

Registered charity no. 1141988 (England and Wales)

The Second Half Foundation

**Trustees' report and financial statements
For the year ended 5 April 2023**

The Second Half Foundation

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The Second Half Foundation

Legal and administrative information

Trustees

Sir Paul Ruddock
Jill Shaw-Ruddock (Chair)
Sophie Ruddock
Diane Herlinger

Bankers

Barclays Wealth
1 Churchill Place
London
E14 5HP

Solicitors

Wiggin Osborne Fullerlove
95 The Promenade
Cheltenham
Gloucestershire
GL50 1HH

Independent auditors

Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Registered Address

7 Lansdowne Walk
London
W11 3LN

Charity number

1141988

The Second Half Foundation

Report of the Trustees For the year ended 5 April 2023

The Trustees are pleased to present their annual report and financial statements for the year ended 5 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - Charities SORP (FRS 102).

The Trust was established by a Trust Deed dated 17 May 2011 and registered with the Charity Commission in England and Wales on 18 May 2011.

Objects of the Foundation

To promote for the benefit of the inhabitants of North Kensington and the surrounding area who are over the age of 50 by the provision of facilities for recreation or other leisure time occupation of individual who have need of such facilities by reason of their age, infirmity or disablement, financial hardship or social and economic circumstances in the interest of social welfare and with the object of improving the conditions of life of the said inhabitants.

Organisation

Trustees meet twice a year to discuss matters of a strategic and administrative nature.

The power to appoint new trustees is vested in the existing trustees of the Foundation. There is an informal interview and induction process for any new Trustee. Continuing training for Trustees is undertaken through regular meetings and discussions with individuals and organisations in the areas supported by the Foundation.

Achievements, performance and future plans

The Second Half Centre at St Charles' Hospital has rebounded to its pre-Covid levels of activity and the Centre now provides 72 hours of classes per week and now has over 6,000 members. The Foundation was able to host its 12th annual Second Half Art Exhibition on March 9th - 10th 2023 which featured ten artists spanning painting, ceramics, jewellery and photography.

The artists exhibiting were:

Avital Avital, Sally Burnett, Ane Christensen, Andrea Hamilton, Alexander Korzer Robinson, Alistair Malcolm, Sarah Pulvertaft, Daniel Reynolds, Anna Silverton and Carolyn Tripp.

The show was a success and the net proceeds to the Second Half Foundation was £44,710. Following on from this, the Foundation made a £50,775 donation to Open Age, the operator of The Second Half Centre, to help fund the annual running costs of the Second Half Centre.

At present the Foundation is very well reserved, with assets entirely in cash balances held at Barclays Bank.

The Second Half Foundation

Report of the Trustees (continued) For the year ended 5 April 2023

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity. At 5 April 2023 free reserves, being unrestricted reserves, were £363,708 (2022: £373,708). The Trustees consider this adequate to protect their commitment to fund the Second Half Centre at current levels.

Financial review

Income

Total income for the year amounted to £88,077 (2022: £88,108). Investment income in the year was £822 (2022: £48).

Charitable expenditure

Charitable expenditure was £50,775 in the year (2022: £50,000) which represents donations to Open Age to enable them to run the Second Half Centre, as detailed in note 4.

Risk Management

The Trustees are responsible for establishing and monitoring internal control systems within the Foundation. The major risks which may impact its activities have been reviewed during the period and the Trustees are satisfied that the system of internal controls currently in place is adequate, whilst recognising that they are designed to manage rather than eliminate risk. Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the Foundation.

Key management personnel remuneration

The trustees consider the board of trustees to be the key management personnel of the Foundation, in charge of directing and controlling the Foundation and running and operating the Foundation on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 4 to the accounts, and the trustees confirm there were no related party transactions.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

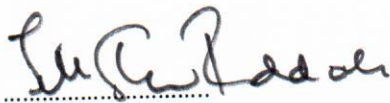
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

The Second Half Foundation

Report of the Trustees (continued) For the year ended 5 April 2023

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

Approved by the Trustees on ¹³~~14~~ NOV 2023 and signed on its behalf by:



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Lady Jill Shaw-Ruddock
Trustee

The Second Half Foundation

Independent auditors' report to the Trustees For the year ended 5 April 2023

Opinion

We have audited the financial statements of Second Half Foundation for the year ended 5 April 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Second Half Foundation

Independent auditors' report to the Trustees

For the year ended 5 April 2023

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Independent auditors' report to the Trustees (continued)
For the year ended 5 April 2023**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Second Half Foundation

Independent auditors' report to the Trustees (continued) For the year ended 5 April 2023

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

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Saffery LLP
Chartered Accountants
Statutory Auditors
Date: 16 November 2023

71 Queen Victoria Street
London
EC4V 4BE

Saffery LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

The Second Half Foundation

Statement of financial activities
For the year ended 5 April 2023

	Notes	Total funds 5 April 2023 £	Total funds 5 April 2022 £
Income and endowments from:			
Donations	2	-	10,000
Fundraising activities – art sale		87,036	77,861
Other activities including royalties		219	199
Investment income	3	822	48
		<u>88,077</u>	<u>88,108</u>
Expenditure on:			
Fundraising activities		42,326	40,130
Support costs	4	4,714	5,144
Charitable activities	4	50,776	50,000
Total expenditure		<u>97,816</u>	<u>95,274</u>
Net (expenditure)/ income		(9,739)	(7,167)
Balances brought forward at 5 April 2022		<u>373,708</u>	<u>380,775</u>
Balances carried forward at 5 April 2023		<u>363,970</u>	<u>373,708</u>

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

All income and expenditure derives from continuing activities. All activities are unrestricted.

The notes on pages 12 to 14 form part of these financial statements.

The Second Half Foundation

Balance sheet As at 5 April 2023

	Notes	2023 £	2022 £
Current assets			
Cash at bank		368,970	378,708
		<u>368,970</u>	<u>378,708</u>
Current liabilities			
Creditors: amounts falling due within one year	5	(5,000)	(5,000)
		<u>363,970</u>	<u>373,708</u>
Net current assets			
		<u>363,970</u>	<u>373,708</u>
Total assets less current liabilities			
		<u>363,970</u>	<u>373,708</u>
Net assets			
		<u>363,970</u>	<u>373,708</u>
Funds			
Unrestricted income fund		363,970	373,708
		<u>363,970</u>	<u>373,708</u>

The financial statements were approved by the Trustees of The Second Half Foundation on 13 November 2023 and signed on its behalf by:



Lady Jill Shaw-Ruddock
Trustee

The notes on pages 12 to 14 form part of these financial statements.

The Second Half Foundation

Statement of cash flows
For the year ended 5 April 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
<i>Net cash (used in)/provided by operating activities</i>	6	(10,561)	(6,565)
Cash flows from investing activities:			
Dividends, interests and rents from investments		822	48
		(9,739)	(6,517)
<i>Change in cash and cash equivalents in the year</i>		(9,739)	(6,517)
Cash and cash equivalents at 6 April 2022		378,708	385,225
<i>Cash and cash equivalents at 5 April 2023</i>		368,970	378,708

The notes on pages 12 to 14 form part of these financial statements.

1. Accounting policies

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

1.2 Income

Investment income is stated on an accruals basis.

Donations are accounted for in the period in which the charity is entitled to receipt and include any associated gift aid.

1.3 Expenditure

Expenditure is included on an accruals basis.

Charitable activities comprise donations made in the year.

1.4 Support and governance costs

Support and governance costs are allocated to the charitable activity as incurred.

1.5 Governance costs

Governance costs comprise all costs involving the public accountability of the charity and cost related with statutory requirements.

1.6 Funds

Unrestricted funds - The Income Fund represents the balance of income from all sources after deduction of donations and other necessary expenditure.

1.7 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.

The Second Half Foundation

Notes to the financial statements (continued)

For the year ended 5 April 2023

1.8 Taxation

The Foundation is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

1.9 Going concern

The trustees have considered the financial position of the charity and consider it a going concern. The accounts have been prepared on this basis.

2. Donations and gifts

	2023 £	2022 £
Donations received	-	10,000
	-	10,000

3. Investment income

	2023 £	2022 £
Bank interest	822	48
	822	48

4. Expenditure

	2023 £	2022 £
Charitable activities		
Donations	50,775	50,000
	50,775	50,000
Support costs		
Accountancy fee	1,890	2,162
Audit fee	2,760	3,000
Administration costs	64	63
Exchange gains	-	(81)
Bank charges	-	-
	4,714	5,144

The Foundation has no employees (2022: 0). Administrative services are provided by the Trustees and their businesses at no cost to the Foundation.

The Second Half Foundation

Notes to the financial statements (continued) For the year ended 5 April 2023

During the period no payments were made to any Trustee for their services. During the period expenses were reimbursed to 2 trustees totalling £927 (2022: £nil).

In 2023 one payment of £50,775 relates to grants made to an institution (Open Age) for costs incurred in the running of the Second Half Centre, previously managed by The Second Half Foundation (2022: £50,000).

5. Creditors - amounts falling due within one year

	2023 £	2022 £
Accruals	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

6. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
<i>Net (expenditure)/income for the year</i>	(9,039)	(7,167)
Adjustments for:		
Dividends and interest from investments	(822)	(48)
Increase/Decrease in creditors	0	650
	<u>(9,861)</u>	<u>(6,565)</u>
<i>Net cash generated from operating activities</i>	(9,861)	(6,565)

7. Related party transactions

During the year ended 5 April 2023 there was £595 of income from the art exhibition raised from sales to Sir Paul Ruddock (2022: nil), £3,070 from sales to Lady Jill Shaw-Ruddock (2022: £2,914), and £3,430 from sales to Diane Herlinger (2022: £6,225), who are trustees of the Foundation. All sales were made on the same terms as were offered to other attendees of the exhibition.