u>257,063</u>	<u>248,426</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(6,557)	(47,002)
Net current assets		<u>250,506</u>	<u>201,424</u>
Total assets less current liabilities		<u>1,991,123</u>	<u>1,941,634</u>
Net assets excluding pension asset		<u>1,991,123</u>	<u>1,941,634</u>
Total net assets		<u><u>1,991,123</u></u>	<u><u>1,941,634</u></u>
Charity funds			
Restricted funds	16	15,078	13,778
Unrestricted funds	16	1,976,045	1,927,856
Total funds		<u><u>1,991,123</u></u>	<u><u>1,941,634</u></u>

The Foundation was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06819026

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2025

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



R D Fuller

Chair of Trustees

Date: 23 October 2025

The notes on pages 16 to 31 form part of these financial statements.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. General information

As set out in the trustees' report, The Sir Henry Royce Memorial Foundation, is a charitable incorporated organisation registered in England and Wales. The address of their registered office is The Hunt House, 70 High Street, Paulerspury, Northants, NN12 7NA.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The charity's objectives are stated in the trustees report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Sir Henry Royce Memorial Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2. Accounting policies (continued)

2.2 Income

All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Foundation has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Foundation, can be reliably measured.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Foundation's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Foundation which is the amount it 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.

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

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Foundation's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	-
Plant and machinery	- 10% - 50% straight line
Fixtures and fittings	- 10% - 50% straight line
Computer equipment	-

Mixed Use Property - Hunt House

The Foundation has granted a lease to R.R.E.C. Limited for its occupancy of the Hunt House. The lease was for a period of 21 years and commenced on 16 June 2012. The rent was set at £30,000 per annum from 16 June 2012 with review every four years after advice being taken from an appropriate professional. The last rent review occurred in July 2020 and the new rent set at £48,500 per annum. The Trustees have taken professional advice about the current appropriate level of rent and will be in discussion with the directors of R.R.E.C. Limited in respect of the review. Any change in rent will be backdated to 16 June 2024.

There is an obligation for the tenant to grant a simultaneous sub lease to the Foundation, giving the Foundation rights of occupation of certain parts, together with rights of access and use over substantial other areas at effectively no rental cost. The sub-tenant in this case will pay a service charge as a proportion of the costs for maintaining the premises.

The tenant, R.R.E.C. Limited, however remains responsible for the management and security and general administration of the whole complex.

Accordingly, the freehold property owned by the Foundation is designated as a mixed-use property as it is used in part to generate rental income from R.R.E.C. Limited and in part under a sub-lease back to the Foundation for archival and lecture facilities and for its own administrative purposes. Therefore, the value of the Hunt House has been divided between investment property and property held for operational use as a tangible fixed asset.

The lease of the Hunt House has been designated as an investment property and its value initially measured at cost and will be subsequently valued at fair value. The sub-lease back to the Foundation, albeit disclosed in tangible fixed assets, is included in the accounts at a value initially measured at cost and will be subsequently valued at fair value.

As the property is held at fair value, no depreciation is being accrued in respect of either part in accordance with the Charities SORP (FRS 102).

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2. Accounting policies (continued)

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and 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.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

2. Accounting policies (continued)

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Foundation for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Donations	39,609	1,300	40,909	22,799
Legacies	50,000	-	50,000	-
	<u>89,609</u>	<u>1,300</u>	<u>90,909</u>	<u>22,799</u>
<i>Total 2024</i>	<u><u>20,399</u></u>	<u><u>2,400</u></u>	<u><u>22,799</u></u>	

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Lectures and visits	12,890	12,890	3,963
Event income	508	508	(292)
	<u>13,398</u>	<u>13,398</u>	<u>3,671</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Rents received	60,620	60,620	65,000
Deposit account interest	5,066	5,066	1,737
	<u>65,686</u>	<u>65,686</u>	<u>66,737</u>
<i>Total 2024</i>	<u><u>66,737</u></u>	<u><u>66,737</u></u>	

6. Other expenditure

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Event expenditure	<u>3,064</u>	<u>3,064</u>	<u>-</u>

7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Charitable expenditure	<u>10,374</u>	<u>107,066</u>	<u>117,440</u>	<u>150,572</u>
<i>Total 2024</i>	<u><u>13,124</u></u>	<u><u>137,448</u></u>	<u><u>150,572</u></u>	

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Depreciation	693	693	5,489
Associate administration	799	799	-
Archive expenses	8,605	8,605	5,208
Awards expenditure	277	277	2,427
	<u>10,374</u>	<u>10,374</u>	<u>13,124</u>
<i>Total 2024</i>	<u>13,124</u>	<u>13,124</u>	

Analysis of support costs

	Activities 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	43,691	43,691	49,812
Property costs	16,766	16,766	55,415
Property insurance	8,787	8,787	1,595
Other expenses	11,510	11,510	11,358
CRM costs	4,069	4,069	3,729
Outsourcing costs	-	-	5,666
Legal costs	14,973	14,973	-
Governance costs	7,270	7,270	9,873
	<u>107,066</u>	<u>107,066</u>	<u>137,448</u>
<i>Total 2024</i>	<u>137,448</u>	<u>137,448</u>	

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8. Independent examiner's remuneration

	2025 £	<i>2024</i> £
Fees payable to the Foundation's independent examiner for the independent examination of the Foundation's annual accounts	2,220	<i>2,100</i>

9. Staff costs

	2025 £	<i>2024</i> £
Wages and salaries	43,014	<i>48,959</i>
Contribution to defined contribution pension schemes	677	<i>853</i>
	43,691	<i>49,812</i>

The average number of persons employed by the Foundation during the year was as follows:

	2025 No.	<i>2024</i> No.
Admin	2	<i>2</i>

No employee received remuneration amounting to more than £60,000 in either year.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2024 - £NIL*).

During the year ended 30 June 2025, expenses totalling £3,195 were reimbursed or paid directly to 5 Trustees (*2024 - £816 to 2 Trustees*). These expenses were reimbursement of legitimate expenses incurred by trustees on Foundation business.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 July 2024	1,739,000	181,481	295,243	1,435	2,217,159
Additions	-	1,100	-	-	1,100
At 30 June 2025	<u>1,739,000</u>	<u>182,581</u>	<u>295,243</u>	<u>1,435</u>	<u>2,218,259</u>
Depreciation					
At 1 July 2024	-	181,450	295,243	258	476,951
Charge for the year	-	214	-	479	693
At 30 June 2025	<u>-</u>	<u>181,664</u>	<u>295,243</u>	<u>737</u>	<u>477,644</u>
Net book value					
At 30 June 2025	<u>1,739,000</u>	<u>917</u>	<u>-</u>	<u>698</u>	<u>1,740,615</u>
At 30 June 2024	<u>1,739,000</u>	<u>31</u>	<u>-</u>	<u>1,177</u>	<u>1,740,208</u>

The freehold property above relates to Hunt House, 70 High Street, Paulerspury, Northants, NN12 7NA.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2024	2
At 30 June 2025	2
Net book value	
At 30 June 2025	2
At 30 June 2024	2

Principal subsidiaries

The following was a subsidiary undertaking of the Foundation:

Name	Company number	Class of shares	Holding	Included in consolidation
Sir Henry Royce Limited	02857720	Ordinary	100%	No

The financial results of the subsidiary for the year were:

Name	Net assets £
Sir Henry Royce Limited	(21,658)

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

13. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	8,321	26,093
Other debtors	13,258	8,342
Prepayments and accrued income	8,709	6,720
	<u>30,288</u>	<u>41,155</u>

14. Current asset investments

	2025 £	2024 £
Fixed term deposit account	<u>63,711</u>	<u>60,955</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	2,325	42,173
Other taxation and social security	10	2,346
Accruals and deferred income	4,222	2,483
	<u>6,557</u>	<u>47,002</u>

16. Statement of funds

Statement of funds - current year

	Balance at 1 July 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2025 £
Unrestricted funds					
General Funds	187,646	168,693	(111,273)	(9,636)	235,430
Tangible Fixed Assets	1,740,210	-	(695)	1,100	1,740,615
	<u>1,927,856</u>	<u>168,693</u>	<u>(111,968)</u>	<u>(8,536)</u>	<u>1,976,045</u>
Restricted funds					
Awards	-	-	(250)	250	-
Artefacts	11,628	1,300	-	-	12,928
Autocar Binding	1,150	-	-	-	1,150
Archiving	-	-	(8,286)	8,286	-
Philip Hall Award	1,000	-	-	-	1,000
	<u>13,778</u>	<u>1,300</u>	<u>(8,536)</u>	<u>8,536</u>	<u>15,078</u>
Total of funds	<u>1,941,634</u>	<u>169,993</u>	<u>(120,504)</u>	<u>-</u>	<u>1,991,123</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 June 2024 £</i>
Unrestricted funds					
General Funds	240,253	90,807	(137,448)	(5,966)	187,646
Tangible Fixed Assets	1,744,264	-	(5,489)	1,435	1,740,210
	<u>1,984,517</u>	<u>90,807</u>	<u>(142,937)</u>	<u>(4,531)</u>	<u>1,927,856</u>
Restricted funds					
Awards	1,990	-	(2,427)	437	-
Artefacts	9,228	2,400	-	-	11,628
Autocar Binding	1,150	-	-	-	1,150
Archiving	1,114	-	(5,208)	4,094	-
Philip Hall Award	1,000	-	-	-	1,000
	<u>14,482</u>	<u>2,400</u>	<u>(7,635)</u>	<u>4,531</u>	<u>13,778</u>
Total of funds	<u>1,998,999</u>	<u>93,207</u>	<u>(150,572)</u>	<u>-</u>	<u>1,941,634</u>

17. Summary of funds

Summary of funds - current year

	<i>Balance at 1 July 2024 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 June 2025 £</i>
General funds	1,927,856	168,693	(111,968)	(8,536)	1,976,045
Restricted funds	13,778	1,300	(8,536)	8,536	15,078
	<u>1,941,634</u>	<u>169,993</u>	<u>(120,504)</u>	<u>-</u>	<u>1,991,123</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

17. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 July 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 June 2024 £</i>
General funds	1,984,517	90,807	(142,937)	(4,531)	1,927,856
Restricted funds	14,482	2,400	(7,635)	4,531	13,778
	<u>1,998,999</u>	<u>93,207</u>	<u>(150,572)</u>	<u>-</u>	<u>1,941,634</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,740,615	-	1,740,615
Fixed asset investments	2	-	2
Current assets	241,985	15,078	257,063
Creditors due within one year	(6,557)	-	(6,557)
Total	<u>1,976,045</u>	<u>15,078</u>	<u>1,991,123</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Endowment funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	-	-	1,740,208	1,740,208
Fixed asset investments	-	-	2	2
Current assets	-	13,778	234,648	248,426
Creditors due within one year	-	-	(47,002)	(47,002)
Total	<u>-</u>	<u>13,778</u>	<u>1,927,856</u>	<u>1,941,634</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

19. Related party transactions

The charity has a working relationship with R.R.E.C. Limited. In 2025 the following transactions took place between the trust:

- Rental income received from R.R.E.C. Limited £72,744 (2024: £65,000)
- Recharged by the Foundation to R.R.E.C Limited £32,904 (2024: £23,107)
- Recharged by R.R.E.C. Limited to Foundation £8,028 (2024: £64,834)

All the above funding was received to provide services in respect of maintenance and every day running expenses of The Hunt House and has been included in the financial statements under expenditure on charitable activities. The outstanding balance with R.R.E.C. Limited as at 30 June 2025 was £7,601 owed to the Foundation and £1,716 owed from the Foundation (2024: £26,093 owed to the Foundation and £37,066 owed from the Foundation).

THE SIR HENRY ROYCE MEMORIAL FOUNDATION

England & Wales - Charity number 1128686

Accounts

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

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THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2024**

Trustees

A A Ferrier
R D Fuller
G Mead
J F Neale
Dr C J Phillpotts
D J Towers (resigned 17 February 2024)
I Hick (resigned 28 October 2023)
C E Green (appointed 27 February 2024)
J E Pedler (appointed 17 February 2024)
J S Steward (appointed 17 February 2024)

**Company registered
number**

06819026

**Charity registered
number**

1128686

Registered office

The Hunt House
70 High Street
Paulerspury
Northants
NN12 7NA

Company secretary

A A Ferrier

Accountants

Streets Chartered Accountants
Potton House
Wyboston Lakes
Great North Road
Bedford
MK44 3BZ

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2024

The Trustees present their annual report together with the financial statements of the Foundation for the 1 July 2023 to 30 June 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

2024 End of year accounts - Chairman's Report

The current board has been very busy during this financial year.

These have included the following:

- Our relationship with the R.R.E.C. has improved
- Our operational systems were moved to be in line with the R.R.E.C. when we signed our outsourcing agreement with them. Some of these are working well e.g. Xero (for accounting) whilst others are falling short of what the Foundation needs.
- The Hunt House, which is owned by the Foundation, is showing signs of age and is in need of ever more extensive maintenance and cost of heating etc.
- Our lack of members (287 as at the 30th June 2024 of which 165 are Life Members) is still of major concern to the Trustees.

Foundation Funding

The Foundation has two main sources of funding which are, the net rental income from Hunt House and donations. I have given a breakdown of each below.

Hunt House net rental income

Income:

The rental income from the R.R.E.C.	£65,029 (includes back rent of £16,529)
Total general donations (including annual donations)	£20,398
10% for sale of archive material	£3,671
Legacies	£0
Other incl. interest	£362
Total	£89,461
Adjusted total excl. backdated	£72,932

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Costs:

38% of total Electricity bill	£4,289
38% of total Gas bill	£5,349
50% of Rates bill	£883
38% of refuse	£479
38% of water rates	£109
50% of Buildings insurance cost	£0 (<i>approx £5,000 a year going fwd</i>)
Maintenance cost in 2023/24 Financial year	£44,476
50% of cleaning bill	£29,088
Total costs	£84,673

Therefore, net deficit on Hunt House is **£11,741**

Note we have not included the £5,666 paid to the R.R.E.C for the outsourcing contract cancelled in this financial year.

The Hunt House is a grade 2 listed property that is not up to modern standards of insulation. The original house has many rooms with only single glazing and no thermal insulation. The extensions are all open plan with no means of closing the roof archive space and also suffer from a lack of thermal insulation. All of this means that heating bills are much more than we would like. The extensions in particular are currently in need of some substantial work in particular on the conservatory, the roofs (especially the various flat roofs) and the outside walls.

Hunt House also requires above average ongoing maintenance due to its age which require significant ongoing funds.

The Foundation board estimate that due to many years of under investment the maintenance cost of looking after Hunt House will be significantly increased moving forward. A suggested budget for the 2025 financial year being £35,000, without tackling the major repairs noted above. The Grade 2 listing restricts what can be done in the way of improvements and upgrades.

Note this will mean that the Foundation would be making a small surplus on Hunt House next year of approx. £16,000 if all other costs remain static. This does not include the costs of actually running the Foundation e.g. West Wittering files indexing, staff costs, IT costs, audit fees, mandatory insurance costs etc. Therefore, without substantial additional donations the Foundation will again find itself in a deficit situation in 2024/25.

The Foundation board has been recently notified by the R.R.E.C. that is considering moving out of Hunt House at some stage. The Foundation is in discussions with the R.R.E.C. to ensure a seamless move as far as members of both organisations are concerned should this ever happen.

If the R.R.E.C. do move out the future of Hunt House will be subject to regular reviews by the Foundation but we do not envisage any major changes for a significant period of time.

Donations

The Foundation has suffered a significant reduction in members over the last few years due to various reasons. One hurdle has been that the R.R.E.C. no longer allow R.R.E.C. members to become Foundation members or to give a donation to the Foundation at the same time as renewing their R.R.E.C. membership or donate to the Foundation from within the R.R.E.C. website.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

We currently have 287 members (anyone who pays £30 or more a year) of which 165 are Life members who, having paid a one off fee, no longer have to make donations to the Foundation to stay a member, although some continue to make regular donations. This income is substantially down on last year as we allowed RREC Sections to pay a reduced rate to become members for a year and very few have renewed. This means that the total amount donated to the Foundation in this financial year was £20,399 Of which £0.00 was from the estate of a departed member.

In addition, we received £2,400 in restricted donations. Restricted donations can only be used for the designated purpose and not to cover running expenses e.g. awards or acquisitions.

Events and Lectures

Unfortunately, the Foundation had to cancel its main event this year, the Heritage Weekend. This was due to circumstances outside our control. We have already arranged the Heritage Weekend for November 2024 and hope to welcome more motoring enthusiasts from the R.R.E.C. and other clubs during the next year.

In addition, the Foundation hopes to renew its customary programme of educational lectures in the coming year.

Awards

The Foundation continues to support the IET Awards with a certificate, medal and a cash award. We will continue to do this as well as looking for other opportunities to further our charitable aims.

Related parties

Any connection between a trustee or senior manager of the Foundation and a business arrangement must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. As at the end of this financial year no members of the board of the Foundation are also board members of the R.R.E.C.

Trustee Remuneration

None of our trustees receive remuneration or other benefit from their work with the Foundation.

Notes on the 2024 accounts

Accountants

We are very happy with our current accountants, Street Chartered Accountants.

Significant items in this year's accounts

The Foundation has spent a significant amount of money on repairs to Hunt House during this financial year. This has led to the loss shown in our accounts.

This lack of any other regular income other than the rent for Hunt House from the R.R.E.C. has meant that the Foundation is severely limited in what charitable works it can undertake. The Foundation board are not happy with this but currently cannot see a way forward whilst the costs of maintaining Hunt house are so high.

What the Foundation board undertook in the 2023/24 Financial year

In order to reduce our overheads and to move the Foundation closer to the R.R.E.C. the Foundation undertook an outsourcing contract with the R.R.E.C. in the last financial year, unfortunately, this arrangement did not produce the results the Foundation were looking for and has been cancelled during the 2023/24 Financial year.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

The Foundation has now funded and made images from the West Wittering and Experimental files freely available to the public whilst asking for donations. This is a first for the Foundation with nearly 57,500 of those images indexed as at the end of June 2024, with more being indexed every month.

As we stated on the information we gave, prior to being elected, we are committed to bringing the Foundation and the Club closer together. This process has been much more difficult than we envisaged and we are currently reviewing how we might move this forward in the future.

The Future, what the Foundation board would like to achieve

The Foundation board are committed to making more of the archives available to the public and are in discussions with Bentley Motors, Rolls-Royce Motor Cars, the W. O. Bentley Foundation and both the R.R.E.C. and BDC to help achieve this. We are also investigating how we might make the artifacts at Hunt House available to be viewed by more members of the public.

The Foundation board are committed to helping young people take up engineering apprenticeships, especially in car maintenance and restoration. We can only do this if we can attract substantially more members and donations.

Finally, it should never be forgotten that the Foundation is a charity and needs donations to continue to undertake charitable works.

A little recent history of the Sir Henry Royce Memorial Foundation

- i) The Foundation is the custodian of the Rolls-Royce and Bentley Archives and Artifacts which are held in Hunt House.
- ii) After originally raising funds, the Foundation owns and maintains the Hunt House part of which is leased to the RREC. Rent arising from this lease supports the Foundation (see previous comments regarding how much this actually contributes). The maintenance of Hunt House is the responsibility of the Foundation.
- iii) The Foundation has an independent membership that elects the trustees of the charity.
- iv) The Foundation allows members of the Rolls-Royce community and other members of the public to donate and leave legacies in a tax effective manner.
- v) It preserves and makes available the archives to members of the Foundation and the RREC. We also are making the West Wittering and Experimental files publicly and freely available online.
- vi) Most importantly, as it is a charity, it exists for the public good and aims to preserve the memory of Sir Henry Royce and Rolls-Royce and Bentley Motor cars as well as aero engines up to the advent of the Merlin engine.

What it does not do

- i) Run as to create a significant surplus year on year. A charity can be run for a surplus and that surplus carried forward to future years to bolster reserves against any deficits. The foundation does not intend to run at a deficit if it can help it.
- ii) Interfere with the running of the RREC.
- iii) Get involved with engineering and aeronautics beyond Sir Henry's direct knowledge and influence

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

In addition to what the Foundation does, this is what we intend to add

- i) Given sufficient funds we would like to employ a curator/archivist to be responsible for and support the large volume of material we hold.
- ii) Continue to digitise and make available the archives and artifacts to the public – we are a charity. This includes on line access to any engineering drawings etc. We would expect applicants, and particularly commercial endeavours, to make a donation to the charity.
- iii) Promote the support and encouragement of apprentices within the Rolls Royce and Bentley Specialists Association and at Bicester. Recognise an outstanding contribution to automotive engineering on an annual basis by offering a modest 'Nobel Prize' type recognition. We hope this will eventually be seen as a very prestigious award
- iv) Seek to promote and memorialise Sir Henry Royce, and particularly his cars, at every opportunity using effective and modern promotional activities.

We are aware that we have set ourselves some tasks here and this will not happen overnight but the aspirations are worthwhile and we hope will go some way to a fitting memorial of Sir Henry's memory.



R D Fuller
Chair of Trustees

Date: 11/11/2024

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Objectives and activities

a. Policies and objectives

The purposes of the Foundation are:

To promote the advancement of the science and technology of engineering and in particular the science of mechanical engineering relating to car restoration, its history and development for the public benefit and the pursuit of excellence in the science of engineering.

To advance education including, but not exclusively, by the following means:

Providing and maintaining

- (i) a museum for the preservation and exhibition of any objects whatsoever in connection with the life and works of Sir Henry Royce and Walter Owen Bentley (especially the cars bearing their names) their associates and successors and in connection with the science of engineering generally;
- (ii) a library containing any books, manuscripts, photographs, films, sound records or other items whatsoever connected with Sir Henry Royce and Walter Owen Bentley and the cars bearing their names;
- (iii) workshops and other facilities for research and study connected with the Rolls-Royce and Bentley motor cars;
- (iv) making available for study and research the corpus of the published and unpublished records of the experiments, research and works of Sir Henry Royce, Walter Owen Bentley their associates and successors;
- (v) providing grants, loans, scholarships or other forms of financial assistance for research or other projects or courses connected with the maintaining Rolls-Royce and Bentley motor cars;
- (vi) promoting public understanding of and education in the discipline of engineering, particularly through collaboration with the community, schools and other educational institutions.

Significant activities:

The Foundation is principally engaged in the preservation of the Legacy of Sir Henry Royce and the support of excellence in engineering.

The strategies employed to achieve the Foundation's aims and objects are:

- Delegate responsibility for the important tasks to individual Trustee Directors, backed up where appropriate by a small committee.
- Support these animators by regular review at board level and by board participation in the events they organise.
- Board members and management are constantly on the lookout for opportunities to promote the use of The Hunt House and its facilities and to invite like-minded organisations to hold events there.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Objectives and activities (continued)

Putting these strategies into action the Foundation has five main areas of activity:

- Events
- Awards
- Lectures
- Building maintenance and improvement
- Preservation and promotion of the archives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees are of the view that, as all the activities of the Foundation are directly or indirectly those of a museum or are educational in nature, they are therefore for the public benefit (especially making the Experimental and West Wittering files available on line for free public use).

Achievements and performance

a. Investment policy and performance

The Trustees, having regard to the liquidity requirements of operating the Foundation, have kept available cash resources in interest-bearing deposit accounts. Their plan is to achieve a rate on deposit that matches or exceeds inflation as measured by the retail prices index however in today's market this has not been possible.

The other significant investment is in the Hunt House. The property is of mixed use and, whilst a part of the building is retained to house the archival records; part is leased on a formal lease to R.R.E.C. Limited. The terms of the lease are set out in the accounting policies.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Principal risks and uncertainties

The Trustees' policy is to have a low appetite for risk.

Assessment and management of risk is built into the day-to-day management of all activities of the Foundation, through mechanisms that ensure the long-term sustainability of its activities. A risk register documents the main risks identified and the actions necessary for mitigation. The Board review and agree these at least once a year and the Trustees receive reports by exception.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

The Trustees have defined and assessed the major risks to which the Foundation is exposed, in particular, those relating to heritage, operations and finances of the Foundation and are satisfied that robust systems are in place to mitigate their impact. In examining the major strategic, business and operational threats facing the Foundation, the Trustees have considered both the likelihood and the potential impacts arising from them, giving special attention to matters of dependency of income, public perception, adverse publicity, staff employment implications, staff turnover, criminal/civil law issues and government policy. All of these risks are rigorously monitored and, as a consequence, there is continuing focus on evolving danger. Following identification, the necessary steps to maximise the impact of recovery actions are agreed and executed.

The following are viewed as significant potential risks:

Lack of experienced Trustees:

The Foundation board recognises the need for more Trustees to serve on the Foundation board.

The process is ongoing and the recruitment of new Trustees is attracting different skill sets to the Board.

Operational Risks:

The physical security of heritage archives, historic artefacts and the systems associated with their coordination is a key risk, but the Trustees consider appropriate safeguards are in place.

Financial Risks:

The dependence on a dominant source of income is a major risk issue in theory, the provider of The Foundation's main income (R.R.E.C. Limited and its members) leases the Foundation's premises to utilise as its operating base. Although, R.R.E.C. Limited is represented on the Foundation's board, this situation provides potential for conflicts of interest. The board are hopeful that our closer relationship with the R.R.E.C. and our new website which will enable online memberships and donations will increase both our membership and our income. The Reserves Policy reflects and addresses the financial risks as defined above.

Structure, governance and management

a. Constitution

The Sir Henry Royce Memorial Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

A Board of Directors governs the Foundation. The Board delegates the day-to-day management of the Foundation to the Foundation staff. The present membership of the Board of Directors is set out on page 1. The maximum number of Directors allowed by the Memorandum and Articles of Association is twenty and the minimum number is four, but is limited to twelve by the rules set down in the Policies and Procedures Manual Part A, which can only be amended by the members in a General Meeting.

In accordance with the Memorandum and Articles of Association, new Directors may be appointed either by the Members at a General Meeting, or, in certain circumstances, by the Directors. The Directors may appoint a person who is willing to act to be a Director subject to clauses 16.5 and 16.6 of the Articles of Association and Section 1 of the Policy and Procedures Manual Part A.

Induction and training of new trustees:

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Structure, governance and management (continued)

Upon election a new Director is given a welcome pack including a brief history of the Foundation, a copy of the Memorandum & Articles of Association, a skills matrix to determine how best they can support the Foundation or a web link to the Charity Commission's guidance notes for trustees such as "The Essential Trustee: What You Need to Know" (Leaflets CC3, CC3a and CC29 refer).

c. Trustees' indemnities

The Charity had qualifying third party indemnity provision for the benefit of the Trustees (who are also Directors of The Sir Henry Royce Memorial Foundation for the purposes of company law) and Officers of the Charity in place during the financial year.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Foundation for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Foundation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



R D Fuller
Chair of Trustees
Date: 11/11/2024

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 JUNE 2024

Independent Examiner's Report to the Trustees of The Sir Henry Royce Memorial Foundation ('the Foundation')

I report to the charity Trustees on my examination of the accounts of the Foundation for the year ended 30 June 2024.

Responsibilities and Basis of Report

As the Trustees of the Foundation (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Foundation are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Foundation's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Foundation as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

This report is made solely to the Foundation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Foundation's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees as a body, for my work or for this report.

Signed:



Dated: 11/11/2024

Mr A Endersby

FCA

Streets S J Males
Basepoint Business and Innovation Centre
110 Butterfield
Great Marlings
Luton
LU2 8DL

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	2,400	20,399	22,799	82,779
Other trading activities	4	-	3,671	3,671	7,301
Investments	5	-	66,737	66,737	45,258
Total income		2,400	90,807	93,207	135,338
Expenditure on:					
Charitable activities		7,635	142,937	150,572	124,148
Other expenditure	6	-	-	-	2,909
Total expenditure		7,635	142,937	150,572	127,057
Net (expenditure)/income		(5,235)	(52,130)	(57,365)	8,281
Transfers between funds	16	4,531	(4,531)	-	-
Net movement in funds		(704)	(56,661)	(57,365)	8,281
Reconciliation of funds:					
Total funds brought forward		14,482	1,984,517	1,998,999	1,990,718
Net movement in funds		(704)	(56,661)	(57,365)	8,281
Total funds carried forward		13,778	1,927,856	1,941,634	1,998,999

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 30 form part of these financial statements.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06819026

BALANCE SHEET
AS AT 30 JUNE 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	1,740,208	1,744,262
Investments	12	2	2
		<u>1,740,210</u>	<u>1,744,264</u>
Current assets			
Debtors	13	41,155	59,310
Investments	14	60,955	76,179
Cash at bank and in hand		146,316	124,275
		<u>248,426</u>	<u>259,764</u>
Creditors: amounts falling due within one year	15	(47,002)	(5,029)
Net current assets		<u>201,424</u>	<u>254,735</u>
Total assets less current liabilities		<u>1,941,634</u>	<u>1,998,999</u>
Net assets excluding pension asset		<u>1,941,634</u>	<u>1,998,999</u>
Total net assets		<u><u>1,941,634</u></u>	<u><u>1,998,999</u></u>
Charity funds			
Restricted funds	16	13,778	14,482
Unrestricted funds	16	1,927,856	1,984,517
Total funds		<u><u>1,941,634</u></u>	<u><u>1,998,999</u></u>

The Foundation was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06819026

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2024

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



R D Fuller
Chair of Trustees
Date: 11/11/2024

The notes on pages 16 to 30 form part of these financial statements.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. General information

As set out in the trustees' report, The Sir Henry Royce Memorial Foundation, is a charitable incorporated organisation registered in England and Wales. The address of their registered office is The Hunt House, 70 High Street, Paulerspury, Northants, NN12 7NA.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The charity's objectives are stated in the trustees report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Sir Henry Royce Memorial Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Foundation's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Foundation which is the amount it 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.

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

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Foundation's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	-
Plant and machinery	- 10% - 50% straight line
Fixtures and fittings	- 10% - 50% straight line
Computer equipment	-

Mixed Use Property - Hunt House

The Foundation has granted a lease to R.R.E.C. Limited for its occupancy of the Hunt House. The lease was for a period of 21 years and commenced on 16 June 2012. The rent was set at £30,000 per annum from 16 June 2012 with review every four years after advice being taken from an appropriate professional. The last rent review occurred in July 2020 and the new rent set at £48,500 per annum. The Trustees have taken professional advice about the current appropriate level of rent and will be in discussion with the directors of R.R.E.C. Limited in respect of the review. Any change in rent will be backdated to 16 June 2024.

There is an obligation for the tenant to grant a simultaneous sub lease to the Foundation, giving the Foundation rights of occupation of certain parts, together with rights of access and use over substantial other areas at effectively no rental cost. The sub-tenant in this case will pay a service charge as a proportion of the costs for maintaining the premises.

The tenant, R.R.E.C. Limited, however remains responsible for the management and security and general administration of the whole complex.

Accordingly, the freehold property owned by the Foundation is designated as a mixed-use property as it is used in part to generate rental income from R.R.E.C. Limited and in part under a sub-lease back to the Foundation for archival and lecture facilities and for its own administrative purposes. Therefore, the value of the Hunt House has been divided between investment property and property held for operational use as a tangible fixed asset.

The lease of the Hunt House has been designated as an investment property and its value initially measured at cost and will be subsequently valued at fair value. The sub-lease back to the Foundation, albeit disclosed in tangible fixed assets, is included in the accounts at a value initially measured at cost and will be subsequently valued at fair value.

As the property is held at fair value, no depreciation is being accrued in respect of either part in accordance with the Charities SORP (FRS 102).

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. Accounting policies (continued)

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and 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.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

2. Accounting policies (continued)

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Foundation for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Donations and Legacies	2,400	20,399	22,799	82,779
<i>Total 2023</i>	<i>13,400</i>	<i>69,379</i>	<i>82,779</i>	

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Lectures and visits	3,963	3,963	5,993
Event income	(292)	(292)	1,308
	3,671	3,671	7,301

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Rents received	65,000	65,000	43,000
Deposit account interest	1,737	1,737	2,258
	<u>66,737</u>	<u>66,737</u>	<u>45,258</u>
<i>Total 2023</i>	<u>45,258</u>	<u>45,258</u>	

6. Other expenditure

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Event expenditure	-	-	2,909
	<u>-</u>	<u>-</u>	<u>2,909</u>
<i>Total 2023</i>	<u>2,909</u>	<u>2,909</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Charitable expenditure	13,124	137,448	150,572	124,148
	<u>13,124</u>	<u>137,448</u>	<u>150,572</u>	<u>124,148</u>
<i>Total 2023</i>	<u>9,241</u>	<u>114,907</u>	<u>124,148</u>	

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Depreciation	5,489	5,489	5,572
Associate administration	-	-	897
Archive expenses	5,208	5,208	1,522
Awards expenditure	2,427	2,427	1,250
	<u>13,124</u>	<u>13,124</u>	<u>9,241</u>
<i>Total 2023</i>	<u>9,241</u>	<u>9,241</u>	

Analysis of support costs

	Activities 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	49,812	49,812	8,913
Property costs	55,415	55,415	25,792
Property insurance	1,595	1,595	20,653
Other expenses	11,358	11,358	6,272
CRM costs	3,729	3,729	20,721
Outsourcing costs	5,666	5,666	19,831
Governance costs	9,873	9,873	12,725
	<u>137,448</u>	<u>137,448</u>	<u>114,907</u>
<i>Total 2023</i>	<u>114,907</u>	<u>114,907</u>	

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

8. Independent examiner's remuneration

	2024 £	2023 £
Fees payable to the Foundation's independent examiner for the independent examination of the Foundation's annual accounts	2,100	2,000

9. Staff costs

	2024 £	2023 £
Wages and salaries	48,959	8,540
Social security costs	-	173
Contribution to defined contribution pension schemes	853	200
	49,812	8,913

The average number of persons employed by the Foundation during the year was as follows:

	2024 No.	2023 No.
Admin	2	1

No employee received remuneration amounting to more than £60,000 in either year.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 30 June 2024, expenses totalling £816 were reimbursed or paid directly to 2 Trustees (2023 - £126 to 1 Trustee). These expenses were reimbursement of legitimate expenses incurred by trustees on Foundation business.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 July 2023	1,739,000	181,481	295,243	-	2,215,724
Additions	-	-	-	1,435	1,435
At 30 June 2024	<u>1,739,000</u>	<u>181,481</u>	<u>295,243</u>	<u>1,435</u>	<u>2,217,159</u>
Depreciation					
At 1 July 2023	-	176,219	295,243	-	471,462
Charge for the year	-	5,231	-	258	5,489
At 30 June 2024	<u>-</u>	<u>181,450</u>	<u>295,243</u>	<u>258</u>	<u>476,951</u>
Net book value					
At 30 June 2024	<u>1,739,000</u>	<u>31</u>	<u>-</u>	<u>1,177</u>	<u>1,740,208</u>
At 30 June 2023	<u>1,739,000</u>	<u>5,262</u>	<u>-</u>	<u>-</u>	<u>1,744,262</u>

The freehold property above relates to Hunt House, 70 High Street, Paulerspury, Northants, NN12 7NA.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2023	2
At 30 June 2024	2
Net book value	
At 30 June 2024	2
At 30 June 2023	2

Principal subsidiaries

The following was a subsidiary undertaking of the Foundation:

Name	Company number	Class of shares	Holding	Included in consolidation
Sir Henry Royce Limited	02857720	Ordinary	100%	No

The financial results of the subsidiary for the year were:

Name	Net assets £
Sir Henry Royce Limited	(21,658)

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

13. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	26,093	864
Other debtors	8,342	51,978
Prepayments and accrued income	6,720	6,468
	<u>41,155</u>	<u>59,310</u>

14. Current asset investments

	2024 £	2023 £
Fixed term deposit account	<u>60,955</u>	<u>76,179</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

15. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	42,173	2,284
Other taxation and social security	2,346	-
Accruals and deferred income	2,483	2,745
	<u>47,002</u>	<u>5,029</u>

16. Statement of funds

Statement of funds - current year

	Balance at 1 July 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2024 £
Unrestricted funds					
General Funds	240,253	90,807	(137,448)	(5,966)	187,646
Tangible Fixed Assets	1,744,264	-	(5,489)	1,435	1,740,210
	<u>1,984,517</u>	<u>90,807</u>	<u>(142,937)</u>	<u>(4,531)</u>	<u>1,927,856</u>
Restricted funds					
Awards	1,990	-	(2,427)	437	-
Artefacts	9,228	2,400	-	-	11,628
Autocar Binding	1,150	-	-	-	1,150
Archiving	1,114	-	(5,208)	4,094	-
Philip Hall Award	1,000	-	-	-	1,000
	<u>14,482</u>	<u>2,400</u>	<u>(7,635)</u>	<u>4,531</u>	<u>13,778</u>
Total of funds	<u>1,998,999</u>	<u>93,207</u>	<u>(150,572)</u>	<u>-</u>	<u>1,941,634</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 June 2023 £</i>
Unrestricted funds				
General Funds	230,914	121,938	(112,599)	240,253
Tangible Fixed Assets	1,749,836	-	(5,572)	1,744,264
	<u>1,980,750</u>	<u>121,938</u>	<u>(118,171)</u>	<u>1,984,517</u>
Restricted funds				
Awards	1,990	-	-	1,990
Artefacts	6,828	2,400	-	9,228
Autocar Binding	1,150	-	-	1,150
Archiving	-	10,000	(8,886)	1,114
Philip Hall Award	-	1,000	-	1,000
	<u>9,968</u>	<u>13,400</u>	<u>(8,886)</u>	<u>14,482</u>
Total of funds	<u><u>1,990,718</u></u>	<u><u>135,338</u></u>	<u><u>(127,057)</u></u>	<u><u>1,998,999</u></u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 July 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2024 £
General funds	1,984,517	90,807	(142,937)	(4,531)	1,927,856
Restricted funds	14,482	2,400	(7,635)	4,531	13,778
	<u><u>1,998,999</u></u>	<u><u>93,207</u></u>	<u><u>(150,572)</u></u>	<u><u>-</u></u>	<u><u>1,941,634</u></u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

17. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 July 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 June 2023 £</i>
General funds	1,980,750	121,938	(118,171)	1,984,517
Restricted funds	9,968	13,400	(8,886)	14,482
	<u>1,990,718</u>	<u>135,338</u>	<u>(127,057)</u>	<u>1,998,999</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	1,740,208	1,740,208
Fixed asset investments	-	2	2
Current assets	13,778	234,648	248,426
Creditors due within one year	-	(47,002)	(47,002)
Total	<u>13,778</u>	<u>1,927,856</u>	<u>1,941,634</u>

Analysis of net assets between funds - prior period

	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	1,744,262	1,744,262
Fixed asset investments	-	2	2
Current assets	14,482	245,282	259,764
Creditors due within one year	-	(5,029)	(5,029)
Total	<u>14,482</u>	<u>1,984,517</u>	<u>1,998,999</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

19. Related party transactions

The charity has a working relationship with R.R.E.C. Limited. In 2024 the following transactions took place between the trust:

- Rental income received from R.R.E.C. Limited £65,000 (2023: £43,000)
- Recharged by the Foundation to R.R.E.C Limited £23,107 (2023: £12,755)
- Recharged by R.R.E.C. Limited to Foundation £64,834 (2023: £48,757)

All the above funding was received to provide services in respect of maintenance and every day running expenses of The Hunt House and has been included in the financial statements under expenditure on charitable activities. The outstanding balance with R.R.E.C. Limited as at 30 June 2024 was £26,093 owed to the Foundation and £37,066 owed from the Foundation (2023: £874 owed to the Foundation and £923 owed from the Foundation).

THE SIR HENRY ROYCE MEMORIAL FOUNDATION

England & Wales - Charity number 1128686

Accounts

Registered number: 06819026
Charity number: 1128686

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

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THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2023**

Trustees	A A Ferrier R D Fuller G Mead J F Neale Dr C J Phillpotts D J Towers I Hick (appointed 27 July 2022, resigned 28 October 2023)
Company registered number	06819026
Charity registered number	1128686
Registered office	The Hunt House 70 High Street Paulerspury Northants NN12 7NA
Company secretary	A A Ferrier
Accountants	Streets Chartered Accountants Potton House Wyboston Lakes Great North Road Bedford MK44 3BZ

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2023

The Trustees present their annual report together with the financial statements of the Foundation for the year 1 July 2022 to 30 June 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

2023 End of year accounts - Chairman's Report

The current board has been in post since December 2021 and have been very busy during this financial year.

These have included the following:

- Our relationship with the R.R.E.C. needed to be reset as both parties now agree that this should be a symbiotic relationship
- Moving our operational systems to be on a more secure basis and bring them in line with the R.R.E.C.
- The Hunt House, which is owned by the Foundation, is now showing signs of age and is in need of ever more extensive maintenance.
- The effects of Covid are still being felt by all charities and we are not immune.

Foundation Funding

The Foundation has two main sources of funding which are, the net rental income from Hunt House and donations. I have given a breakdown of each below.

Hunt House net rental income

Income:

The rental income from the R.R.E.C. is currently £43,000.00

Costs:

38% of total Electricity bill	£2,543.60
38% of total Gas bill	£4,574.09
38% of Rates bill	£1,472.27
38% of refuse	£447.07
38% of water rates	£62.72
Buildings insurance cost	£12,917.95
Maintenance cost in 2023 Financial year	£15,099.61
Total costs	£37,117.31

Therefore, net return received on Hunt House is £5,882.69

The Hunt House is a grade 2 listed property that is not up to modern standards of insulation etc and requires significant funds just to maintain it in a habitable manner.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

The Foundation board estimate that due to many years of under investment the maintenance cost of looking after Hunt House will be significantly increased moving forward. A suggested budget for the 2024 financial year being £25,000. Note this will mean that the Foundation would be making a loss of over £4,000 on Hunt House next year if all other costs remain static.

The Foundation board are in discussions with the R.R.E.C. as to whether the Hunt House is really 'fit for purpose' in today's world bearing in mind the cost of energy and maintenance.

Donations

The Foundation has suffered a significant reduction in members over the last few years due to various reasons including the strained relationship with the R.R.E.C., which is now hopefully getting better. Another hurdle has been that the R.R.E.C. no longer allow R.R.E.C. members to become Foundation members or donate to the Foundation from within the R.R.E.C. website.

We currently have 347 members (anyone who pays £30 or more a year) of which 165 are Life members who having paid a once off fee no longer have to make donations to the Foundation to stay a member. This means that the total amount donated to the Foundation in this financial year was £19,643.50 Of which £10,000 was from the estate of a departed member.

In addition, we received £13,400 in restricted donations which included a £10,000 donation from the R.R.E.C. with regard to the West wittering and Experimental files and £1,000 donation for our regular Philip Hall award.

Events and Lectures

Unfortunately, the Foundation had to cancel its main event this year, the Heritage Weekend. This was due to circumstances outside our control. We expect to start welcoming more motoring enthusiasts from the R.R.E.C. and other clubs during the next year.

The Foundation has unfortunately not resumed its customary programme of educational lectures but hopes to do so in the coming year.

Awards

The Foundation continues to support the IET Awards with a certificate, medal and a cash award. We will continue to do this as well as looking for other opportunities to further our charitable aims.

Related parties

Any connection between a trustee or senior manager of the Foundation and a business arrangement must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. As at the end of this financial year two members of the board of the Foundation are also board members of the R.R.E.C.

Trustee Remuneration

None of our trustees receive remuneration or other benefit from their work with the Foundation.

Notes on the 2023 accounts

Accountants

Due to lack of confidence in our previous accountants the Trustees appointed a new set of accountants, Street Chartered Accountant.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Significant items in this year's accounts

It is only the fact that the Foundation has been able to claim Gift Aid from HMRC for 2020, 2021 and 2022 (when there was a generous donation to fight our legal case) totalling £51,978 that has allowed the Foundation to show a small surplus of £8,281.

This lack of regular income has meant that the Foundation is severely limited in what charitable works it can undertake. The Foundation board are not happy with this but currently cannot see a way forward whilst the costs of maintaining Hunt house are so high.

What the Foundation board undertook in the 2023 Financial year

In order to reduce our overheads and to move the Foundation closer to the R.R.E.C. the Foundation undertook the following in this financial year:

- We moved our accounts online onto Xero (the same system as used by the R.R.E.C.), thus allowing multi user and remote access.
- We moved our IT and phone system to the same supplier as the R.R.E.C. - BDR
- We moved our membership system etc online to use the same system as the R.R.E.C. – Sheep.

These changes allowed the Foundation to enter into an outsourcing arrangement with the R.R.E.C. in late December 2022, which included moving our one remaining part time staff member to the R.R.E.C. Unfortunately, this arrangement did not produce the results the Foundation were looking for and has been cancelled during the 2024 Financial year.

In addition, the Foundation commissioned Sheep to provide an online environment to enable anyone to search and display the West Wittering and Experimental files that we have been scanning and indexing. This investment was undertaken in consultation with the R.R.E.C. as it could be used by both organisations.

The Foundation has so far approximately 16,000 images from the West Wittering and Experimental files freely available to the public whilst asking for donations. A first for the Foundation.

As we stated on the information we gave, prior to being elected, we are committed to bringing the Foundation and the Club closer together. This process has been much more difficult than we envisaged and we are currently reviewing how we might move this forward in the future.

The Future, what the Foundation board would like to achieve

The Foundation board are committed to making more of the archives available to the public. We are also investigating how we might make the artifacts at Hunt House available to be viewed by more members of the public.

The Foundation board are committed to helping young people take up engineering apprenticeships, especially in car maintenance and restoration. We can only do this if we can attract substantially more members and donations.

Finally, it should never be forgotten that the Foundation is a charity and needs donations to continue to undertake charitable works.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

A little recent history of the Sir Henry Royce Memorial Foundation

- i) The Foundation is the custodian of the Rolls-Royce and Bentley Archives and Artifacts which are held in Hunt House.
- ii) After raising funds, the Foundation owns and maintains the Hunt House which is leased to the RREC. Rent arising from this lease supports the Foundation (see previous comments regarding how much this actually contributes) and a small sub-lease allows the Foundation to have an office. The maintenance of Hunt House is the responsibility of the Foundation.
- iii) The Foundation has an independent membership that elects the trustees of the charity.
- iv) The Foundation allows members of the Rolls-Royce community and other members of the public to donate and leave legacies in a tax effective manner.
- v) It preserves and makes available the archives to members of the Foundation and the RREC. We also are making the West Wittering and Experimental files publicly available online.
- vi) Most importantly, as it is a charity, it exists for the public good and aims to preserve the memory of Sir Henry Royce and the first iteration of Rolls-Royce Motors.

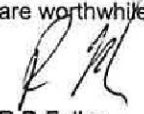
What it does not do

- i) Run as to create a significant surplus year on year. A charity can be run for a surplus and that surplus carried forward to future years to bolster reserves against any deficits. The foundation does not intend to run at a deficit if it can help it.
- ii) Interfere with the running of the RREC.
- iii) Get involved with engineering and aeronautics beyond Sir Henry's direct knowledge and influence

In addition to what the Foundation does, this is what we intend to add

- i) Given sufficient funds we would like to employ a curator/archivist to be responsible for and support the large volume of material we hold.
- ii) Continue to digitise and make available the archives and artifacts to the public – we are a charity. This includes on line access to any engineering drawings etc. We would expect applicants, and particularly commercial endeavours, to make a donation to the charity.
- iii) Promote the support and encouragement of apprentices within the Rolls Royce and Bentley Specialists Association and at Bicester. Recognise an outstanding contribution to automotive engineering on an annual basis by offering a modest 'Nobel Prize' type recognition. We hope this will eventually be seen as a very prestigious award
- iv) Seek to promote and memorialise Sir Henry Royce, and particularly his cars, at every opportunity using effective and modern promotional activities.

We are aware that we have set ourselves some tasks here and this will not happen overnight but the aspirations are worthwhile and we hope will go some way to a fitting memorial of Sir Henry's memory.


R D Fuller
Chair of Trustees

Date: 17th January 2024

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Objectives and activities

a. Policies and objectives

The purposes of the Foundation are:

To promote the advancement of the science and technology of engineering and in particular the science of mechanical engineering relating to car restoration, its history and development for the public benefit and the pursuit of excellence in the science of engineering.

To advance education including, but not exclusively, by the following means:

Providing and maintaining

- (i) a museum for the preservation and exhibition of any objects whatsoever in connection with the life and works of Sir Henry Royce and Walter Owen Bentley (especially the cars bearing their names) their associates and successors and in connection with the science of engineering generally;
- (ii) a library containing any books, manuscripts, photographs, films, sound records or other items whatsoever connected with Sir Henry Royce and Walter Owen Bentley and the cars bearing their names;
- (iii) workshops and other facilities for research and study connected with the Rolls-Royce and Bentley motor cars;
- (iv) making available for study and research the corpus of the published and unpublished records of the experiments, research and works of Sir Henry Royce, Walter Owen Bentley their associates and successors;
- (v) providing grants, loans, scholarships or other forms of financial assistance for research or other projects or courses connected with the maintaining Rolls-Royce and Bentley motor cars;
- (vi) promoting public understanding of and education in the discipline of engineering, particularly through collaboration with the community, schools and other educational institutions.

Significant activities:

The Foundation is principally engaged in the preservation of the Legacy of Sir Henry Royce and the support of excellence in engineering.

The strategies employed to achieve the Foundation's aims and objects are:

- Delegate responsibility for the important tasks to individual Trustee Directors, backed up where appropriate by a small committee.
- Support these animators by regular review at board level and by board participation in the events they organise.
- Board members and management are constantly on the lookout for opportunities to promote the use of The Hunt House and its facilities and to invite like-minded organisations to hold events there.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Objectives and activities (continued)

Putting these strategies into action the Foundation has five main areas of activity:

- Events
- Awards
- Lectures
- Building maintenance and improvement
- Preservation and promotion of the archives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees are of the view that, as all the activities of the Foundation are directly or indirectly those of a museum or are educational in nature, they are therefore for the public benefit (especially making the Experimental and West Wittering files available on line for free public use).

Achievements and performance

a. Investment policy and performance

The Trustees, having regard to the liquidity requirements of operating the Foundation, have kept available cash resources in interest-bearing deposit accounts. Their plan is to achieve a rate on deposit that matches or exceeds inflation as measured by the retail prices index however in today's market this has not been possible.

The other significant investment is in the Hunt House. The property is of mixed use and, whilst a part of the building is retained to house the archival records; part is leased on a formal lease to R.R.E.C. Limited. The terms of the lease are set out in the accounting policies.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Principal risks and uncertainties

The Trustees' policy is to have a low appetite for risk.

Assessment and management of risk is built into the day-to-day management of all activities of the Foundation, through mechanisms that ensure the long-term sustainability of its activities. A risk register documents the main risks identified and the actions necessary for mitigation. The Board review and agree these at least once a year and the Trustees receive reports by exception.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

The Trustees have defined and assessed the major risks to which the Foundation is exposed, in particular, those relating to heritage, operations and finances of the Foundation and are satisfied that robust systems are in place to mitigate their impact. In examining the major strategic, business and operational threats facing the Foundation, the Trustees have considered both the likelihood and the potential impacts arising from them, giving special attention to matters of dependency of income, public perception, adverse publicity, staff employment implications, staff turnover, criminal/civil law issues and government policy. All of these risks are rigorously monitored and, as a consequence, there is continuing focus on evolving danger. Following identification, the necessary steps to maximise the impact of recovery actions are agreed and executed.

The following are viewed as significant potential risks:

Lack of experienced Trustees:

The Foundation board recognises the need for more Trustees to serve on the Foundation board.

The process is ongoing and the recruitment of new Trustees is attracting different skill sets to the Board. The board has recently appointed a new set of accountants, Street Chartered Accountants, as the board has lost confidence in our previous accountants.

Operational Risks:

The physical security of heritage archives, historic artefacts and the systems associated with their coordination is a key risk, but the Trustees consider appropriate safeguards are in place.

Financial Risks:

The dependence on a dominant source of income is a major risk issue in theory, the provider of The Foundation's main income (R.R.E.C. Limited and its members) leases the Foundation's premises to utilise as its operating base. Although, R.R.E.C. Limited is represented on the Foundation's board, this situation provides potential for conflicts of interest. The board are hopeful that our closer relationship with the R.R.E.C. and our new website which will enable online memberships and donations will increase both our membership and our income. The Reserves Policy reflects and addresses the financial risks as defined above.

Structure, governance and management

a. Constitution

The Sir Henry Royce Memorial Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

A Board of Directors governs the Foundation. The Board delegates the day-to-day management of the Foundation to the Foundation staff. The present membership of the Board of Directors is set out on page 1. The maximum number of Directors allowed by the Memorandum and Articles of Association is twenty and the minimum number is four, but is limited to twelve by the rules set down in the Policies and Procedures Manual Part A, which can only be amended by the members in a General Meeting.

In accordance with the Memorandum and Articles of Association, new Directors may be appointed either by the Members at a General Meeting, or, in certain circumstances, by the Directors. The Directors may appoint a person who is willing to act to be a Director subject to clauses 16.5 and 16.6 of the Articles of Association and Section 1 of the Policy and Procedures Manual Part A.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Structure, governance and management (continued)

Induction and training of new trustees:

Upon election a new Director is given a welcome pack including a brief history of the Foundation, a copy of the Memorandum & Articles of Association, a skills matrix to determine how best they can support the Foundation or a web link to the Charity Commission's guidance notes for trustees such as "The Essential Trustee: What You Need to Know" (Leaflets CC3, CC3a and CC29 refer).

c. Trustees' Indemnities

The Charity had qualifying third party indemnity provision for the benefit of the Trustees (who are also Directors of The Sir Henry Royce Memorial Foundation for the purposes of company law) and Officers of the Charity in place during the financial year.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Foundation for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Foundation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



R D Fuller
Chair of Trustees

Date: 17th January 2024

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

**Independent Examiner's Report to the Trustees of The Sir Henry Royce Memorial Foundation
(the Foundation')**

I report to the charity Trustees on my examination of the accounts of the Foundation for the year ended 30 June 2023.

Responsibilities and Basis of Report

As the Trustees of the Foundation (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the accounts of the Foundation are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Foundation's accounts carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Foundation as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

This report is made solely to the Foundation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Foundation's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees as a body, for my work or for this report.

Signed:



Mr A Endersby

Dated: 17 January 2024

FCA

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Streets S J Males
Basepoint Business and Innovation Centre
110 Butterfield
Great Marlings
Luton
LU2 8DL

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	13,400	69,379	82,779	110,489
Other trading activities	4	-	7,301	7,301	10,606
Investments	5	-	45,258	45,258	43,165
Total income		13,400	121,938	135,338	164,260
Expenditure on:					
Charitable activities		8,886	115,262	124,148	160,130
Other expenditure	6	-	2,909	2,909	868
Total expenditure		8,886	118,171	127,057	160,998
Net movement in funds		4,514	3,767	8,281	3,262
Reconciliation of funds:					
Total funds brought forward		9,968	1,980,750	1,990,718	1,987,456
Net movement in funds		4,514	3,767	8,281	3,262
Total funds carried forward		14,482	1,984,517	1,998,999	1,990,718

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 28 form part of these financial statements.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06819026

BALANCE SHEET
AS AT 30 JUNE 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	1,744,262	1,749,834
Investments	12	2	2
		<u>1,744,264</u>	<u>1,749,836</u>
Current assets			
Stocks	13	-	2,566
Debtors	14	59,310	8,409
Investments	15	76,179	76,165
Cash at bank and in hand		124,275	171,357
		<u>259,764</u>	<u>258,497</u>
Creditors: amounts falling due within one year	16	(5,029)	(17,615)
Net current assets		<u>254,735</u>	<u>240,882</u>
Total assets less current liabilities		<u>1,998,999</u>	<u>1,990,718</u>
Net assets excluding pension asset		<u>1,998,999</u>	<u>1,990,718</u>
Total net assets		<u><u>1,998,999</u></u>	<u><u>1,990,718</u></u>
Charity funds			
Restricted funds	17	14,482	9,968
Unrestricted funds	17	1,984,517	1,980,750
Total funds		<u><u>1,998,999</u></u>	<u><u>1,990,718</u></u>

The Foundation was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

THE SIR HENRY ROYCE MEMORIAL FOUNDATION

(A Company Limited by Guarantee)

REGISTERED NUMBER: 06819026

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2023

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



R D Fuller

Chair of Trustees

Date: 17th January 2024

The notes on pages 15 to 28 form part of these financial statements.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. General information

As set out in the trustees' report, The Sir Henry Royce Memorial Foundation, is a charitable incorporated organisation registered in England and Wales. The address of their registered office is The Hunt House, 70 High Street, Paulerspury, Northants, NN12 7NA.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The charity's objectives are stated in the trustees' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Sir Henry Royce Memorial Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Foundation's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Foundation which is the amount it 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.

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

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Foundation's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	-
Plant and machinery	- 10% - 50% straight line
Fixtures and fittings	- 10% - 50% straight line

Mixed Use Property - Hunt House

The Foundation has granted a lease to R.R.E.C. Limited for its occupancy of the Hunt House. The lease was for a period of 21 years and commenced on 16 June 2012. The rent was set at £30,000 per annum from 16 June 2012 with review every four years after advice being taken from an appropriate professional. The last rent review occurred in July 2016 and the new rent set at £43,000 per annum. The Trustees have taken professional advice about the current appropriate level of rent and will be in discussion with the directors of R.R.E.C. Limited in respect of the review. Any change in rent will be backdated to 16 June 2020.

There is an obligation for the tenant to grant a simultaneous sub lease to the Foundation, giving the Foundation rights of occupation of certain parts, together with rights of access and use over substantial other areas at effectively no rental cost. The sub-tenant in this case will pay a service charge as a proportion of the costs for maintaining the premises.

The tenant, R.R.E.C. Limited, however remains responsible for the management and security and general administration of the whole complex.

Accordingly, the freehold property owned by the Foundation is designated as a mixed-use property as it is used in part to generate rental income from R.R.E.C. Limited and in part under a sub-lease back to the Foundation for archival and lecture facilities and for its own administrative purposes. Therefore, the value of the Hunt House has been divided between investment property and property held for operational use as a tangible fixed asset.

The lease of the Hunt House has been designated as an investment property and its value initially measured at cost and will be subsequently valued at fair value. The sub-lease back to the Foundation, albeit disclosed in tangible fixed assets, is included in the accounts at a value initially measured at cost and will be subsequently valued at fair value.

As the property is held at fair value, no depreciation is being accrued in respect of either part in accordance with the Charities SORP (FRS 102).

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and 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.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

2. Accounting policies (continued)

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Foundation for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations and Legacies	13,400	69,379	82,779	87,630
Government grants	-	-	-	22,859
	<u>13,400</u>	<u>69,379</u>	<u>82,779</u>	<u>110,489</u>
<i>Total 2022</i>	<u>3,400</u>	<u>107,089</u>	<u>110,489</u>	

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lectures and visits	5,993	5,993	5,607
Event income	1,308	1,308	4,999
	<u>7,301</u>	<u>7,301</u>	<u>10,606</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rents received	43,000	43,000	43,000
Deposit account interest	2,258	2,258	165
	<u>45,258</u>	<u>45,258</u>	<u>43,165</u>
<i>Total 2022</i>	<u>43,165</u>	<u>43,165</u>	

6. Other expenditure

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Event expenditure	2,909	2,909	868
	<u>868</u>	<u>868</u>	
<i>Total 2022</i>	<u>868</u>	<u>868</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable expenditure	9,241	114,907	124,148	160,130
	<u>14,317</u>	<u>145,813</u>	<u>160,130</u>	
<i>Total 2022</i>	<u>14,317</u>	<u>145,813</u>	<u>160,130</u>	

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Depreciation	5,572	5,572	5,572
Associate administration	897	897	1,188
Archive expenses	1,522	1,522	5,297
Awards expenditure	1,250	1,250	2,260
	<u>9,241</u>	<u>9,241</u>	<u>14,317</u>
<i>Total 2022</i>	<u>14,317</u>	<u>14,317</u>	

Analysis of support costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	8,948	8,948	95,140
Property costs	25,792	25,792	7,876
Property insurance	20,653	20,653	16,494
Repairs and maintenance	-	-	2,556
Other expenses	6,237	6,237	4,150
CRM costs	20,721	20,721	-
Outsourcing costs	19,831	19,831	-
Governance costs	12,725	12,725	19,597
	<u>114,907</u>	<u>114,907</u>	<u>145,813</u>
<i>Total 2022</i>	<u>145,813</u>	<u>145,813</u>	

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

8. Independent examiner's remuneration

	2023 £	2022 £
Fees payable to the Foundation's independent examiner for the independent examination of the Foundation's annual accounts	<u>2,000</u>	<u>2,500</u>

9. Staff costs

	2023 £	2022 £
Wages and salaries	8,575	93,610
Social security costs	173	353
Contribution to defined contribution pension schemes	200	1,177
	<u>8,948</u>	<u>95,140</u>

The average number of persons employed by the Foundation during the year was as follows:

	2023 No.	2022 No.
Admin	<u>1</u>	<u>2</u>

No employee received remuneration amounting to more than £60,000 in either year.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 30 June 2023, expenses totalling £126 were reimbursed or paid directly to 1 Trustee (2022 - £4,010 to 6 Trustees). These expenses were reimbursement of legitimate expenses incurred by trustees on Foundation business.

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 July 2022	1,739,000	181,481	295,243	2,215,724
At 30 June 2023	1,739,000	181,481	295,243	2,215,724
Depreciation				
At 1 July 2022	-	170,647	295,243	465,890
Charge for the year	-	5,572	-	5,572
At 30 June 2023	-	176,219	295,243	471,462
Net book value				
At 30 June 2023	1,739,000	5,262	-	1,744,262
At 30 June 2022	1,739,000	10,834	-	1,749,834

The freehold property above relates to Hunt House, 70 High Street, Paulerspury, Northants, NN12 7NA.

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2022	2
At 30 June 2023	2
Net book value	
At 30 June 2023	2
At 30 June 2022	2

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

12. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Foundation:

Name	Company number	Class of shares	Holding	Included in consolidation
Sir Henry Royce Limited	02857720	Ordinary	100%	No

The financial results of the subsidiary for the year were:

Name	Net assets £
Sir Henry Royce Limited	(21,658)

13. Stocks

	2023 £	2022 £
Finished goods and goods for resale	-	2,566

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	864	665
Other debtors	51,978	-
Prepayments and accrued income	6,468	7,744
	59,310	8,409

15. Current asset investments

	2023 £	2022 £
Fixed term deposit account	76,179	76,165

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,284	4,631
Other taxation and social security	-	1,717
Pension fund loan payable	-	303
Accruals and deferred income	2,745	10,964
	<u>5,029</u>	<u>17,615</u>

17. Statement of funds

Statement of funds - current year

	Balance at 1 July 2022 £	Income £	Expenditure £	Balance at 30 June 2023 £
Unrestricted funds				
General Funds	230,914	121,938	(112,599)	240,253
Tangible Fixed Assets	1,749,836	-	(5,572)	1,744,264
	<u>1,980,750</u>	<u>121,938</u>	<u>(118,171)</u>	<u>1,984,517</u>
Restricted funds				
Awards	1,990	-	-	1,990
Artefacts	6,828	2,400	-	9,228
Autocar Binding	1,150	-	-	1,150
Archiving	-	10,000	(8,886)	1,114
Philip Hall Award	-	1,000	-	1,000
	<u>9,968</u>	<u>13,400</u>	<u>(8,886)</u>	<u>14,482</u>
Total of funds	<u>1,990,718</u>	<u>135,338</u>	<u>(127,057)</u>	<u>1,998,999</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 June 2022 £</i>
Unrestricted funds				
General Funds	1,978,887	160,862	(158,999)	1,980,750
Restricted funds				
Awards	2,990	1,000	(2,000)	1,990
Artefacts	4,428	2,400	-	6,828
Autocar Binding	1,150	-	-	1,150
	8,568	3,400	(2,000)	9,968
Total of funds	1,987,455	164,262	(160,999)	1,990,718

18. Summary of funds

Summary of funds - current year

	<i>Balance at 1 July 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 June 2023 £</i>
General funds	1,980,750	121,938	(118,171)	1,984,517
Restricted funds	9,968	13,400	(8,886)	14,482
	1,990,718	135,338	(127,057)	1,998,999

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

18. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 July 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 30 June 2022</i>
	£	£	£	£
General funds	1,978,887	160,862	(158,999)	1,980,750
Restricted funds	8,568	3,400	(2,000)	9,968
	<u>1,987,455</u>	<u>164,262</u>	<u>(160,999)</u>	<u>1,990,718</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£
Tangible fixed assets	-	1,744,262	1,744,262
Fixed asset investments	-	2	2
Current assets	14,482	245,282	259,764
Creditors due within one year	-	(5,029)	(5,029)
Total	<u>14,482</u>	<u>1,984,517</u>	<u>1,998,999</u>

Analysis of net assets between funds - prior year

	<i>Restricted funds 2022</i>	<i>Unrestricted funds 2022</i>	<i>Total funds 2022</i>
	£	£	£
Tangible fixed assets	-	1,749,834	1,749,834
Fixed asset investments	-	2	2
Current assets	9,968	248,529	258,497
Creditors due within one year	-	(17,615)	(17,615)
Total	<u>9,968</u>	<u>1,980,750</u>	<u>1,990,718</u>

THE SIR HENRY ROYCE MEMORIAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

20. Related party transactions

The charity has a working relationship with R.R.E.C. Limited. In 2023 the following transactions took place between the trust:

- Rental income received from R.R.E.C. Limited £43,000 (2022: £43,000)
- Recharged by the Foundation to R.R.E.C Limited £12,755 (2022: £3,174)
- Recharged by R.R.E.C. Limited to Foundation £48,757 (2022: £10,119)

All the above funding was received to provide services in respect of maintenance and every day running expenses of The Hunt House and has been included in the financial statements under expenditure on charitable activities. The outstanding balance with R.R.E.C. Limited as at 30 June 2022 was £874 owed to the Foundation and £923 owed from the Foundation (2022: £665 owed to the Foundation and £494 owed from the Foundation).

Donations were also collected by R.R.E.C. Limited on behalf of the Foundation £Nil (2022: £1,518).

THE SIR HENRY ROYCE MEMORIAL FOUNDATION

England & Wales - Charity number 1128686

Accounts

REGISTERED COMPANY NUMBER: 06819026 (England and Wales)
REGISTERED CHARITY NUMBER: 1128686

Report of the Trustees and
Financial Statements for the Year Ended 30 June 2022
for
The Sir Henry Royce Memorial Foundation
(A Company Limited by Guarantee)

CED Accountancy Services Limited
1 Lucas Bridge Business Park
1 Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

The Sir Henry Royce Memorial Foundation

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for the Year Ended 30 June 2022

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The Sir Henry Royce Memorial Foundation

Chairman's Report
for the Year Ended 30 June 2022

The current board were elected in late December 2021 as the whole of the previous board were not retained at the AGM. There was no formal handover from the old board so the new board has had to undertake a full review of all of the activities of the Foundation.

When the new board took office, we inherited a number of issues which included the following:

Our relationship with the R.R.E.C. needed to be reset as both parties now agree that this should be a symbiotic relationship

Monthly costs exceeding monthly income by a significant amount

The Hunt House, which is owned by the Foundation, was in a bad state of repair (see the Trustees report)

The administration of the Foundation was mainly carried out on spreadsheets which could only be accessed at the Hunt House (not really acceptable during Covid times)

The web presence of the Foundation was totally inadequate e.g., there was no facility to join or donate to the Foundation online

This state of affairs required us to urgently look into how we could cut our monthly costs. Our main regular costs were salaries and therefore we took the decision to make the CEO role redundant. Unfortunately, the old board had substantially increased the ongoing costs and the costs for removing the post during the last few months of their tenure. Therefore, when we completed the redundancy, the Foundation was left with a substantial bill which is reflected in the accounts.

Also, on the negative side the relationship of the Foundation with the R.R.E.C. had fallen to a very low level, due to the activities of the previous board, which had meant that the number of members of the Foundation had decreased substantially over the years, again materially affecting our results.

This together with the effects of Covid, which significantly restricted the foundation's ability to run any fund-raising events, has led to the loss you will see in this year's accounts.

The new board has therefore embarked on a number of actions to remediate these issues for the future, these are:

We have reset our relationship with the R.R.E.C. and hope to ensure that in future this relationship stays as close as it can be

We have undertaken a full review of the state of Hunt House (and commissioned various remedial works due to the condition of Hunt House, which is owned by the Foundation)

We are in the process of moving from a spreadsheet-based administration to a situation where the Foundation can be run remotely (due to Covid or anything else)

We have commissioned a new website where members can join and pay as well as give donations. This will also help the Foundation to maximise its use of Gift Aid (which is worth an additional 25% from the UK government if monies are given by UK taxpayers).

We have also committed, as a Charity, to making approximately 250,000 images from the West Wittering and Experimental files freely available to the public whilst asking for donations. A first for the Foundation.

With regards to Hunt House, we are working with the Club to look at how we might make better use of our magnificent facilities whilst ensuring that the archives and artefacts are secure when members of the public visit. This will entail some alterations to the building but the intention is clear from both organisations that we need to make better use of our magnificent Club headquarters.

We are also considering the outsourcing of our administration work in order to cut costs.

The Sir Henry Royce Memorial Foundation

Chairman's Report continued for the Year Ended 30 June 2022

As we stated on the information we gave, prior to being elected, we are committed to bringing the Foundation and the Club closer together. This has not been the case over the recent past. Both organisations are looking at long term solutions to prevent any further friction.

The last few months have been very difficult for the new board of Trustees but we hope that the changes we are putting in place will act as a firm foundation for a much brighter future.

Finally, it should never be forgotten that the Foundation is a charity and needs donations to continue to undertake charitable works. The Foundation board are committed to helping young people take up engineering apprenticeships, especially in car maintenance and restoration. We can only do this if we can attract substantially more members and donations.

A little recent history of the Sir Henry Royce Memorial Foundation

It is an open secret that the previous Foundation board had lost the support of both the Foundation members and the Rolls Royce Enthusiast Club (RREC). This resulted in their being voted off in total and replaced with the present Board of Trustees. There was a lack of trust within the RREC membership amidst rumours about the Hunt House, which had deteriorated quite badly, was being sold off and a schism and feud developing between Foundation and Club. The membership of the Foundation was declining with unclear voting rights amongst its membership. Much of this unrest was aired online in the RREC Forum, to the detriment of all concerned with some RREC members openly querying whether the Foundation should exist at all. Against this backdrop the present newly elected Foundation Board convened in January 2022.

What the Foundation does

- i) The Rolls-Royce and Bentley Archives were officially handed over by Bentley Motors to the Foundation in August 2003. Most of the records were collected before then but this agreement, signed by Bentley Motors, defines the ownership and our agreement to make these available to the W O Bentley Memorial Foundation.
- ii) After raising funds, the Foundation owns and maintains the Hunt House which is leased to the RREC. Rent arising from this lease supports the Foundation and a small sub-lease allows the Foundation to have an office.
- iii) The Foundation has an independent membership that elects the trustees of the charity.
- iv) The Foundation allows members of the RR community to donate and leave legacies in a tax effective manner.
- v) It preserves and makes available the archive
- vi) The Foundation owns the Hunt House and it must maintain it as a good landlord.
- vii) Most importantly, as it is a charity, it exists for the public good and aims to preserve the memory of Sir Henry Royce and the first iteration of Rolls-Royce Motors.

What it does not do

- i) Run as to create a significant surplus year on year. A charity can be run for a surplus and that surplus carried forward to future years to bolster reserves against any deficits. The foundation does not intend to run at a deficit.
- ii) Hire out rooms in the Hunt House, as this is let to the RREC. It may often use these rooms, via the CEO of the RREC, hired at a reasonable price.
- iii) Interfere with the running of the RREC.
- iv) Get involved with engineering and aeronautics beyond Sir Henry's direct knowledge and influence

The Sir Henry Royce Memorial Foundation

Chairman's Report continued
for the Year Ended 30 June 2022

In addition to what the Foundation does, this is what we intend to add

- I) Aim to employ a curator/archivist to be responsible for and support the large volume of material we hold.
- ii) Digitise and make available the archives to the public – we are a charity. This includes on line access to any engineering drawings etc. We would expect applicants, and particularly commercial endeavours, to make a donation to the charity.
- iii) Promote the support and encouragement of apprentices within the Rolls Royce and Bentley Specialists Association and at Bicester. Recognise an outstanding contribution to automotive engineering on an annual basis by offering a modest 'Nobel Prize' type recognition. We hope this will eventually be seen as a very prestigious award
- iii) Seek to minimise our administration costs by an out-sourcing process, preferably to the RREC, as this would be the most efficient and cost-effective way forward for the charity.
- iv) Seek to promote and memorialise Sir Henry Royce, and particularly his cars, at every opportunity using effective and modern promotional activities.

We are aware that we have set ourselves some tasks here and this will not happen overnight but the aspirations are worthwhile and we hope will go some way to a fitting memorial of Sir Henry's memory.

Bob Fuller

Chairman of Trustees



12/11/23

Sir Henry Royce Memorial Foundation

The Sir Henry Royce Memorial Foundation

Report of the Trustees for the Year Ended 30 June 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2022. The trustees have adopted the provisions of 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purposes of the Foundation are

- To promote the advancement of the science and technology of engineering and in particular the science of mechanical engineering relating to car restoration, its history and development for the public benefit and the pursuit of excellence in the science of engineering.

- To advance education including, but not exclusively, by the following means:

Providing and maintaining

- (i) a museum for the preservation and exhibition of any objects whatsoever in connection with the life and works of Sir Henry Frederick Royce and Walter Owen Bentley (especially the cars bearing their names) their associates and successors and in connection with the science of engineering generally;
- (ii) a library containing any books, manuscripts, photographs, films, sound records or other items whatsoever connected with Sir Henry Frederick Royce and Walter Owen Bentley and the cars bearing their names;
- (iii) workshops and other facilities for research and study connected with the Rolls-Royce and Bentley motor cars;
- (iv) making available for study and research the corpus of the published and unpublished records of the experiments, research and works of Sir Henry Frederick Royce, Walter Owen Bentley their associates and successors;
- (v) providing grants, loans, scholarships or other forms of financial assistance for research or other projects or courses connected with the maintaining Rolls-Royce and Bentley motor cars;
- (vi) promoting public understanding of and education in the discipline of engineering, particularly through collaboration with the community, schools and other educational institutions.

Significant activities

The Foundation is principally engaged in the preservation of the Legacy of Sir Henry Frederick Royce and the support of excellence in engineering.

The strategies employed to achieve the Foundation's aims and objects are:

- Delegate responsibility for the important tasks to individual Trustee Directors, backed up where appropriate by a small committee.
- Support these animators by regular review at board level and by board participation in the events they organise.
- Board members and management are constantly on the lookout for opportunities to promote the use of The Hunt House and its facilities and to invite like-minded organisations to hold events there.

The Sir Henry Royce Memorial Foundation

Report of the Trustees continued for the Year Ended 30 June 2022

Putting these strategies into action the Foundation has five main areas of activity:

- Events
- Awards
- Lectures
- Building maintenance and improvement
- Preservation and promotion of the archives

Our programme of activities described below focuses on all these areas.

Public benefit

In shaping their strategy for the year and planning their activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Trustees are of the view that, as all the activities of the Foundation are directly or indirectly those of a museum or are educational in nature, they are therefore for the public benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Introduction

The Sir Henry Royce Memorial Foundation is responsible for the safekeeping of the construction, service, sales and test records of over 110,000 motorcars built by Rolls-Royce between 1904 to the present day. In addition, The Foundation cares for and displays donated, loaned and purchased memorabilia and artefacts. The Foundation has responsibility for numerous items of great importance in the history of the products of the Rolls-Royce companies, which includes Bentley Motor Cars (from 1931). Facts about the people who made it all possible and the histories of individual motor cars are also covered. Sir Henry's other activities have not been overlooked. His work in electrical engineering, aero-engines, submarine power and rail-car engineering are also documented in The Hunt House.

The Foundation acts in the public interest in the preservation of the papers, engineering drawings and artefacts in its care, and promotes Sir Henry Frederick Royce's ideals of excellence in engineering through lectures, grants, research and awards. The Trustees are proud of the Foundation's worldwide audience, providing engineering knowledge, laid down by Sir Henry Frederick Royce and his successors. The Trustees promote and disseminate engineering skills and knowledge, accompanied by a tradition of excellence for the public good.

Maintaining ownership of these irreplaceable artefacts as Foundation assets in perpetuity remains the prime objective of The Foundation.

Voluntary help

The Trustees are most grateful to volunteers and rely on their help throughout a normal operating year, unfortunately these activities have been in-stasis since the pandemic but it is expected to resume business as usual when restrictions are relaxed and our volunteers return. Invaluable assistance has been given in filing new archival material and in conducting visiting parties on tours of The Hunt House on the rare days when the facilities have been allowed to open.

Maintenance and access of archival records

There is an enormous number of records held at the Hunt House. Currently approximately 250,000 of them have been scanned and about 10% of these have been indexed. The board will be making these publicly available during the next year. Document indexing and scanning will continue as there is a considerable volume of additional material that requires cataloguing if it is to be made available to members and researchers in the future. Donations mainly fund the project. Some drawings are available on a website which provides a public platform to enable access to the digitalised historic drawings enabling the purchase of copies of drawings worldwide providing a benefit to the Foundation.

The Sir Henry Royce Memorial Foundation

Report of the Trustees continued for the Year Ended 30 June 2022

Archive activities

The post of Archivist presently remains unfulfilled. However, the Archive has continued to be made available to people for research but this has been by prior appointment only. Where possible the enquiries for information or items have been met by the Foundation or RREC staff. The programme of tidying and rationalising the Records and Archival

material has continued when feasible and whilst not ideal it has meant that information has been made available when necessary.

The Foundation is continually looking at ways to improve the opportunities to exploit the archival material and make it more readily available to members of the public and researchers.

ACHIEVEMENT AND PERFORMANCE

Fundraising Activities

Events and Visitors

The reporting year has still been affected by Covid and there have been few visitors or diverse groups visiting the Hunt House. We expect to start welcoming more motoring enthusiasts from the R.R.E.C. and other clubs during the next year.

The facilities for seminars and conferences (with a fully equipped lecture theatre and catering facilities) as well as the resources available for research remain available to the public by prior arrangement; when the Hunt House opens but can be pre-booked under flexible arrangements to secure dates. A fee is charged for these services and information is available from Foundation (tel: 01327 811852, email: admin@henryroyce.org.uk) or on the new Foundation website.

There are also ample facilities in the workshops for technical demonstrations and seminars (by prior arrangement with R.R.E.C. Limited).

Awards

The Awards programme for the year has still been greatly curtailed due to COVID19 health crisis and this situation is under review by the Foundation board who will decide a new list of priorities for future awards.

Lectures

The Foundation has unfortunately not resumed its customary programme of educational lectures but hopes to do so in the coming year.

This reporting year has been one of two halves. The new board have evaluated all aspects of the Foundation and have taken steps to address a number of issues. These include reducing monthly expenses to try to match revenue, taking stock of the urgent repairs needed to Hunt House, moving the Foundation from spreadsheets to more automated and 'in the cloud' solutions to address the need for access to Hunt House during times of crisis and looking at replacing the current inadequate web presence.

Internal and external factors

Building maintenance and improvement

Trustees have undertaken a full review of the maintenance is required to maintain the Grade II listed property both under the terms of the lease to R.R.E.C limited and as a major investment to the Foundation. To this end, major works will need to be undertaken during the next financial year to include a complete overhaul of the conservatory which is badly leaking.

Legal action against the Foundation

No further costs regarding litigation were born by the Foundation in this financial year as all costs were covered by insurance.

The Sir Henry Royce Memorial Foundation

Report of the Trustees continued for the Year Ended 30 June 2022

FINANCIAL REVIEW

Financial position

The income of the Foundation from donations and rent remained stable in the year with an additional grant of £22,859 from the UK government. This gave total income of £164,262 compared to £176,733 in the previous year. The Trustees have made significant changes to increase our membership and donations to strengthen the income flow (see previous comments).

There was a similar expenditure on property maintenance this year but next year will see a significant increase (see previous comments). Our staff costs this year are substantially higher due to the costs involved in reducing our ongoing costs. Other expenditure remained stable with the exception of the legal expenses incurred by The Foundation which substantially decreased.

This has given rise to a small surplus of £3,263 (Deficit 2021 £35,354) before taking the unrealised gain on the revaluation of the property into account. There was no unrealised gain of revaluing the property this year.

The surplus of £3,263 (2021: deficit of £35,354) has resulted in a cash inflow to the bank account of £9,885 (2021: outflow £40,512) leaving the cash in bank and in hand at the year-end of £171,357 (2021, £161,472). There is a further cash on long term deposit of £76,167 (2021, £76,116). The only other major asset is the freehold land and buildings, part of which is occupied by R.R.E.C. Limited. The revaluation of this property is set out in note 8 to these financial statements.

Investment policy and objectives

The Trustees, having regard to the liquidity requirements of operating the Foundation, have kept available cash resources in interest-bearing deposit accounts. Their plan is to achieve a rate on deposit that matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances, bank rate and therefore deposit rates have continued to be depressed, and so this was not achieved a gain this year.

The other significant investment is in the Hunt House. The property is of mixed use and, whilst a part of the building is retained to house the archival records; part is leased on a formal lease to R.R.E.C. Limited. The terms of the lease are set out in the accounting policies. There has been reasonable expenditure during the year to maintain the fabric of this investment.

Reserves policy

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and similar expenditure.

The Trustees consider that the ideal level of free reserves as at 30 June 2022 would be £230,000, being two years general expenditure after adjusting for exceptional items. The free cash reserves at 30 June 2022 were £161,389 (2020: £153,304).

The Foundation is committed to making available past and present engineering practices for educational purposes. The Trustees consider that the Foundation should expand into supporting apprentices who are looking to restore and maintain motor vehicles, this will require reserves being available to fund it. As part of this future, the Trustees are also considering how to provide further archival and display facilities to the general public and consider that reserves should be held to support this.

At present, the income from the money invested is insufficient to fund an ongoing apprenticeships and Prizes and Awards. The Trustees consider that the level of reserves held is appropriate for the Foundation so it can effectively carry out its aims and objects.

A significant proportion of the Foundation's reserves are represented by freehold property, which is used for the safekeeping of the building, service, sales, and test records of Rolls-Royce built motor cars together with other items that should be kept in perpetuity and are placed in the Hunt House for safe keeping and for reference.

The cash-flow inflow from operating activities were £2,440, for the charity in 2022 (2021: outflow £40,512) which included donations of £87,632 (2020: £94,779).

The Sir Henry Royce Memorial Foundation

Report of the Trustees continued for the Year Ended 30 June 2022

FINANCIAL REVIEW

Going concern

The new trustees formally reviewed the strategy biennially during the second half of this financial year..

The strategic plan recognises the changing ethical and regulatory environment for all sectors in which the Foundation works. The ongoing effect of the economic backdrop on potential funders, the education sector and the evolving development of vocational learning through apprenticeships, are fundamental issues that the Trustees anticipate will affect the level and nature of future activities of the Foundation.

The key elements of our strategy agreed are as follows:

- Focus on principal objectives; promoting the work of Sir Henry Frederick Royce, his engineering principles and inventions.
- Making the archives publicly available
- Conserving an archive of global significance.
- Examine how our identity is portrayed. Increase publicity for the Foundation on a local, regional, national and global level.
- Clearly identify key stakeholders whether they be Foundation supporters and/or members of the Rolls-Royce community. The Charity Commission and other regulators. All benefactors, sponsors and donors. Researchers, historians and academia. Specialist and national media. All those in engineering and vehicle restoration who may benefit from the archive held.
- One of the most critical aspects is governance, maintaining appropriate organisational control. The trustees receiving appropriate training to fulfil their roles, acting with integrity, being open and accountable.
- Focus on bringing the Hunt House up to the level of repair it should be, after some period of under investment.
- To focus on revenue generation in all its forms and maximise opportunities provided by the archive and facilities.
- To ensure financial stability and security by creation of a business plan with constant monitoring. A long term maintenance plan will be developed for the Hunt House.
- Education and skills development are fundamental elements. We recognise the increasing importance of apprenticeship programmes especially in the area of motor car maintenance.
- Focus on communications and engagement and develop a public relations strategy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

In 2008, the Trustees of the original Sir Henry Royce Memorial Foundation decided that, as the trust deed of the original Trust was irrevocable, a new charitable company, The Sir Henry Royce Memorial Foundation (a company limited by guarantee) would be a more appropriate legal platform to continue the work of the original Foundation. Therefore, this Company was incorporated on 13 February 2009 (company no 6819026) and is limited by guarantee, having no share capital, and is governed by its Memorandum and Articles of Association and Part A of its Policies and Procedures Manual. The Company was registered as a Charity (number 1128686), on 19 March 2009. The net assets of the original Foundation were transferred to this company on 2 January 2012. Any monies or assets donated to the original Foundation after this date are automatically transferred under the Transfer Agreement to this Company.

Anyone over the age of 18 can apply to become a member of the Company and there are 281 members at 30 June 2022 (2021; 275), each of whom agrees to contribute £10 in the event of the Foundation winding up.

Recruitment and appointment of new trustees

A Board of Directors governs the Foundation. The Board delegates the day-to-day management of the Foundation to the Foundation staff. The present membership of the Board of Directors is set out on page 1. The maximum number of Directors allowed by the Memorandum and Articles of Association is twenty and the minimum number is four, but is limited to twelve by the rules set down in the Policies and Procedures Manual Part A, which can only be amended by the members in a General Meeting.

The Sir Henry Royce Memorial Foundation

Report of the Trustees for the Year Ended 30 June 2022

In accordance with the Memorandum and Articles of Association, new Directors may be appointed either by the Members at a General Meeting, or, in certain circumstances, by the Directors. The Directors may appoint a person who is willing to act to be a Director subject to clauses 16.5 and 16.6 of the Articles of Association and Section 1 of the Policy and Procedures Manual Part A. The changes to the Directors in office since 30 June 2020 are set out on page 15. Dr Cedric Ashley, John Beecroft and Chris Ball were re-elected in 2020 following their retirement by rotation in accordance with the rules set down in the Policies and Procedures Manual Part A. Philip Hall retired at the last AGM having reached his time limit as a trustee: his professionalism, knowledge and expertise will be greatly missed by the Board. An entirely new board was elected in December 2021 (see details below).

Induction and training of new trustees

Upon election a new Director is given a welcome pack including a brief history of the Foundation, a copy of the Memorandum & Articles of Association, a skills matrix to determine how best they can support the Foundation or a web link to the Charity Commission's guidance notes for trustees such as "The Essential Trustee: What You Need To Know" (Leaflets CC3, CC3a and CC29 refer).

Trustees' and Officers' Indemnity Insurance

The Charity had qualifying third party indemnity provision for the benefit of the Trustees (who are also Directors of The Sir Henry Royce Memorial Foundation for the purposes of company law) and Officers of the Charity in place during the financial year.

Chief Executive Officer and Head Office Staff

In order to reduce the Foundations ongoing costs John Baker, our Business Manager, was made redundant at the end of this financial period.

Organisation

At Board meetings, which now take place approximately monthly, the Directors monitor the agreed broad strategy and areas of activity of the Foundation, including consideration for grants or awards, and considering and deciding upon investment strategy, reserves and risk management policies and performance.

Trustee Remuneration

None of our trustees receive remuneration or other benefit from their work with the Foundation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

Any connection between a trustee or senior manager of the Foundation and a business arrangement must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. Currently three members of the board of the Foundation are also board members of the R.R.E.C.

The Foundation has a historical relationship with Rolls-Royce Enthusiasts' Club, a club that shares the Foundation's passion for the excellence of engineering as demonstrated through Rolls-Royce cars.

Under the current Articles of Association R.R.E.C. Limited may nominate a number of Foundation trustees to be put forward for election and a summary of transactions between the two organisations is set out in note 17 to the financial statements.

The Sir Henry Royce Memorial Foundation

Report of the Trustees continued for the Year Ended 30 June 2022

Risk management

The Trustees' policy is to have a low appetite for risk.

Assessment and management of risk is built into the day-to-day management of all activities of the Foundation, through mechanisms that ensure the long-term sustainability of its activities. A risk register documents the main risks identified and the actions necessary for mitigation. The Board review and agree these at least once a year and the Trustees receive reports by exception.

The Trustees have defined and assessed the major risks to which the Foundation is exposed, in particular, those relating to heritage, operations and finances of the Foundation and are satisfied that robust systems are in place to mitigate their impact. In examining the major strategic, business and operational threats facing the Foundation, the Trustees have considered both the likelihood and the potential impacts arising from them, giving special attention to matters of dependency of income, public perception, adverse publicity, staff employment implications, staff turnover, criminal/civil law issues and government policy. All of these risks are rigorously monitored and, as a consequence, there is continuing focus on evolving danger. Following identification, the necessary steps to maximise the impact of recovery actions are agreed and executed.

The following are viewed as significant potential risks:

Trustee skills and processes required review.

The process is ongoing and the recruitment of new Trustees is attracting different skill sets to the Board however, the Foundation is still searching for a suitably qualified accountant to add financial gravitas to the Board.

Operational Risks.

The physical security of heritage archives, historic artefacts and the systems associated with their coordination is a key risk, but the Trustees consider appropriate safeguards are in place.

Financial

The dependence on a dominant source of income is a major risk issue in theory, the provider of The Foundation's main income (R.R.E.C. Limited and its members) leases the Foundation's premises to utilise as its operating base. Although, R.R.E.C. Limited is represented on the Foundation's board, this situation provides potential for conflicts of interest. The board are hopeful that our closer relationship with the R.R.E.C. and our new website which will enable online memberships and donations will increase both our membership and our income. The Reserves Policy reflects and addresses the financial risks as defined above.

STRUCTURE, GOVERNANCE AND MANAGEMENT

History

The Sir Henry Royce Memorial Foundation came into being as a Charitable Trust on the 11 November 1977. The Hunt House was purchased from the Grafton Hunt Committee for £28,000, as a place where the records of Rolls-Royce Motors Limited could be held in safety and yet be readily available for inspection and research, and to provide a headquarters for the Rolls-Royce Enthusiasts' Club, as the Foundation's tenant.

Restoration and additions to the Hunt House have followed over the years with the support of the Rolls-Royce Enthusiasts' Club members - these include the development of catering facilities, gardens and workshops and the conversion of rooms and stables to more appropriate uses.

The Sir Henry Royce Memorial Foundation .

Report of the Trustees
for the Year Ended 30 June 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
06819026 (England and Wales)

Registered Charity number
1128686

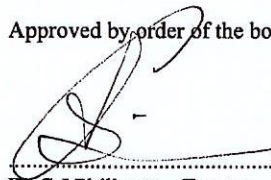
Registered office
The Hunt House
70 High Street
Paulerspury
Towcester
Northamptonshire
NN12 7NA

Trustees
Dr C Ashley Chartered Engineer (resigned 15.12.21)
C D Ball Retired Company Director (resigned 15.12.21)
J C A Beecroft Chartered Engineer - Retired (resigned 15.12.21)
J Black Mechanic (resigned 15.12.21)
S Byrne Chartered Accountant (resigned 15.12.21)
P A Hall Retired (resigned 15.12.21)
W J McGawley Chartered Engineer (resigned 15.12.21)
M R Griffiths (appointed 15.10.21) (resigned 15.12.21)
A A Ferrier (appointed 15.12.21)
R D Fuller (appointed 15.12.21)
G Mead (appointed 15.12.21)
J F Neale (appointed 15.12.21)
Dr C J Phillpotts (appointed 15.12.21)
D J Towers (appointed 15.12.21)

Company Secretary
A A Ferrier

Independent Examiner
CED Accountancy Services Limited
1 Lucas Bridge Business Park
1 Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

Approved by order of the board of trustees on 14/1/23 and signed on its behalf by:


.....
Dr C J Phillpotts - Trustee

Independent Examiner's Report to the Trustees of
The Sir Henry Royce Memorial Foundation

Independent examiner's report to the trustees of The Sir Henry Royce Memorial Foundation ('the Company')
I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



Peter Aratoon
CED Accountancy Services Limited
1 Lucas Bridge Business Park
1 Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

Date: 12/1/23.....

The Sir Henry Royce Memorial Foundation

Detailed Statement of Financial Activities
for the Year Ended 30 June 2022

	30.6.22 £	30.6.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	87,632	94,779
Other trading activities		
Event income	4,999	368
Investment income		
Rents received	43,000	43,000
Deposit account interest	165	864
	43,165	43,864
Charitable activities		
Grants	22,859	30,231
Sundry Income	5,607	7,491
	28,466	37,722
Total incoming resources	164,262	176,733
EXPENDITURE		
Raising donations and legacies		
Associate administration	1,188	1,320
Other trading activities		
Event Expenditure	868	-
Charitable activities		
Awards	2,260	-
Property costs	7,875	20,991
Property insurance	16,494	-
Repairs and maintenance	2,556	-
Archive expenses	5,297	-
Fixtures and fittings	-	1,000
material	5,572	5,541
	40,054	27,532
Support costs		
Management		
Trustees' expenses	4,010	2,156
Other		
Professional/legal fees	11,584	123,723

The Sir Henry Royce Memorial Foundation

Detailed Statement of Financial Activities
for the Year Ended 30 June 2022

	30.6.22 £	30.6.21 £
Other		
Governance costs		
Wages	95,139	46,898
costs	4,153	3,411
Accountancy fees	4,003	7,047
	<u>103,295</u>	<u>57,356</u>
Total resources expended	<u>160,999</u>	<u>212,087</u>
Net income/(expenditure)	<u>3,263</u>	<u>(35,354)</u>

The Sir Henry Royce Memorial Foundation

Statement of Financial Activities
for the Year Ended 30 June 2022

	Notes	Unrestricted funds £	Restricted funds £	30.6.22 Total funds £	30.6.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		84,232	3,400	87,632	94,779
Charitable activities					
Lectures and visits		5,607	-	5,607	7,491
Property		-	-	-	22,285
Governance costs		22,859	-	22,859	7,946
Other trading activities	2	4,999	-	4,999	368
Investment income	3	43,165	-	43,165	43,864
Total		160,862	3,400	164,262	176,733
EXPENDITURE ON					
Raising funds					
Raising donations and legacies	4	27,012	-	27,012	15,659
Other trading activities		868	-	868	-
		27,880	-	27,880	15,659
Charitable activities					
Property		24,369	-	24,369	20,991
Archival costs		5,297	-	5,297	-
Other costs including awards		75,530	2,000	77,530	43,822
Governance costs		25,923	-	25,923	131,615
Total		158,999	2,000	160,999	212,087
NET INCOME/(EXPENDITURE)		1,863	1,400	3,263	(35,354)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,978,887	8,568	1,987,455	2,022,809
TOTAL FUNDS CARRIED FORWARD		1,980,750	9,968	1,990,718	1,987,455

The Sir Henry Royce Memorial Foundation

Balance Sheet

30 June 2022

	Notes	Unrestricted funds £	Restricted funds £	30.6.22 Total funds £	30.6.21 Total funds £
FIXED ASSETS					
Tangible assets	8	940,834	-	940,834	946,406
Investments					
Investments	9	76,167	-	76,167	76,116
Investment property	10	809,000	-	809,000	809,000
		1,826,001	-	1,826,001	1,831,522
CURRENT ASSETS					
Stocks	11	2,566	-	2,566	395
Debtors	12	8,409	-	8,409	13,943
Cash at bank		161,389	9,968	171,357	161,472
		172,364	9,968	182,332	175,810
CREDITORS					
Amounts falling due within one year	13	(17,615)	-	(17,615)	(19,877)
NET CURRENT ASSETS		154,749	9,968	164,717	155,933
TOTAL ASSETS LESS CURRENT LIABILITIES		1,980,750	9,968	1,990,718	1,987,455
NET ASSETS		1,980,750	9,968	1,990,718	1,987,455
FUNDS	14				
Unrestricted funds				1,980,750	1,978,887
Restricted funds				9,968	8,568
TOTAL FUNDS				1,990,718	1,987,455

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The Sir Henry Royce Memorial Foundation

Balance Sheet - continued
30 June 2022

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

The financial statements were approved by the Board of Trustees and authorised for issue on 12/11/23 and were signed on its behalf by:


.....
R D Fuller - Trustee

The Sir Henry Royce Memorial Foundation

Cash Flow Statement
for the Year Ended 30 June 2022

	Notes	30.6.22 £	30.6.21 £
Cash flows from operating activities			
Cash generated from operations	1	2,440	(40,512)
Tax paid		<u>7,331</u>	<u>-</u>
Net cash provided by/(used in) operating activities		<u>9,771</u>	<u>(40,512)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		-	(500)
Purchase of fixed asset investments		(51)	(678)
Interest received		<u>165</u>	<u>864</u>
Net cash provided by/(used in) investing activities		<u>114</u>	<u>(314)</u>
 Change in cash and cash equivalents in the reporting period		 9,885	 (40,826)
Cash and cash equivalents at the beginning of the reporting period		<u>161,472</u>	<u>202,298</u>
 Cash and cash equivalents at the end of the reporting period		 <u>171,357</u>	 <u>161,472</u>

The Sir Henry Royce Memorial Foundation

Notes to the Cash Flow Statement
for the Year Ended 30 June 2022

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.6.22	30.6.21
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	3,263	(35,354)
Adjustments for:		
Depreciation charges	5,572	6,541
Interest received	(165)	(864)
Increase in stocks	(2,171)	-
Increase in debtors	(1,797)	(783)
Decrease in creditors	(2,262)	(10,052)
Net cash provided by/(used in) operations	<u>2,440</u>	<u>(40,512)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.7.21	Cash flow	At 30.6.22
	£	£	£
Net cash			
Cash at bank	<u>161,472</u>	<u>9,885</u>	<u>171,357</u>
	<u>161,472</u>	<u>9,885</u>	<u>171,357</u>
Total	<u>161,472</u>	<u>9,885</u>	<u>171,357</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and going concern

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

No material uncertainties exist that cast doubt upon the entity's ability to continue as a going concern.

Preparation of consolidated financial statements

The financial statements contain information about The Sir Henry Royce Memorial Foundation as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations

All monetary donations and gifts are included in full in the statement of financial activities when irrevocably receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the precondition has been met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Cash collected to which the charity is legally entitled but which has not been received at the year-end is included as income.

Donations under deed of covenant and gift aid, together with the associated income tax recoveries are credited as income when the donations are received.

Donated assets and services

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. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. Further information on this matter can be found in the Trustees' annual report for more information about their contribution.

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.

Assets received for resale are recognised, where practicable, when receivable or otherwise when sold.

The Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

1. ACCOUNTING POLICIES - continued

Income

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Rental income

See "Mixed use property - the Hunt House" below.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Coronavirus Job Retention Scheme Grants (CJRS) and Coronavirus Restart Grants has been treated as grant income against Governance costs within Charitable activities.

Expenditure and irrecoverable vat

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Tangible fixed assets

Individual fixed assets, apart from property (see below), costing £200 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis with of annual rate between 10 and 50%.

There are many artefacts and memorabilia owned by the charity that are irreplaceable. However, it is not possible to place a value on these items and so they are not reflected in the fixed asset valuation in the financial statements. The cylinder block patterns fall into this category.

Mixed use property - the hunt house

The Foundation has granted a lease to R.R.E.C. Limited for its occupancy of the Hunt House. The lease was for a period of 21 years and commenced on 16 June 2012. The rent was set at £30,000 per annum from 16 June 2012 with review every four years after advice being taken from an appropriate professional. The last rent review occurred in July 2016 and the new rent set at £43,000 per annum. The Trustees have taken professional advice about the current appropriate level of rent and will be in discussion with the directors of R.R.E.C. Limited in respect of the review. Any change in rent will be backdated to 16 June 2020.

There is an obligation for the tenant to grant a simultaneous sub lease to the Foundation, giving the Foundation rights of occupation of certain parts, together with rights of access and use over substantial other areas at effectively no rental cost. The sub-tenant in this case will pay a service charge as a proportion of the costs for maintaining the premises.

The tenant, R.R.E.C. Limited, however remains responsible for the management and security and general administration of the whole complex.

Accordingly, the freehold property owned by the Foundation is designated as a mixed-use property as it is used in part to generate rental income from R.R.E.C. Limited and in part under a sub-lease back to the Foundation for archival and lecture facilities and for its own administrative purposes. Therefore, the value

1. ACCOUNTING POLICIES - continued

Mixed use property - the hunt house

of the Hunt House has been divided between investment property and property held for operational use as a tangible fixed asset.

The lease of the Hunt House has been designated as an investment property and its value initially measured at cost and will be subsequently valued at fair value. The sub-lease back to the Foundation, albeit disclosed in tangible fixed assets, is included in the accounts at a value initially measured at cost and will be subsequently valued at fair value.

As the property is held at fair value, no depreciation is being accrued in respect of either part in accordance with the Charities SORP (FRS 102).

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors

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 in hand

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. Where the maturity date is more than three months from the date of acquisition or opening of the deposit or similar account, this is shown as an investment.

Creditors and provisions

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.

The Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

2. OTHER TRADING ACTIVITIES

	30.6.22	30.6.21
	£	£
Event income	<u>4,999</u>	<u>368</u>

3. INVESTMENT INCOME

	30.6.22	30.6.21
	£	£
Rents received	43,000	43,000
Deposit account interest	<u>165</u>	<u>864</u>
	<u>43,165</u>	<u>43,864</u>

4. RAISING DONATIONS AND LEGACIES

	30.6.22	30.6.21
	£	£
Associate administration	1,188	1,320
Support costs	<u>25,824</u>	<u>14,339</u>
	<u>27,012</u>	<u>15,659</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	30.6.22	30.6.21
	£	£
Depreciation - owned assets	5,572	6,541
Independent examiner fee	2,500	3,850
Other fees paid to independent examiner (payroll services)	<u>697</u>	<u>655</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2022 nor for the year ended 30 June 2021.

Trustees' expenses

	30.6.22	30.6.21
	£	£
Trustees' expenses	<u>4,010</u>	<u>2,156</u>

The trustees were reimbursed the above expenses in respect of travel and subsistence during the year.

The Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	56,379	38,400	94,779
Charitable activities			
Lectures and visits	7,491	-	7,491
Property	22,285	-	22,285
Governance costs	7,946	-	7,946
Other trading activities	368	-	368
Investment income	43,864	-	43,864
Total	138,333	38,400	176,733
EXPENDITURE ON			
Raising funds			
Raising donations and legacies	15,659	-	15,659
	15,659	-	15,659
Charitable activities			
Property	20,991	-	20,991
Other costs including awards	43,822	-	43,822
Governance costs	96,615	35,000	131,615
Total	177,087	35,000	212,087
NET INCOME/(EXPENDITURE)	(38,754)	3,400	(35,354)
RECONCILIATION OF FUNDS			
Total funds brought forward	2,017,641	5,168	2,022,809
TOTAL FUNDS CARRIED FORWARD	1,978,887	8,568	1,987,455

Governance costs are further detailed in note 14.

The Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

8. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Archival and display material £	Totals £
COST				
At 1 July 2021 and 30 June 2022	<u>930,000</u>	<u>295,243</u>	<u>181,481</u>	<u>1,406,724</u>
DEPRECIATION				
At 1 July 2021	-	295,243	165,075	460,318
Charge for year	-	-	5,572	5,572
At 30 June 2022	-	<u>295,243</u>	<u>170,647</u>	<u>465,890</u>
NET BOOK VALUE				
At 30 June 2022	<u>930,000</u>	-	<u>10,834</u>	<u>940,834</u>
At 30 June 2021	<u>930,000</u>	-	<u>16,406</u>	<u>946,406</u>

Revaluation in 2020

The freehold land and buildings are included at valuation. They were revalued at 16 June 2020 by Hadland Chartered Surveyors Limited, taking account that the freehold is owned by the Foundation with R.R.E.C. Limited having a head lease over the building and the Foundation a sublease. The valuer confirmed in his report that he had no conflicting dealings with the Foundation or R.R.E.C. Limited.

The part occupied by the Foundation under the sublease is included in tangible fixed assets above, whilst the remainder occupied by the R.R.E.C. Limited is accounted for as an investment property (see note 10) below.

The cumulative unrealised gain on revaluations of the freehold land and buildings is £1,128,586 (2021: £1,128,586).

The original cost of the land and buildings is £610,414 (2021, £610,414) of which prorated on valuation, £326,443 (2021, £326,443) is in respect of the part treated as tangible fixed assets above and £283,971 (2021, £283,971) is in respect of the part treated as an investment asset (note 10).

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Bank deposits (over 3 months) £	Totals £
MARKET VALUE			
At 1 July 2021	2	76,114	76,116
Additions	-	51	51
At 30 June 2022	<u>2</u>	<u>76,165</u>	<u>76,167</u>
NET BOOK VALUE			
At 30 June 2022	<u>2</u>	<u>76,165</u>	<u>76,167</u>
At 30 June 2021	<u>2</u>	<u>76,114</u>	<u>76,116</u>

There were no investment assets outside the UK.

The Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

9. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following:

Sir Henry Royce Ltd

Registered office: The Hunt House 70 High Street, Paulerspury, Towcester, Northamptonshire, NN12 7NA

Nature of business: Dormant Company

Class of share:	% holding		
Ordinary	100	30.6.22	30.6.21
		£	£
Aggregate capital and reserves		21,658	21,658

10. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 July 2021	
and 30 June 2022	<u>809,000</u>
NET BOOK VALUE	
At 30 June 2022	<u>809,000</u>
At 30 June 2021	<u>809,000</u>

The investment property is included at valuation.

11. STOCKS

	30.6.22	30.6.21
	£	£
Stocks	<u>2,566</u>	<u>395</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.22	30.6.21
	£	£
Trade debtors	665	-
Tax	-	7,331
Prepayments	<u>7,744</u>	<u>6,612</u>
	<u>8,409</u>	<u>13,943</u>

The tax is in relation to refunds of tax through gift aid.

The Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.22	30.6.21
	£	£
Trade creditors	4,631	-
VAT	1,698	1,364
Other creditors	322	218
Accruals and deferred income	<u>10,964</u>	<u>18,295</u>
	<u>17,615</u>	<u>19,877</u>

14. MOVEMENT IN FUNDS

	At 1.7.21	Net movement in funds	At 30.6.22
	£	£	£
Unrestricted funds	1,978,887	1,863	1,980,750
Restricted funds			
Awards	2,990	(1,000)	1,990
Artefacts	4,428	2,400	6,828
Autocar Binding	<u>1,150</u>	<u>-</u>	<u>1,150</u>
	<u>8,568</u>	<u>1,400</u>	<u>9,968</u>
TOTAL FUNDS	<u>1,987,455</u>	<u>3,263</u>	<u>1,990,718</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds	160,862	(158,999)	1,863
Restricted funds			
Awards	1,000	(2,000)	(1,000)
Artefacts	<u>2,400</u>	<u>-</u>	<u>2,400</u>
	<u>3,400</u>	<u>(2,000)</u>	<u>1,400</u>
TOTAL FUNDS	<u>164,262</u>	<u>(160,999)</u>	<u>3,263</u>

The Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

A current year 12 months and prior year 12 months combined position is as follows (24 months disclosure):

	At 1.7.20 £	Net movement in funds £	Transfers between funds £	At 30.6.21 £
Unrestricted funds	2,017,641	(38,754)	-	1,978,887
Restricted funds				
Awards	1,990	1,000	-	2,990
Artefacts	2,028	2,400	-	4,428
Autocar Binding	1,150	-	-	1,150
	<u>5,168</u>	<u>3,400</u>	<u>-</u>	<u>8,568</u>
TOTAL FUNDS	<u>2,022,809</u>	<u>(35,354)</u>	<u>-</u>	<u>1,987,455</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds	138,333	(177,087)	(38,754)
Restricted funds			
Legal Expenses	35,000	(35,000)	-
Awards	1,000	-	1,000
Artefacts	2,400	-	2,400
	<u>38,400</u>	<u>(35,000)</u>	<u>3,400</u>
TOTAL FUNDS	<u>176,733</u>	<u>(212,087)</u>	<u>(35,354)</u>

The Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows (24 months disclosure):

	At 1.7.20 £	Net movement in funds £	Transfers between funds £	At 30.6.22 £
Unrestricted funds	2,017,641	(36,891)	-	1,980,750
Restricted funds				
Awards	1,990	-	-	1,990
Artefacts	2,028	4,800	-	6,828
Autocar Binding	<u>1,150</u>	<u>-</u>	<u>-</u>	<u>1,150</u>
	<u>5,168</u>	<u>4,800</u>	<u>-</u>	<u>9,968</u>
TOTAL FUNDS	<u>2,022,809</u>	<u>(32,091)</u>	<u>-</u>	<u>1,990,718</u>

A current year 12 months and prior year 12 months combined net movement in funds (24 months disclosure), included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds	299,195	(336,086)	(36,891)
Restricted funds			
Legal Expenses	35,000	(35,000)	-
Awards	2,000	(2,000)	-
Artefacts	<u>4,800</u>	<u>-</u>	<u>4,800</u>
	<u>41,800</u>	<u>(37,000)</u>	<u>4,800</u>
TOTAL FUNDS	<u>340,995</u>	<u>(373,086)</u>	<u>(32,091)</u>

The restricted fund represents donations given for specific purposes.

Unrestricted funds are those that are available for general distribution. However, it should be noted that the Trustees rely on the investment income arising from these free funds for the upkeep of the property and therefore, if the capital was distributed the future of the Foundation would be put at risk.

he Sir Henry Royce Memorial Foundation

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

15. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2022 or 30 June 2021.

16. CAPITAL COMMITMENTS

	30.6.22	30.6.21
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

17. RELATED PARTY DISCLOSURES

The charity enjoys a close working relationship with R.R.E.C. Limited. In 2022 the following transactions took place between the trust:

- Rental income received from R.R.E.C. Limited £43,000 (2021: £43,000)
- Recharged by the Foundation to R.R.E.C Limited £3,174 (2021: £708)
- Recharged by R.R.E.C. Limited to Foundation £10,119 (2021: £11,391)

All the above funding was received to provide services in respect of maintenance and every day running expenses of The Hunt House and has been included in the financial statements under expenditure on charitable activities. The outstanding balance with R.R.E.C. Limited as at 30 June 2022 was £665 owed to the Foundation and £494 owed from the Foundation (2021: £nil owed to the Foundation and £nil owed from the Foundation).

Donations were also collected by R.R.E.C. Limited on behalf of the Foundation £1,518 (2021: £20,071).

Donated services were received from a Trustee in the year of £nil (2021: £nil).

18. ULTIMATE CONTROLLING PARTY

The trustees are the ultimate controlling party.

19. MEMBERS LIABILITY

The Foundation is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. At 30 June 2022 there were 281 members (2021: 275 members).

THE SIR HENRY ROYCE MEMORIAL FOUNDATION

England & Wales - Charity number 1128686

Accounts

REGISTERED COMPANY NUMBER: 06819026 (England and Wales)
REGISTERED CHARITY NUMBER: 1128686

Report of the Trustees and
Financial Statements for the Year Ended 30 June 2021
for
The Sir Henry Royce Memorial Foundation
(A Company Limited by Guarantee)

CED Accountancy Services Limited
1 Lucas Bridge Business Park
1 Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

The Sir Henry Royce Memorial Foundation

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for the Year Ended 30 June 2021

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The Sir Henry Royce Memorial Foundation

Chairman's Report for the Year Ended 30 June 2021

The 2020/21 period was a year of unprecedented challenge for SHRMF. The Trustees confronted these challenges and now face what was potentially an uncertain future with increased confidence. The Trust governance was progressively reconfigured throughout the year and an experienced Independent Chair was appointed early in 2021 to lead a process of positive change.

During the accounting period there were three primary hurdles to climb. The first was to defeat a persistent campaign of aggressive negative briefing and legal action taken by one individual member allegedly to destabilise the governance of the Trust and its Board. This had materialised in the previous financial year and was in the form of a S116 notice followed by a separate criminal case against individual Trustees. The person concerned was experienced in such actions. The second challenge was to manage the instantaneous operational implications of the global Covid-19 impact. Finally, the Trustees urgently needed to resolve the evolving necessity to upgrade the Governance and management in full accordance with current regulatory best practice.

Progress was achieved in all three throughout the year.

The Foundation was successful in two separate court litigation proceedings and were awarded costs. In one case, the legal charges were covered by SHRMF insurance. In the other, it transpired that they were not and £160k was spent. Furthermore, the Litigant, now ruled as vexatious, has appealed and further expense may be incurred. Nevertheless, steps are being taken to recover the costs. Fortunately, some of the legal charges to date have been defrayed thanks to the generosity and support of members through unrestricted donations. In the meantime, following due process, the person concerned was removed from SHRMF Membership.

At the onset of the Covid-19 crisis, the Trustees followed Government Guidance in full and postponed all operational events and awards invigilation. They then deployed the Furlough Scheme to good effect. All Trustee meetings were conducted on Teams/Zoom and their frequency increased from quarterly to monthly to maintain continuity and enhance teamwork. To improve grip, focus, control and accountably a CEO was appointed. This new position allowed the Trustees to focus effectively on governance and strategy rather than on ad-hoc operational issues. Consequently, The Foundation continued to function throughout the crisis.

Following the Charity Commission Audit in the previous year, the Governance Articles had been under review. A Board Sub-Committee was convened to undertake a root and branch study of current regulatory best practice. Led by The Company Secretary, the committee also noted, among other anomalies an underlying potential in the current Articles for inadvertent major conflicts of interest to arise. This potential had been exploited by the vexatious litigant referred to earlier. Consequently, a revised governance document was developed and following legal audit, is expected to be submitted for member approval at the next AGM. During the year, four Trustees left the Board. Their past contribution to The Foundation was noteworthy. As the Governance Articles were under review, the Board unanimously agreed to hold back recruitment of any replacements so as to comply with the new Articles once they had been adopted at the end of 2021.

Furthermore, due to the reduced Covid-impacted activities, defrayed by lower operational costs, the Trust yielded a deficit during the year of £35,354. The balance sheet remained strong thanks primarily to the value of Fixed Assets, which in the case of insolvency can only be transferred to a Charity with complimentary objects. Liquidity currently remains viable and is expected to improve as the Trust embraces greater activity levels with both new and existing partners.

Looking forward, should the members agree, the Board's intention is to progressively evolve a diverse Trustee team for the future. The object is to strengthen the Foundation by increasing membership and developing complimentary partnerships to facilitate the growth of the essential knowledge and skills required to design, maintain and preserve our heritage and our future. It is imperative that the priceless Royce artefacts and associated Hunt House assets are retained and their full intrinsic value used for the benefit of members and the public. In that way, the Foundation will be truly faithful to Sir Henry's credo of "excellence in engineering" and will achieve its "objects" in full.

The Sir Henry Royce Memorial Foundation

Chairman's Report continued
for the Year Ended 30 June 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of 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 1 January 2019).



W J McGawley OBE CEng FIET
Independent Chairman

4th November 2021

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purposes of the Foundation are

- To promote the advancement of the science and technology of engineering and in particular but not exclusively, the science of mechanical engineering, its history and development for the public benefit and the pursuit of excellence in the science of engineering.

- To advance education including, but not exclusively, by the following means:

Providing and maintaining

- (i) a museum for the preservation and exhibition of any objects whatsoever in connection with the life and works of Sir Henry Royce, Walter Owen Bentley and other engineers of similar standing, their associates and successors and in connection with the science of engineering generally;
- (ii) a library containing any books, manuscripts, photographs, films, sound records or other items whatsoever connected with the science of engineering;
- (iii) workshops and other facilities for research and study connected with the science of engineering;
- (iv) making available for study and research the corpus of the published and unpublished records of the experiments, research and works of Sir Henry Royce, Walter Owen Bentley and other engineers of similar standing, their associates and successors;
- (v) providing grants, loans, scholarships or other forms of financial assistance for research or other projects or courses connected with the study of engineering;
- (vi) promoting public understanding of and education in the discipline of engineering, particularly through collaboration with the community, schools and other educational institutions.

OBJECTIVES AND ACTIVITIES

Significant activities

The Foundation is principally engaged in the preservation of the Legacy of Sir Henry Royce and the support of excellence in engineering.

The strategies employed to achieve the Foundation's aims and objects are:

- Delegate responsibility for the important tasks to individual Trustee Directors, backed up where appropriate by a small committee.
- Support these animators by regular review at board level and by board participation in the events they organise.
- Board members and management are constantly on the lookout for opportunities to promote the use of The Hunt House and its facilities and to invite like-minded organisations to hold events there.

Putting these strategies into action the Foundation has five main areas of activity:

- Events
- Awards
- Lectures
- Building maintenance and improvement
- Preservation and promotion of the archives

Our programme of activities described below focuses on all these areas.

Public benefit

In shaping their strategy for the year and planning their activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Trustees are of the view that, as all the activities of the Foundation are directly or indirectly those of a museum or are educational in nature, they are therefore for the public benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Introduction

The Sir Henry Royce Memorial Foundation is responsible for the safekeeping of the construction, service, sales and test records of over 110,000 motorcars built by Rolls-Royce between 1904 and 2002. In addition, The Foundation cares for and displays donated, loaned and purchased memorabilia and artefacts. The Foundation has responsibility for numerous items of great importance in the history of the products of the Rolls-Royce companies, which includes Bentley Motor Cars since 1931. Facts about the people who made it all possible and the histories of individual motor cars are also covered. Sir Henry's other activities have not been overlooked. His work in electrical engineering, aero-engines, submarine power and rail-car engineering is also documented in The Hunt House.

The Foundation acts in the public interest in the preservation of the papers, engineering drawings and artefacts in its care, and promotes Sir Henry Royce's ideals of excellence in engineering through lectures, grants, research and awards. The Trustees are proud of the Foundation's worldwide audience, providing engineering knowledge, laid down by Sir Henry Royce and his successors. The Trustees promote and disseminate engineering skills and knowledge, accompanied by a tradition of excellence for the public good.

Maintaining ownership of these irreplaceable artefacts as Foundation assets in perpetuity remains the prime objective of The Foundation.

Voluntary help

The Trustees are most grateful to volunteers and rely on their help throughout a normal operating year, unfortunately these activities have been in-stasis since the pandemic but it is expected to resume business as usual when restrictions are relaxed and our volunteers return. Invaluable assistance has been given in filing new archival material and in conducting visiting parties on tours of The Hunt House on the rare days when the facilities have been allowed to open.

Maintenance and access of archival records

There has been a cessation in the scanning programme since the Scanning & Data Solutions Ltd contract was temporarily suspended by the R.R.E.C. Limited. It is hoped that document indexing and scanning will resume in due course because there is a considerable volume of scanned material that requires cataloguing if it is to be made available to members and researchers in the future. R.R.E.C. Limited mainly funds the project. The drawings are available on a website which provides a public platform to enable access to the digitalised historic drawings enabling the purchase of copies of drawings worldwide providing a benefit to the Foundation. The Hunt House Archive Website can be found at <https://archive.rrec.org.uk/search-result>.

COVID-19

The Foundation, in line with other organisations and charities, has been adversely affected by COVID-19. We are pleased to report that we have been able to continue our day to day activities for members in a limited way and have not had to completely close. However, it has restricted our ability to generate funds by hosting events, lectures etc but the Trustees view this as a situation that will eventually resolve. We have been able to provide information through Foundation Matters, man the telephone and email for general enquiries and continue to support access to the records remotely. To protect staff and members alike, access to the Hunt House has been stopped until Government guidelines permit and a pathway to normal business is agreed. The Trustees have taken advantage of all the pandemic related grants available to businesses and used the part-time furlough scheme to reduce overheads whilst the situation persists.

ACHIEVEMENT AND PERFORMANCE

Charitable activities continued

Archive activities

The post of Archivist presently remains unfulfilled. However, the Archive has continued to be made available to people for research but this has been by prior appointment only. Where possible the enquiries for information or items have been met by the Chief Executive Officer, Philip Hall or RREC staff. The programme of tidying and rationalising the Records and Archival material has continued when feasible and whilst not ideal it has meant that information has been made available when necessary. Unfortunately, COVID19 meant that access to the Archives has been severely restricted since March 2020, taking into account Government guidelines. The decision to close the Archive to external visitors was taken after due consideration of risk; it was concluded that this was necessary to protect both visitors and staff alike. Access will be resumed once Government Guidelines allow and appropriate risk assessments are performed with necessary safeguards being put in place.

The Foundation is continually looking at ways to improve the opportunities to exploit the archival material and make it more readily available to members of the public and researchers.

Fundraising activities

Events and Visitors

The reporting year has been unique and there have been no visitors or diverse groups allowed to visit the Hunt House during periods of lockdown or when risks have been considered too high regarding the demographic of our supporters and membership. We expect to start welcoming motoring enthusiasts from clubs when conditions improve.

The facilities for seminars and conferences (with a fully equipped lecture theatre and catering facilities) as well as the resources available for research remain available to the public by prior arrangement; when the Hunt House opens but can be pre-booked under flexible arrangements to secure dates. A fee is charged for these services and information is available from the Chief Executive Officer at The Hunt House (tel: 01327 811852, email: admin@henryroyce.org.uk).

There are also ample facilities in the workshops for technical demonstrations and seminars (by prior arrangement with R.R.E.C. Limited).

Awards

The Awards programme for the year has been greatly curtailed due to COVID19 health crisis and this situation has allowed the Awards Committee to review the whole programme and decide a new list of priorities for future awards when the programme re-opens in late-2021. The new schedule will be published on our website in the autumn.

Lectures

The Foundation suspended its customary programme of educational lectures as a precautionary measure and expects to resume the lectures when matters improve.

The Board of Trustees have agreed to extend and diversify the range, scope and number of lectures in the forthcoming year 2022, post-pandemic, whilst maintaining the focus on engineering excellence, to encourage higher attendances at the Hunt House and publicise the Foundation's work to a wider audience.

ACHIEVEMENT AND PERFORMANCE

This reporting year has been one of consolidation and reflection. The intermittent but lengthy lockdown closures have meant the criteria for measuring achievement and performance have not been appropriate. The reduction of all activities and a skeleton staffing level have helped the organisation survive with planning in-hand to open and return to normal business being the major activity.

Internal and external factors

Building maintenance and improvement

The Trustees will consider what maintenance is required to maintain the Grade II listed property both under the terms of the lease to R.R.E.C limited and as a major investment to the Foundation. To this end, it has made provisions for such costs by designating funds to be available in the future for repairs and maintenance and this consists of two main areas: a) on-going repairs to the roof with a set aside sum of £1,500 and b) the slowly deteriorating stonework and mortar; this project is seen as a major long-term commitment and will be conducted in a phased manner with £1,500 earmarked for the first phase.

Rent Review

Under the terms of the lease agreement between the Foundation and the R.R.E.C. Limited, a rent review was due on 16th June 2020 and the Foundation appointed an independent agent, Hadland Chartered Surveyors, to act on their behalf. A detailed report was provided on 27 August 2020 and the rent increase assessed as £5,000pa. their element of the review.

Legal action against the Foundation

During the previous reporting year, a new Foundation member commenced a legal action against the Foundation for disclosure of members lists and other information which he considered should made available to him. The Trustees, after taking their own legal advice and consulting with the Charity Commission, considered this request was not valid and they had an obligation to protect members' personal details from potential misuse. This has resulted in expenditure by the Foundation in legal expenses to defend the action. The case was heard in the Bristol Crown Court and a judgement issued on 26 March 2021 by HHJ Paul Matthews in favour of the Foundation with a significant award of costs against the defendant.

A second legal proceeding by the same Foundation member, again as a litigant-in-person, was heard in the High Wycombe Magistrates Court on 29 March 2021: District Judge Dodds gave judgement in favour of the Foundation with a similar award of costs in the sum of £77,840 to our retained legal advisors RPC. This particular case was covered by the Foundation's insurance policy and we incurred minimal charges.

Whilst the Foundation has won both legal proceedings and been awarded Court costs accordingly, it is anticipated that the ex-member concerned will continue with his unwarranted and vexatious campaign against the Foundation, and appeal the decisions and awards in the months ahead. The Foundation is working to mitigate the risks of this situation and thanks its members for their unrestricted support.

FINANCIAL REVIEW

Financial position

The income of the Foundation from donations and rent remained stable in the year with an additional restricted donation received of £38,400 specifically towards the legal expenses being incurred to fund the legal action. This, together with a successful series of lectures and events, gave total income of £177,133 compared to £134,102 in the previous year. The Trustees are pleased that the underlying level of donations has increased but are concerned that the continuing effect of COVID19 will impact donations in the coming eighteen months and are therefore continuing to consider what actions should be taken during a planned review of the strategic plan to strengthen the income flow.

There was a similar expenditure on property maintenance this year due to major projects having been completed in the prior years and partly because some of the kitchen refurbishment costs were picked up by R.R.E C. Limited in the prior year. Other expenditure remained stable with the exception of the legal expenses incurred by The Foundation.

This has given rise to a deficit of £35,354 (deficit 2020 £27,075) before taking the unrealised gain on the revaluation of the property into account. There was an unrealised gain of revaluing the property in the prior year (as required under Charity accounting rules), this year nil giving a total surplus reported for the year of nil (2020: £489,000).

The deficit of £35,354 (2020: deficit of £27,075) has resulted in a cash outflow from the bank account of £40,826 (2020: outflow £39,526) leaving the cash in bank and in hand at the year-end of £161,472 (2020, £202,298). There is a further cash on long term deposit of £76,116 (2020, £75,438). The only other major asset is the freehold land and buildings, part of which is occupied by R.R.E.C. Limited. The revaluation of this property is set out in note 8 to these financial statements.

Investment policy and objectives

The Trustees, having regard to the liquidity requirements of operating the Foundation, have kept available cash resources in interest-bearing deposit accounts. Their plan is to achieve a rate on deposit that matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances, bank rate and therefore deposit rates have continued to be depressed, and so this was not achieved a gain this year.

The amounts held on deposit achieved an average rate of 0.5% against the retail price index of 3.1% for the year. Whilst this gap has remained the same as the prior year, the Trustees consider that any investment manager fees would more than exceed any additional income and capital growth gain from a more sophisticated investment strategy.

The other significant investment is in the Hunt House. The property is of mixed use and, whilst a part of the building is retained to house the archival records; part is leased on a formal lease to R.R.E.C. Limited. The terms of the lease are set out in the accounting policies. There has been reasonable expenditure during the year to maintain the fabric of this investment.

FINANCIAL REVIEW

Reserves policy

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and similar expenditure.

The Trustees consider that the ideal level of free reserves as at 30 June 2021 would be £230,000, being two years general expenditure after adjusting for exceptional items. The free cash reserves at 30 June 2021 were £153,304 (2020: £153,801).

The Foundation is committed to making available past and present engineering practices for educational purposes and, as modern engineering advances, the Trustees consider that this is an area the Foundation should expand; this will require reserves being available to fund it. As part of this future, the Trustees are also considering how to provide further archival and display facilities to the general public and consider that reserves should be held to support this.

The Trustees are developing the programme for Prizes and Awards and consider that reserves should be set aside to provide income to fund these. At present, the income from the money invested is insufficient to fund the Prizes and Awards. The Trustees consider that the level of reserves held is appropriate for the Foundation so it can effectively carry out its aims and objects.

A significant proportion of the Foundation's reserves are represented by freehold property, which is used for the safekeeping of the building, service, sales, and test records of Rolls-Royce built motor cars together with other items that should be kept in perpetuity and are placed in the Hunt House for safe keeping and for reference.

The cash-flow outflow from operating activities were £40,512, for the charity in 2021 (2020: outflow £42,743) which included donations of £95,179 (2020: £69,435).

Going concern

The trustees formally review strategy biennially and last performed their review in October 2019; this will be reviewed once the pandemic restrictions have eased and a face to face meeting can be held safely at the Hunt House.

The strategic plan recognises the changing ethical and regulatory environment for all sectors in which the Foundation works. The ongoing effect of the economic backdrop on potential funders, the education sector and the evolving development of vocational learning through apprenticeships, are fundamental issues that the Trustees anticipate will affect the level and nature of future activities of the Foundation.

The key elements of our strategy agreed in October 2019 are as follows:

- Focus on principal objectives; promoting the work of Sir Henry Royce, his engineering principles and inventions.
- Conserving an archive of global significance.
- Examine how our identity is portrayed. Increase publicity for the Foundation on a local, regional, national and global level.
- Clearly identify key stakeholders whether they be Foundation supporters and/or members of the Rolls-Royce community. The Charity Commission and other regulators. All benefactors, sponsors and donors. Researchers, historians and academia. Specialist and national media. All those in engineering and vehicle restoration who may benefit from the archive held.
- One of the most critical aspects is governance, maintaining appropriate organisational control. The trustees receiving appropriate training to fulfil their roles, acting with integrity, being open and accountable.
- To focus on revenue generation in all its forms and maximise opportunities provided by the archive and facilities.
- To ensure financial stability and security by creation of a business plan with constant monitoring. A long term maintenance plan will be developed for the Hunt House.
- Education and skills development are fundamental elements. We recognise the increasing importance of apprenticeship programmes and should ensure the most effective means of utilising our assets.
- Focus on communications and engagement and develop a public relations strategy.

The Trustees have decided to update their review as soon as there is some certainty regarding the impact of the ongoing COVID19 situation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

In 2008, the Trustees of the original Sir Henry Royce Memorial Foundation decided that, as the trust deed of the original Trust was irrevocable, a new charitable company, The Sir Henry Royce Memorial Foundation (a company limited by guarantee) would be a more appropriate legal platform to continue the work of the original Foundation. Therefore, this Company was incorporated on 13 February 2009 (company no 6819026) and is limited by guarantee, having no share capital, and is governed by its Memorandum and Articles of Association and Part A of its Policies and Procedures Manual. The Company was registered as a Charity (number 1128686), on 19 March 2009. The net assets of the original Foundation were transferred to this company on 2 January 2012. Any monies or assets donated to the original Foundation after this date are automatically transferred under the Transfer Agreement to this Company.

Anyone over the age of 18 can apply to become a member of the Company and there are 275 members at 30 June 2021 (2020; 286), each of whom agrees to contribute £10 in the event of the Foundation winding up.

Recruitment and appointment of new trustees

A Board of Directors governs the Foundation. The Board delegates the day-to-day management of the Foundation to a Chief Executive Officer. The present membership of the Board of Directors is set out on page 1. The maximum number of Directors allowed by the Memorandum and Articles of Association is twenty and the minimum number is four, but is limited to twelve by the rules set down in the Policies and Procedures Manual Part A, which can only be amended by the members in a General Meeting.

In accordance with the Memorandum and Articles of Association, new Directors may be appointed either by the Members at a General Meeting, or, in certain circumstances, by the Directors. The Directors may appoint a person who is willing to act to be a Director subject to clauses 16.5 and 16.6 of the Articles of Association and Section 1 of the Policy and Procedures Manual Part A. The changes to the Directors in office since 30 June 2020 are set out on page 15. Dr Cedric Ashley, John Beecroft and Chris Ball were re-elected in 2020 following their retirement by rotation in accordance with the rules set down in the Policies and Procedures Manual Part A. Philip Hall is due to retire at the next AGM having reached his time limit as a trustee: his professionalism, knowledge and expertise will be greatly missed by the Board.

Induction and training of new trustees

Upon election a new Director is given a welcome pack including a brief history of the Foundation, a copy of the Memorandum & Articles of Association, a skills matrix to determine how best they can support the Foundation or a web link to the Charity Commission's guidance notes for trustees such as "The Essential Trustee: What You Need To Know" (Leaflets CC3, CC3a and CC29 refer).

Trustees' and Officers' Indemnity Insurance

The Charity had qualifying third party indemnity provision for the benefit of the Trustees (who are also Directors of The Sir Henry Royce Memorial Foundation for the purposes of company law) and Officers of the Charity in place during the financial year.

Chief Executive Officer and Head Office Staff

John Baker, our Business Manager, accepted the role as Chief Executive Officer of the Foundation on 18 Mar 21 and has settled in well following an agreed period of probation in this new role. He is a valued member of our small staff team and continues to manage operational and day-to-day tasks with the support of Jo Hover, who has also become a key member at the Head Office. Jo is working hard to develop and extend relations with our membership, increase business contacts and promote the Foundation.

Organisation

At Board meetings, which now take place monthly (prior year quarterly), the Directors monitor the agreed broad strategy and areas of activity of the Foundation, including consideration for grants or awards, and considering and deciding upon investment strategy, reserves and risk management policies and performance. These meetings have continued using electronic means during COVID19. This method of communication has proved very cost-efficient with reduced travelling expenses.

Trustee Remuneration

None of our trustees receive remuneration or other benefit from their work with the Foundation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

Any connection between a trustee or senior manager of the Foundation and a business arrangement must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party.

The Foundation has a historical relationship with Rolls-Royce Enthusiasts' Club, a club that shares the Foundation's passion for the excellence of engineering as demonstrated through Rolls-Royce cars.

Under the current Articles of Association R.R.E.C. Limited may nominate a number of Foundation trustees to be put forward for election and a summary of transactions between the two organisations is set out in note 14 to the financial statements.

Risk management

The Trustees' policy is to have a low appetite for risk.

Assessment and management of risk is built into the day-to-day management of all activities of the Foundation, through mechanisms that ensure the long-term sustainability of its activities. A risk register documents the main risks identified and the actions necessary for mitigation. The Board review and agree these at least once a year and the Trustees receive reports by exception.

The Trustees have defined and assessed the major risks to which the Foundation is exposed, in particular, those relating to heritage, operations and finances of the Foundation and are satisfied that robust systems are in place to mitigate their impact. In examining the major strategic, business and operational threats facing the Foundation, the Trustees have considered both the likelihood and the potential impacts arising from them, giving special attention to matters of dependency of income, public perception, adverse publicity, staff employment implications, staff turnover, criminal/civil law issues and government policy. All of these risks are rigorously monitored and, as a consequence, there is continuing focus on evolving danger. Following identification, the necessary steps to maximise the impact of recovery actions are agreed and executed.

The following are viewed as significant potential risks:

Trustee skills and processes required review.

The process is ongoing and the recruitment of new Trustees is attracting different skill sets to the Board however, the Foundation is still searching for a suitably qualified accountant to add financial gravitas to the Board.

Operational Risks.

The physical security of heritage archives, historic artefacts and the systems associated with their coordination is a key risk, but the Trustees consider appropriate safeguards are in place.

Financial

The dependence on a dominant source of income is a major risk issue in theory, the provider of The Foundation's main income (R.R.E.C. Limited and its members) leases the Foundation's premises to utilise as its operating base. Although, R.R.E.C. Limited is represented on the Foundation's board, this situation provides potential for conflicts of interest. This has been recognised and plans are in place to resolve this issue in 2021/22. Trustees are working hard to bring in different sources of income albeit in a challenging financial climate. The Reserves Policy reflects and addresses the financial risks as defined above.

STRUCTURE, GOVERNANCE AND MANAGEMENT

COVID19

The Trustees are applying the requirements and recommendation by the Government to manage their risk.

There is a template Covid-19 safe document that includes risk assessment and outline general operating procedures at the Hunt House; work has been undertaken to ensure a safe transition into business as usual when facilities are fully open at Hunt House for members and the public alike. The Foundation risk assessment also links into the RREC document and both ensure parity in common procedures/operations at the Hunt House for staff, visitors and events as there are a number of shared areas.

History

The Sir Henry Royce Memorial Foundation came into being as a Charitable Trust on the 11 November 1977. The Hunt House was purchased from the Grafton Hunt Committee for £28,000, as a place where the records of Rolls-Royce Motors Limited could be held in safety and yet be readily available for inspection and research, and to provide a headquarters for the Rolls-Royce Enthusiasts' Club, as the Foundation's tenant.

Restoration and additions to the Hunt House have followed over the years with the support of the Rolls-Royce Enthusiasts' Club members - these include the development of catering facilities, gardens and workshops and the conversion of rooms and stables to more appropriate uses.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06819026 (England and Wales)

Registered Charity number

1128686

Registered office

The Hunt House
70 High Street
Paulerspury
Towcester
Northamptonshire
NN12 7NA

Trustees

Dr C Ashley CBE Chartered Engineer - Retired
C D Ball Company Director - Retired
J C A Beecroft Chartered Engineer - Retired
J Black Mechanic
S Byrne Engineering Consultant
P A Hall Electrical Engineer - Retired
W J McGawley OBE Chartered Engineer - Retired
M R Griffiths Solicitor – Retired (appointed 15.10.21)
W D Feetham (removed 18.3.21)
C E Green (resigned 18.3.21)
Mrs J E Pedler (resigned 30.12.20)
L E H Robotham (resigned 23.8.20)

President

C J Tabor

Company Secretary

M R Griffiths

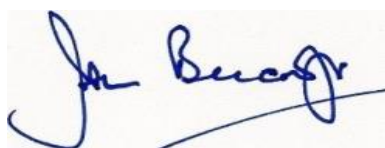
Chief Executive Officer

J Baker

Independent Examiner

CED Accountancy Services Limited
1 Lucas Bridge Business Park
1 Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

Approved by order of the board of trustees on 04 November 2021 and signed on its behalf by:



.....
J C A Beecroft - Trustee

Independent Examiner's Report to the Trustees of
The Sir Henry Royce Memorial Foundation

Independent examiner's report to the trustees of The Sir Henry Royce Memorial Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

Peter Aratoon
CED Accountancy Services Limited
1 Lucas Bridge Business Park
1 Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

Date: 05 November 2021

The Sir Henry Royce Memorial Foundation

Statement of Financial Activities
for the Year Ended 30 June 2021

	Notes	Unrestricted funds £	Restricted funds £	30.6.21 Total funds £	30.6.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		56,779	38,400	95,179	69,435
Charitable activities					
Lectures and visits		7,491	-	7,491	6,510
Property costs		22,285	-	22,285	-
Governance costs		7,946	-	7,946	-
Other trading activities	2	368	-	368	13,395
Investment income	3	43,864	-	43,864	44,762
Total		138,733	38,400	177,133	134,102
EXPENDITURE ON					
Raising funds					
Raising donations and legacies	4	15,659	-	15,659	15,482
Other trading activities		-	-	-	9,667
		15,659	-	15,659	25,149
Charitable activities					
Property costs		20,991	-	20,991	17,374
Archival costs		-	-	-	672
Other costs including awards		44,222	-	44,222	44,194
Governance costs		96,615	35,000	131,615	73,788
Total		177,487	35,000	212,487	161,177
Net gains on investments		-	-	-	84,000
NET INCOME/(EXPENDITURE)		(38,754)	3,400	(35,354)	56,925
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		-	-	-	405,000
Net movement in funds		(38,754)	3,400	(35,354)	461,925
RECONCILIATION OF FUNDS					
Total funds brought forward		2,017,641	5,168	2,022,809	1,560,884
TOTAL FUNDS CARRIED FORWARD		1,978,887	8,568	1,987,455	2,022,809

The notes form part of these financial statements

The Sir Henry Royce Memorial Foundation

Balance Sheet
30 June 2021

	Notes	Unrestricted funds £	Restricted funds £	30.6.21 Total funds £	30.6.20 Total funds £
FIXED ASSETS					
Tangible assets	8	946,406	-	946,406	952,447
Investments					
Investments	9	76,116	-	76,116	75,438
Investment property	10	809,000	-	809,000	809,000
		1,831,522	-	1,831,522	1,836,885
CURRENT ASSETS					
Stocks	11	395	-	395	395
Debtors	12	13,943	-	13,943	13,160
Cash at bank		153,304	8,168	161,472	202,298
		167,642	8,168	175,810	215,853
CREDITORS					
Amounts falling due within one year	13	(19,877)	-	(19,877)	(29,929)
NET CURRENT ASSETS		147,765	8,168	155,933	185,924
TOTAL ASSETS LESS CURRENT LIABILITIES		1,979,287	8,168	1,987,455	2,022,809
NET ASSETS		1,979,287	8,168	1,987,455	2,022,809
FUNDS	14				
Unrestricted funds				1,978,887	2,017,641
Restricted funds				8,568	5,168
TOTAL FUNDS				1,987,455	2,022,809

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

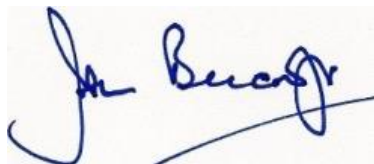
The Sir Henry Royce Memorial Foundation

Balance Sheet - continued

30 June 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 04 November 2021 and were signed on its behalf by:



.....
J C A Beecroft - Trustee

The notes form part of these financial statements

The Sir Henry Royce Memorial Foundation

Cash Flow Statement
for the Year Ended 30 June 2021

	Notes	30.6.21 £	30.6.20 £
Cash flows from operating activities			
Cash generated from operations	1	(40,512)	(42,743)
Tax paid		<u>-</u>	<u>10,000</u>
Net cash used in operating activities		<u>(40,512)</u>	<u>(32,743)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(500)	(8,039)
Purchase of fixed asset investments		(678)	(436)
Interest received		<u>864</u>	<u>1,762</u>
Net cash used in investing activities		<u>(314)</u>	<u>(6,713)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(40,826)	(39,456)
Cash and cash equivalents at the beginning of the reporting period		<u>202,298</u>	<u>241,754</u>
Cash and cash equivalents at the end of the reporting period		<u><u>161,472</u></u>	<u><u>202,298</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 30 June 2021

RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.6.21 £	30.6.20 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(35,354)	56,925
Adjustments for:		
Depreciation charges	6,541	7,723
Losses on investments	-	(84,000)
Interest received	(864)	(1,762)
Increase in stocks	-	(395)
(Increase)/decrease in debtors	(783)	621
Decrease in creditors	<u>(10,052)</u>	<u>(21,855)</u>
Net cash used in operations	<u>(40,512)</u>	<u>(42,743)</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1.7.20 £	Cash flow £	At 30.6.21 £
Net cash			
Cash at bank	<u>202,298</u>	<u>(40,826)</u>	<u>161,472</u>
	<u>202,298</u>	<u>(40,826)</u>	<u>161,472</u>
Total	<u>202,298</u>	<u>(40,826)</u>	<u>161,472</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and going concern

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

No material uncertainties exist that cast doubt upon the entity's ability to continue as a going concern.

Preparation of consolidated financial statements

The financial statements contain information about The Sir Henry Royce Memorial Foundation as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations

All monetary donations and gifts are included in full in the statement of financial activities when irrevocably receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the precondition has been met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Cash collected to which the charity is legally entitled but which has not been received at the year-end is included as income.

Donations under deed of covenant and gift aid, together with the associated income tax recoveries are credited as income when the donations are received.

Donated assets and services

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. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. Further information on this matter can be found in the Trustees' annual report for more information about their contribution.

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.

Assets received for resale are recognised, where practicable, when receivable or otherwise when sold.

1. ACCOUNTING POLICIES - continued

Income

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Rental income

See "Mixed use property - the Hunt House" below.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Local Restrictions Support Grants (LRSB) have been treated as grant income against Property costs within Charitable activities.

Coronavirus Job Retention Scheme Grants (CJRS) have been treated as grant income against Governance costs within Charitable activities.

Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Tangible fixed assets

Individual fixed assets, apart from property (see below), costing £200 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis with of annual rate between 10 and 50%.

There are many artefacts and memorabilia owned by the charity that are irreplaceable. However, it is not possible to place a value on these items and so they are not reflected in the fixed asset valuation in the financial statements. The cylinder block patterns fall into this category.

Mixed use property - the Hunt House

The Foundation has granted a lease to R.R.E.C. Limited for its occupancy of the Hunt House. The lease was for a period of 21 years and commenced on 16 June 2012. The rent was set at £30,000 per annum from 16 June 2012 with review every four years after advice being taken from an appropriate professional. The last rent review occurred in June/July 2020 and the new rent set at £48,000 per annum (£5,000 increase). The Trustees have taken professional advice about the current appropriate level of rent and will be in discussion with the directors of R.R.E.C. Limited in respect of the review. Any change in rent will be backdated to 16 June 2020.

There is an obligation for the tenant to grant a simultaneous sub-lease to the Foundation, giving the Foundation rights of occupation of certain parts, together with rights of access and use over substantial other areas at effectively no rental cost. The sub-tenant in this case will pay a service charge as a proportion of the costs for maintaining the premises.

The tenant, R.R.E.C. Limited, however remains responsible for the management and security and general administration of the whole complex.

1. ACCOUNTING POLICIES - continued

Mixed use property - the Hunt House

Accordingly, the freehold property owned by the Foundation is designated as a mixed-use property as it is used in part to generate rental income from R.R.E.C. Limited and in part under a sub-lease back to the Foundation for archival and lecture facilities and for its own administrative purposes. Therefore, the value of the Hunt House has been divided between investment property and property held for operational use as a tangible fixed asset.

The lease of the Hunt House has been designated as an investment property and its value initially measured at cost and will be subsequently valued at fair value. The sub-lease back to the Foundation, albeit disclosed in tangible fixed assets, is included in the accounts at a value initially measured at cost and will be subsequently valued at fair value.

As the property is held at fair value, no depreciation is being accrued in respect of either part in accordance with the Charities SORP (FRS 102).

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors

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 in hand

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. Where the maturity date is more than three months from the date of acquisition or opening of the deposit or similar account, this is shown as an investment.

Creditors and provisions

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.

2. OTHER TRADING ACTIVITIES

	30.6.21	30.6.20
	£	£
Event income	<u>368</u>	<u>13,395</u>

3. INVESTMENT INCOME

	30.6.21	30.6.20
	£	£
Rents received	43,000	43,000
Deposit account interest	<u>864</u>	<u>1,762</u>
	<u>43,864</u>	<u>44,762</u>

4. RAISING DONATIONS AND LEGACIES

	30.6.21	30.6.20
	£	£
Associate administration	1,320	2,431
Support costs	<u>14,339</u>	<u>13,051</u>
	<u>15,659</u>	<u>15,482</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	30.6.21	30.6.20
	£	£
Depreciation - owned assets	6,541	7,723
Independent examiner fee	3,850	3,300
Other fees paid to independent examiner (payroll services)	<u>655</u>	<u>400</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the year ended 30 June 2020.

Trustees' expenses

	30.6.21	30.6.20
	£	£
Trustees' expenses	<u>2,156</u>	<u>3,057</u>

The trustees were reimbursed the above expenses in respect of travel and subsistence during the year.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	42,735	26,700	69,435
Charitable activities			
Lectures and visits	6,510	-	6,510
Other trading activities	13,395	-	13,395
Investment income	44,762	-	44,762
Total	107,402	26,700	134,102
EXPENDITURE ON			
Raising funds			
Raising donations and legacies	15,482	-	15,482
Other trading activities	9,667	-	9,667
	25,149	-	25,149
Charitable activities			
Property costs	17,374	-	17,374
Archival costs	672	-	672
Other costs including awards	42,234	1,960	44,194
Governance costs	53,788	20,000	73,788
Total	139,217	21,960	161,177
Net gains on investments	84,000	-	84,000
NET INCOME	52,185	4,740	56,925
Transfers between funds	4,500	(4,500)	-
Other recognised gains/(losses)			
Gains on revaluation of fixed assets	405,000	-	405,000
Net movement in funds	461,685	240	461,925
RECONCILIATION OF FUNDS			
Total funds brought forward	1,555,956	4,928	1,560,884
TOTAL FUNDS CARRIED FORWARD	2,017,641	5,168	2,022,809

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

8. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Archival and display material £	Totals £
COST				
At 1 July 2020	930,000	295,243	180,981	1,406,224
Additions	-	-	500	500
At 30 June 2021	930,000	295,243	181,481	1,406,724
DEPRECIATION				
At 1 July 2020	-	294,243	159,534	453,777
Charge for year	-	1,000	5,541	6,541
At 30 June 2021	-	295,243	165,075	460,318
NET BOOK VALUE				
At 30 June 2021	930,000	-	16,406	946,406
At 30 June 2020	930,000	1,000	21,447	952,447

Revaluation in the prior year

The freehold land and buildings are included at valuation. They were revalued at 16 June 2020 by Hadland Chartered Surveyors Limited, taking account that the freehold is owned by the Foundation with R.R.E.C. Limited having a head lease over the building and the Foundation a sub-lease. The valuer (Mr P Castle BSc MRICS) confirmed in his report that he had no conflicting dealings with the Foundation or R.R.E.C. Limited.

The part occupied by the Foundation under the sub-lease is included in tangible fixed assets above, whilst the remainder occupied by the R.R.E.C. Limited is accounted for as an investment property (see note 10) below.

The cumulative unrealised gain on revaluations of the freehold land and buildings is £1,128,586 (2020: £1,128,586).

The original cost of the land and buildings is £610,414 (2020, £610,414) of which prorated on valuation, £326,443 (2020, £326,443) is in respect of the part treated as tangible fixed assets above and £283,971 (2019, £283,971) is in respect of the part treated as an investment asset (note 10).

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Bank deposits (over 3 months) £	Totals £
MARKET VALUE			
At 1 July 2020	2	75,436	75,438
Additions	-	678	678
At 30 June 2021	2	76,114	76,116
NET BOOK VALUE			
At 30 June 2021	2	76,114	76,116
At 30 June 2020	2	75,436	75,438

9. FIXED ASSET INVESTMENTS - continued

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Sir Henry Royce Ltd

Registered office: The Hunt House 70 High Street, Paulerspury, Towcester, Northamptonshire, NN12 7NA

Nature of business: Dormant Company

Class of share:	% holding	30.6.21	30.6.20
Ordinary	100	£	£
Aggregate capital and reserves		21,658	21,658

10. INVESTMENT PROPERTY

FAIR VALUE

At 1 July 2020
and 30 June 2021

£

809,000

NET BOOK VALUE

At 30 June 2021

809,000

At 30 June 2020

809,000

The investment property is included at valuation.

11. STOCKS

	30.6.21	30.6.20
	£	£
Stocks	<u>395</u>	<u>395</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21	30.6.20
	£	£
Trade debtors	-	1,049
Tax	7,331	7,331
Prepayments	<u>6,612</u>	<u>4,780</u>
	<u>13,943</u>	<u>13,160</u>

The tax is in relation to refunds of tax through gift aid.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21 £	30.6.20 £
VAT	1,364	3,719
Other creditors	218	19
Accruals and deferred income	<u>18,295</u>	<u>26,191</u>
	<u>19,877</u>	<u>29,929</u>

14. MOVEMENT IN FUNDS

	At 1.7.20 £	Net movement in funds £	Transfers between funds £	At 30.6.21 £
Unrestricted funds				
Free	153,738	(31,813)	(500)	121,425
Buildings	43,000	-	-	43,000
Artefacts (Insurance)	9,455	-	-	9,455
Special Projects	50,000	-	-	50,000
Tied	<u>1,761,448</u>	<u>(6,941)</u>	<u>500</u>	<u>1,755,007</u>
	2,017,641	(38,754)	-	1,978,887
Restricted funds				
Awards	1,990	1,000	-	2,990
Artefacts	2,028	2,400	-	4,428
Autocar Binding	<u>1,150</u>	<u>-</u>	<u>-</u>	<u>1,150</u>
	5,168	3,400	-	8,568
TOTAL FUNDS	<u>2,022,809</u>	<u>(35,354)</u>	<u>-</u>	<u>1,987,455</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Free	138,733	(170,546)	(31,813)
Tied	<u>-</u>	<u>(6,941)</u>	<u>(6,941)</u>
	138,733	(177,487)	(38,754)
Restricted funds			
Legal Expenses	35,000	(35,000)	-
Awards	1,000	-	1,000
Artefacts	<u>2,400</u>	<u>-</u>	<u>2,400</u>
	38,400	(35,000)	3,400
TOTAL FUNDS	<u>177,133</u>	<u>(212,487)</u>	<u>(35,354)</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.7.19 £	Net movement in funds £	Transfers between funds £	At 30.6.20 £
Unrestricted funds				
Free	163,368	(24,092)	14,462	153,738
Buildings	43,000	-	-	43,000
Artefacts (Insurance)	9,455	-	-	9,455
Artefacts (Other)	18,000	-	(18,000)	-
Special Projects	50,000	-	-	50,000
Tied	<u>1,272,133</u>	<u>481,277</u>	<u>8,038</u>	<u>1,761,448</u>
	1,555,956	457,185	4,500	2,017,641
Restricted funds				
Awards	1,700	290	-	1,990
Artefacts	2,128	4,400	(4,500)	2,028
Autocar Binding	<u>1,100</u>	<u>50</u>	<u>-</u>	<u>1,150</u>
	<u>4,928</u>	<u>4,740</u>	<u>(4,500)</u>	<u>5,168</u>
TOTAL FUNDS	<u><u>1,560,884</u></u>	<u><u>461,925</u></u>	<u><u>-</u></u>	<u><u>2,022,809</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Free	107,402	(131,494)	-	(24,092)
Tied	<u>-</u>	<u>(7,723)</u>	<u>489,000</u>	<u>481,277</u>
	107,402	(139,217)	489,000	457,185
Restricted funds				
Legal Expenses	20,000	(20,000)	-	-
Awards	2,250	(1,960)	-	290
Artefacts	4,400	-	-	4,400
Autocar Binding	<u>50</u>	<u>-</u>	<u>-</u>	<u>50</u>
	<u>26,700</u>	<u>(21,960)</u>	<u>-</u>	<u>4,740</u>
TOTAL FUNDS	<u><u>134,102</u></u>	<u><u>(161,177)</u></u>	<u><u>489,000</u></u>	<u><u>461,925</u></u>

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.7.19 £	Net movement in funds £	Transfers between funds £	At 30.6.21 £
Unrestricted funds				
Free	163,368	(55,905)	13,962	121,425
Buildings	43,000	-	-	43,000
Artefacts (Insurance)	9,455	-	-	9,455
Artefacts (Other)	18,000	-	(18,000)	-
Special Projects	50,000	-	-	50,000
Tied	<u>1,272,133</u>	<u>474,736</u>	<u>8,138</u>	<u>1,755,007</u>
	1,555,956	418,831	4,100	1,978,887
Restricted funds				
Awards	1,700	1,290	-	2,990
Artefacts	2,128	6,400	(4,100)	4,428
Autocar Binding	<u>1,100</u>	<u>50</u>	<u>-</u>	<u>1,150</u>
	<u>4,928</u>	<u>7,740</u>	<u>(4,100)</u>	<u>8,568</u>
TOTAL FUNDS	<u>1,560,884</u>	<u>426,571</u>	<u>-</u>	<u>1,987,455</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Free	246,135	(302,040)	-	(55,905)
Tied	<u>-</u>	<u>(14,264)</u>	<u>489,000</u>	<u>474,736</u>
	246,135	(316,304)	489,000	418,831
Restricted funds				
Legal Expenses	55,000	(55,000)	-	-
Awards	3,250	(1,960)	-	1,290
Artefacts	6,400	-	-	6,400
Autocar Binding	<u>50</u>	<u>-</u>	<u>-</u>	<u>50</u>
	<u>64,700</u>	<u>(56,960)</u>	<u>-</u>	<u>7,740</u>
TOTAL FUNDS	<u>310,835</u>	<u>(373,264)</u>	<u>489,000</u>	<u>426,571</u>

The restricted fund represents donations given for specific purposes.

Unrestricted funds which are "tied" are those invested in the property and other tangible fixed assets and are therefore not available for general distribution.

Unrestricted funds which are "designated" are those set aside by the Trustees for fulfilling specific projects. There are currently two designated funds, one is in respect of anticipated future repairs to the buildings and the other to replace lost artefacts.

14. MOVEMENT IN FUNDS - continued

Unrestricted funds which are "free" are those that are available for general distribution. However, it should be noted that the Trustees rely on the investment income arising from these free funds for the upkeep of the property and therefore, if the capital was distributed the future of the Foundation would be put at risk.

15. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2021 or 30 June 2020.

16. CAPITAL COMMITMENTS

	30.6.21	30.6.20
	£	£
Contracted but not provided for in the financial statements	<u><u>-</u></u>	<u><u>-</u></u>

17. RELATED PARTY DISCLOSURES

The charity enjoys a close working relationship with R.R.E.C. Limited. In 2021 the following transactions took place between the trust:

- Rental income received from R.R.E.C. Limited £43,000 (2020: £43,000)
- Recharged by the Foundation to R.R.E.C Limited £708, (2020: £16,561 including £5,216 towards the kitchen refurbishment)
- Recharged by R.R.E.C. Limited to Foundation £11,391 (2020: £12,304)

All the above funding was received to provide services in respect of maintenance and every day running expenses of The Hunt House and has been included in the financial statements under expenditure on charitable activities. The outstanding balance with R.R.E.C. Limited as at 30 June 2021 was £nil owed to the Foundation (2020: £1,042 owed to the Foundation).

Donations were also collected by R.R.E.C. Limited on behalf of the Foundation £20,071 (2020: £25,513).

Donated services were received from a Trustee in the year of £nil (2020: £1,800).

18. ULTIMATE CONTROLLING PARTY

The Trustees are the ultimate controlling party.

19. MEMBERS LIABILITY

The Foundation is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. At 30 June 2021 there were 275 members (2020: 259 members).