

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

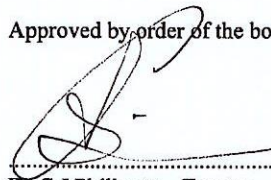
Registered office
The Hunt House
70 High Street
Paulerspury
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NN12 7NA

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
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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
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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	<u>4,003</u>	<u>7,047</u>
	<u>103,295</u>	<u>57,356</u>
Total resources expended	<u>160,999</u>	<u>212,087</u>
Net income/(expenditure)	<u><u>3,263</u></u>	<u><u>(35,354)</u></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	<u>(2,262)</u>	<u>(10,052)</u>
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	<u>138,333</u>	<u>38,400</u>	<u>176,733</u>
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	<u>177,087</u>	<u>35,000</u>	<u>212,087</u>
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	<u>1,978,887</u>	<u>8,568</u>	<u>1,987,455</u>

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><u>2,022,809</u></u>	<u><u>(32,091)</u></u>	<u><u>-</u></u>	<u><u>1,990,718</u></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><u>340,995</u></u>	<u><u>(373,086)</u></u>	<u><u>(32,091)</u></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	-	-

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).