

Company registration number: 09936276

Charity registration number: 1169767

Rare Charity

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 January 2025

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Rare Charity**Reference and Administrative Details**

Trustees	Ms Henrietta Lovell
	Miss Cecillia Makonyola
	Mr Will Le Fleming
	Mr Robert Scott Anderson
	Mr. Adam Hickie
	Ms Gemma Bell
Principal Office	35 Eyre Street Hill
	London
	EC1R 5ET
	The charity is incorporated in England & Wales.
Company Registration Number	09936276
Charity Registration Number	1169767
Independent Examiner	Chloe Turner ACA

Rare Charity**Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31st January 2025.

Aims and Objectives

Mission

Rare Charity provides educational opportunities for people within tea communities. The people working in tea represent some of the most marginalised communities in many of the world's poorest countries. Rare Charity's mission is to equip talented and ambitious individuals to transform their community in their own ways and on their own terms.

Rare Charity's objectives remain as cited by the Charity Commission

The advancement of education; and without prejudice to the generality of that, the charity may seek to fulfil its objects by being active in areas predominantly surrounding farms in Africa, Nepal, India and Sri Lanka by:

1. Awarding students scholarships to enter university, college or institution of higher or further education;
2. Supporting education initiatives to prepare for entry to any occupation, trade or profession on leaving any educational establishment;
3. Supporting educational facilities and/or initiatives.

While these objectives remain true since its founding, the charity targets and continues to focus its operations in countries where it has strongly established links and potential for impact, specifically Malawi and Nepal.

Public Benefit

Rare Charity exists to serve the public benefit through investing in education, enabling individuals to transform their own lives, their households, their community, and eventually their country and beyond. Rare Charity:

- a. offers secondary educational scholarships to young women to enable them to continue their education and avoid early marriage;
- b. offers tertiary educational opportunities to individuals with talent and ambition, who would otherwise have no access whatsoever to further education;
- c. equips these individuals to return to their community (should they so choose), to implement change in their own ways and on their own terms;

Rare Charity**Trustees' Report**

- d. thereby catalyses long-term, systemic and sustainable change within some of the world's most vulnerable rural communities in many of the world's poorest countries;
- e. provides a meaningful and illuminating connection between the consumers of tea and the people who produce it.

The founding principle of Rare Charity is sustainability. The Charity believes in enabling the growth of a cohort of skilled professionals, and in creating local role models who encourage their peers to continue with education.

Rare Charity believes in empowering young women. At least half of all tertiary scholarships are set aside for female students - and we fund secondary scholarships for girls, to offer them the same opportunities for further education as their male counterparts.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Rare Charity**Trustees' Report**

Activities and Objectives

Income

After a substantial drop in income during the previous year, this was a year of income growth. Much of this was driven by a fundraising event towards the end of the financial year, but there were also grants secured from the Coles-Medlock Foundation and the Illumine Service Foundation towards the delivery of a new programme in Nepal, which will begin in 2025. The ongoing support from Rare Tea Company creates a strong base for the charity's ongoing operations.

Operational Programmes

Rare Charity's long term approach to activities, means that delivery is often more influenced by the previous year's income. The lower income of the previous financial year meant this was a year of consolidation, ensuring strong delivery of support to existing scholars. At the same time, foundations have been set for new scholarships and initiatives in the year to follow.

Support remained effective in spite of a variety of challenges, including economic issues within Malawi which meant that established money transfer systems ceased trading in the local currency. Also, after a little over 18 months in post, the Country Manager moved on from the post at the end of the year. This was managed to allow for the smooth continuation of operational delivery, and a new management approach is being developed going forward. This is more focused on peer leadership, creating further development opportunities for our scholars and graduates, while remaining closely connected to the communities in which the charity works.

A new scholarship was awarded to one tertiary scholar, who became the first graduate from our secondary programme to progress to tertiary education.

Development of the new programme in Nepal continued and gathered pace. Government funding for education ends after scholars have reached GCSE/High School Diploma level. The lack of funding for advanced secondary education means there is a high level of drop out at the stage, particularly in rural areas, among women, and in the area where our partner tea farm is based. With the tea farm having strong connections with local secondary schools, we are well placed to identify and support financially excluded young women and allow them to continue upper secondary education. This will open the pathway for talented scholars to progress into tertiary education and gain the knowledge, skills and self-belief to affect change in their own lives and those around them.

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Trustees' Report

Achievements and Performance

Income

Income rose substantially to a total of £97,381, a significant leap from the previous year's income of £54,396. The charity's long term approach to operations, support and financial planning allows for year by year fluctuation in income, providing short term operational running costs are sustained beyond the dedicated reserves for ongoing scholars. The gains made this year, coming towards the end of the financial year, will primarily support new scholarships in the coming year as well as continuing organisational sustainability.

The key fundraising successes were two-fold. The first was Rare Charity's first major fundraising event in five years, an exclusive high tea at Claridge's, hosted by Alexander Armstrong with dishes from special guest chefs including Thomasina Myers, Richard Hart, Ravneet Gill and Santiago Lastra. Secondly, proposals led to substantial grants being awarded towards the new Nepal programme from the Coles-Medlock Foundation and the Illumine Service Foundation. Leaving aside the donations raised from the event, monthly income increased slightly from the 2023 average of £637 to an average of £664.

Operational Programmes

Financial challenges in Malawi continued to have impacts on operations, and at one stage early in the year a number of financial services withdrew the Malawi Kwacha from their available currencies, affecting both our existing transfer service and bank. This led to a carefully managed transition to a new, well-established and reputable platform over a short time frame, which was been successful, and its ability to navigate the ongoing financial challenges in Malawi meant that it became established as our preferred transfer platform across the year. While these operational difficulties have been navigated, the financial situation within the country remains difficult. As with all issues, we are in close communication with our scholars, and have adapted the tailoring of some scholarships to increase support as needed.

One new tertiary scholarship was awarded this year, and it was significant, being to the first graduate from our secondary programme. Olivia progressed to study her chosen programme of Laboratory Medicine just a few months after receiving her results. The second young woman in the same cohort narrowly missed out on the grades needed for her desired study in tertiary education, and requested support to retake her final year of secondary at her local school. This request was granted, with ongoing monitoring due to the school being outside of those where we currently support secondary scholars.

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Trustees' Report

We also celebrated the graduation of two more tertiary scholars - Faith and Fortune Jim. In addition to this, our second cohort of secondary scholars, with several achieving the required grades to follow in the footsteps of Olivia in the year to come.

Towards the end of the year, a new opportunity meant that it was no longer practical for the Country Manager to stay in post. This latest departure from the role led to a reconsideration of whether it is the best option for the charity, and a decision to pilot a new system of rotating peer leadership. This will give scholars and graduates a greater opportunity to feed into the programmatic work of the charity, developing their experience, as well as giving multiple ongoing lines of connection between the charity and the communities where it is working. This is a logical development to the mentorship, role modelling and community initiatives, with which many scholars and graduates had already been active.

Tertiary Scholarships

Since 2016 Rare Charity has committed to funding 24 young people through tertiary education. Every one of our scholars' academic performance is outstanding and there is a 0% drop-out rate.

We know our scholarship programme is working. Two further scholars graduated in 2024, bringing the total number of graduates up to sixteen. Each retains a strong commitment to their home communities and plans to share the benefit of their skills as qualified professionals. Having all come from exceptionally vulnerable families, their current professions are listed below:

- Wongani Jambo: Contact Centre Supervisor, ESCOM (Bachelor of Arts, Media for Development, 2019)
- Osman Karimu: Safety, Health, Environment, Risk & Quality Officer, Illovo Sugar (Bachelor of Science in Food Technology, 2019)
- Madalitso Nsajamah: Secondary School Teacher (Bachelor of Education Science, 2021)
- Andrea Sylvester: Medical Assistant, Namitambo Health Centre (Certificate in Clinical Medicine, 2022)
- Alex Khumbanyiwa: Laboratory Technician, Madinah, Ndirande Clinic (Diploma in Biomedical Science, 2022)
- Norah Jordan: Community Development Project Officer, CHICOSUDO (Diploma in Community Development, 2022)
- Sylvia Lodzani: Pharmacy Manager, PharmaPrime (Bachelor of Science in Pharmacy, Kamuzu University of Health Sciences, 2023)
- Lisnet Zuze: Secondary School Teacher (Bachelor of Arts in Education and Social Studies, University of Malawi, 2023)
- Chisomo Chatepa: Assistant Division Manager, Naming'omba Tea and Macadamia Farm (Bachelor of Science in Agriculture, Malawi Adventist University, 2023)
- Blessings Maudzu: Nurse, Hope Medi Clinic (Diploma in Nursing and Midwifery, St.

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Joseph's College, 2023)

- Chisomo Ndaona: HIV Diagnostic Assistant, MACRO (Diploma in Irrigation Technology, Natural Resources College, Lilongwe University of Agriculture and Natural Resources, 2023)
- Faith Sawasawa, Entrepreneur (Bachelor of Arts in Indigenous Knowledge Systems and Practices, Malawi University of Science and Technology, 2024);
- Fortune Jim William, Trainee Assistant Manager, Satemwa (Diploma in General Agriculture, Lilongwe University of Agriculture and Natural Resources, 2024);

Three more scholars are currently seeking further employment having completed internships and/or taken career breaks for their family. We are remaining in regular contact and offering guidance on the pathway back into work.

- Enelys Black (Diploma in Nursing and Midwifery, 2021)
- Yamikani Golden (Bachelor of Science in Agribusiness Management, Lilongwe University of Agriculture and Natural Resources, 2023)
- Lauryn Patel (Diploma in Clinical Medicine, Malawi College of Health Sciences, 2023)

An employment rate above 80% among graduates is extremely impressive considering the economic challenges in Malawi, where it was stated that only 9% enter the formal job market. Through our programmatic and peer support, we aim to maintain and increase the access to opportunity for present and future scholars. It is notable that tertiary education institutions in Malawi do not currently offer a careers service and there is little focus on the pathway to employment and job-hunting skills. Therefore, Rare Charity will step in to fill this gap, and encourage more institutions to adopt such services over the longer term.

Rare Charity continued to provide tertiary educational scholarships for the following scholars.

- Madalitso Banda, originally studying a Bachelor of Accounting Practice, Millennium University, on an educational scholarship, later transferred to Malawi College of Accounting to study Bachelor Applied Accounting – Audit and Information Systems, on an educational scholarship with meals;
- Joyce Dzinjalama, Bachelor of Science in Biomedical Engineering, Malawi Polytechnic, awarded a full scholarship;
- Precious Masewo, Bachelor of Science in Agribusiness Management, Lilongwe University of Agriculture and Natural Resources, awarded an educational scholarship with accommodation;
- Morvin Namondwe, Bachelor of Science in Biomedical Sciences, Kamuzu University of Health Sciences, awarded an educational scholarship with meals.
- Gertrude Mawindo, Bachelor of Business Administration (Marketing), Malawi University of Business and Applied Sciences, awarded a full scholarship.
- Gift Clement, Bachelor of Applied Accounting – Audit and Information Systems, Malawi College of Accountancy, awarded a full scholarship.

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Trustees' Report

One further tertiary scholarship was awarded in Malawi to:

- Olivia Zuze, Bachelor of Science in Laboratory Medicine, Malawi Adventist University, Malamulo Campus, awarded an educational scholarship with accommodation.

In addition, Rare Charity continued its support for its first tertiary scholarship in Nepal:

- Schneider Orchard, Bachelor of Hotel Management, South Asian School of Tourism and Hotel Management, awarded an educational scholarship.

Each scholarship is holistic and tailored to the scholars' individual needs and, as we have seen in particular this year, can be adapted according to the specific circumstances of the scholar, should resources allow for this. A scholarship typically includes: fees, accommodation, meals, materials including a laptop, access to quality healthcare, funded work experience placement, exam fees and a tailored mentorship programme to support scholars' mental wellbeing.

Secondary Scholarships for Girls

Rare Charity was able to continue its programme for sponsoring girls through secondary school. The charity did not extend scholarships for new scholars, though an existing scholar was supported to resit a year at a local school after falling short of the required grades, along with a second scholar (attending a different local school) who fell short of her required grades in the subsequent cohort. This marked the first support to a secondary scholar outside of the two well-regarded boarding schools where Rare Charity has focussed its scholarships, and the scholars' progress is being carefully monitored to test the viability of this in future.

The holistic scholarships include fees, uniform, a materials allowance, a safeguarding programme and access to quality medical care. While the two scholars mentioned have been retaking the year at schools close to their home, all other scholars attend one of the district's best boarding schools, ensuring they have access to three meals per day, safe sleeping arrangements and an environment conducive to study.

Nepal Advanced Secondary Scholarships for Girls

The development of this new programme advanced significantly this year, from further planning the targeting of support to securing the funding commitments to sustain the programme through its first three (two-year) cohorts. Working closely with Jun Chiyabari Tea Garden, the key need for support was identified at the point where government funding for education ends, ahead of the final two years of upper secondary education. Equivalent to A-Levels in the UK, this stage is known as Plus 2 in Nepal, and drop out rates are high, particularly among girls and especially in rural communities. The programme is designed to respond to this need, working with the network of schools in the tea-growing areas which already have a strong connection with Jun Chiyabari, to ensure scholarships are awarded to talented young women with significant financial need. While initial support was secured from Coles Medlock Foundation to

Rare Charity**Trustees' Report**

allow the programme to commence, it arrived during the exam period where it might have been disruptive to announce the scholarship. With the foundations agreement, the launch was postponed to the next academic year. This allowed for both for the proper launch during the first cohorts final year of government-funded study, and also to seek further funding so that the project could become sustainable beyond the initial launch period, after which we had told many charitable initiatives had faded away. This funding came in the form of a significant pledge from the Illumine Service Foundation, which will allow the continuing delivery of the programme.

Moving Funds Internationally

The Board acknowledges that as Trustees they have a legal duty to protect their Charity's funds and to ensure that funds are legitimately used to further the Charity's purpose. Formal banking systems were used in a responsible manner to ensure that Charity funds were safeguarded. International transfers were made via one of the following routes:

- HSBC
- StoneX

The latter was the transfer platform that Rare Charity moved to, from its previous provider, Convera, when the latter put a hold on transfers in Malawi Kwacha. The transition was successful, and it provided a stable and reliable platform for transfers to Malawi and Nepal throughout the year.

Each transaction was recorded at every step, so that funds were fully accounted for, from initial transfer to final destination.

Any release of funds by Rare Charity's Managing Director is underwritten and approved by a member of the board.

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Reserves

As per Rare Charity's Reserves Policy, we hold the following funds in reserves:

Unrestricted Reserves

Rare Charity needs to ensure its long-term viability in order to honour our commitment to our scholars and their tea communities. Our reserves are held to build the charity's resilience against unpredictable drop-offs in regular income streams. They are also held to enable sound financial management and forward financial planning.

Our reserves should fall between 3 and 9 months' running costs and should never exceed 12 months. We aim to carry forward **6-7 months'** running costs this year.

We recognise this is on the higher end of the spectrum in this sector, but our reasons are:

1. Our scholarships can last up to a 5-year period, and we need to assure our ability to deliver all programmes to completion: to be present to mentor and guide our scholars, and minimise risks of unplanned closure and insolvency at all costs.
2. At present our regular income streams are only partly assured, for instance in 2022 44% of our income came from a single major donor completing their 3-year pledge. Until we have a more assured annual income stream which allows us to forecast longer-term, we aim for **6-7 months'** running costs to be held.

Restricted Reserves

Rare Charity currently does not hold restricted reserves, although this can be revised should a donor or funder require it.

Designated Reserves

Rare Charity holds designated reserves, which are separate from our unrestricted reserves.

Every time we commit to a new scholarship, we set aside the **total cost** of programme, so that the scholar can be assured of completion. The total cost of a scholarship may include tuition and examination fees, meal and accommodation costs, a laptop allowance, a work experience allowance, medical care and safeguarding costs – over the period of the student's course. These are set out in our designated reserves.

Our designated reserve levels are dynamic and depend on our number of scholars and their progression through their course.

Full records are kept of every scholar's forecasted costs to take them to course completion.

Rare Charity**Trustees' Report**

Structure and Management

Charity Status

Rare Charity is a Charitable Company, founded by Henrietta Lovell. Rare Charity was incorporated on 5 January 2016; its name was officially changed to Rare Charity on 1 July 2016. Rare Charity is governed under its Articles of Association, which were adopted on 4 July 2016. In the event of Rare Charity being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Trustees

The Directors of the Company are also known as Charity Trustees for the purposes of Charity Law. Under the requirements of the Articles of Association, the Trustees are elected to serve for a period no longer than nine years, after which they must be re-elected at the next Annual General Meeting. At every Annual General Meeting one-third of the Trustees must retire from office, but may offer themselves for re-appointment.

All trustees give their time voluntarily and received no benefits from the charity.

The Board of Trustees seeks to ensure that the needs of the Charity's work are appropriately reflected through the diversity of the trustee body. Rare Charity's work focusses on offering education opportunities in tea communities; the current country of operation is Malawi. The Board reflects strong expertise in the relevant professional areas: the tea industry (Henrietta Lovell), best practice in education (Will le Fleming), Malawi's economy, infrastructure, law and culture (Robert Anderson and Cecilia Makonyola) and best practice in the international charity sector (Cecilia Makonyola). Chartered Accountant Adam Hickie is our treasurer. Gemma Bell, Director at Gemma Bell and Company Ltd advises on the charity's messaging and public image.

Organisational Structure

Rare Charity's Board of 6 trustees are responsible for the strategic direction and policy of the Charity. The Board meets quarterly, including an Annual General Meeting once per year. Resolutions are agreed at said meetings (provided there is a quorum), or by written resolution.

A scheme of delegation is in place and responsibility for the following rests with the Managing Director:

- Day-to-day oversight of delivering scholarship programmes and management of the Malawi Country Manager and Support Officer, ensuring that the Charity delivers the services specified, in accordance with all safeguarding and due diligence procedures, and that key indicators are met;

Rare Charity**Trustees' Report**

- Ensuring the healthy growth of the Charity's income through fundraising activities in accordance with the Board's mandate;
- Day-to-day financial record-keeping;
- Administration;
- Marketing and PR to maintain and grow the Charity's good reputation.

Details of any funds held by a custodian trustee

There are no funds held by any trustee and no trustee receives any financial benefit from the Charity.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 2 October 2025 and signed on its behalf by:


.....
Mr Adam Hickie
Trustee

Rare Charity**Statement of Trustees' Responsibilities**

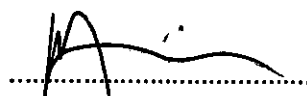
The trustees (who are also the directors of Rare Charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

Approved by the trustees of the charity on 2 October 2025 and signed on its behalf by:


.....
Mr Adam Hickie
Trustee

Rare Charity**Independent Examiner's Report to the trustees of Rare Charity ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 January 2025.

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 Rare Charity 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.

.....
Chloe Turner ACA
Highfield
Cirencester Road
Minchinhampton
Stroud
GL6 9EQ

Date: 22/10/2025

Rare Charity**Statement of Financial Activities for the Year Ended 31 January 2025
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Income and Endowments from:					
Donations and legacies	3	45,260	14,322	59,582	54,396
Other trading activities	4	37,799	-	37,799	-
Total Income		83,059	14,322	97,381	54,396
Expenditure on:					
Raising funds	5	(10,291)	-	(10,291)	(893)
Charitable activities	6	(54,004)	(9,680)	(63,684)	(69,098)
Total Expenditure		(64,295)	(9,680)	(73,975)	(69,991)
Net income/(expenditure)		18,764	4,642	23,406	(15,595)
Net movement in funds		18,764	4,642	23,406	(15,595)
Reconciliation of funds					
Total funds brought forward		51,718	16,029	67,747	83,342
Total funds carried forward	15	70,482	20,671	91,153	67,747

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 15.

Rare Charity**(Registration number: 09936276)****Balance Sheet as at 31 January 2025**

	Note	2025 £	2024 £
Current assets			
Debtors	12	5,000	1,123
Cash at bank and in hand	13	86,858	67,362
		91,858	68,485
Creditors: Amounts falling due within one year	14	(705)	(738)
Net assets		91,153	67,747
Funds of the charity:			
Restricted		20,671	16,029
Unrestricted income funds			
General unrestricted funds		29,814	24,048
Designated funds		40,668	27,670
Total unrestricted funds		70,482	51,718
Total funds	15	91,153	67,747

For the financial year ending 31 January 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 15 to 28 were approved by the trustees, and authorised for issue on 2 October 2025 and signed on their behalf by:



.....
Mr Adam James Saddler Hickie
Trustee

The notes on pages 18 to 28 form an integral part of these financial statements.

Rare Charity**Statement of Cash Flows for the Year Ended 31 January 2025**

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash income/(expenditure)		23,406	(15,595)
Working capital adjustments			
(Increase)/decrease in debtors	12	(3,877)	2,280
(Decrease)/increase in creditors	14	(33)	730
Net cash flows from operating activities		19,496	(12,585)
Net increase/(decrease) in cash and cash equivalents		19,496	(12,585)
Cash and cash equivalents at 1 February		67,362	79,947
Cash and cash equivalents at 31 January		86,858	67,362

All of the cash flows are derived from continuing operations during the above two periods.

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Notes to the Financial Statements for the Year Ended 31 January 2025

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

35 Eyre Street Hill

London

EC1R 5ET

These financial statements were authorised for issue by the trustees on 2 October 2025.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

Rare Charity 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 notes.

These financial statements are presented in Sterling, which is also the company's functional currency. The financial statements are rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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Notes to the Financial Statements for the Year Ended 31 January 2025

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.

Donated services and facilities

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Rare Charity

Notes to the Financial Statements for the Year Ended 31 January 2025

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Rare Charity

Notes to the Financial Statements for the Year Ended 31 January 2025

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Rare Charity**Notes to the Financial Statements for the Year Ended 31 January 2025**

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Rare Charity

Notes to the Financial Statements for the Year Ended 31 January 2025

3 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total
	General £	£	funds £
Donations and legacies;			
Donations from individuals	40,947	1,587	42,534
Grants, including capital grants;			
Government grants	3,713	-	3,713
Grants from other charities	-	12,735	12,735
Donated services and facilities	600	-	600
Total for 2025	45,260	14,322	59,582
Total for 2024	39,059	15,337	54,396

4 Income from other trading activities

	Unrestricted funds	
	General £	Total funds £
Events income;		
Other events income	37,799	37,799
Total for 2025	37,799	37,799

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds	Total
Note	General £	funds £
Donations	10,291	10,291
Total for 2025	10,291	10,291
Total for 2024	893	893

Rare Charity**Notes to the Financial Statements for the Year Ended 31 January 2025**

6 Expenditure on charitable activities

		Unrestricted funds	Restricted	Total
	Note	General £	funds £	funds £
Grant funding of activities		7,737	5,796	13,533
Staff costs		38,913	3,884	42,797
Allocated support costs		6,754	-	6,754
Governance costs	7	600	-	600
Total for 2025		54,004	9,680	63,684
Total for 2024		58,616	10,482	69,098

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Educational grants & student support	56,330	6,754	63,084

In addition to the expenditure analysed above, there are also governance costs of £600 (2024 - £613) which relate directly to charitable activities. See note 7 for further details.

Rare Charity**Notes to the Financial Statements for the Year Ended 31 January 2025**

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total
	General £	funds £
Independent examiner fees		
Examination of the financial statements	600	600
Total for 2025	600	600
Total for 2024	613	613

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	42,571	42,364
Social security costs	185	3,713
Pension costs	41	817
	42,797	46,894

No employee received emoluments of more than £60,000 during the year.

10 Independent examiner's remuneration

	2025 £	2024 £
Examination of the financial statements	600	600

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Rare Charity**Notes to the Financial Statements for the Year Ended 31 January 2025**

12 Debtors

	2025 £	2024 £
Prepayments	-	1,123
Other debtors	5,000	-
	5,000	1,123

13 Cash and cash equivalents

	2025 £	2024 £
Cash at bank	86,858	67,362

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	525	739
Other creditors	180	(1)
	705	738

Rare Charity**Notes to the Financial Statements for the Year Ended 31 January 2025**

15 Funds

	Balance at 1 February 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 January 2025 £
Unrestricted					
General	24,048	81,269	(62,505)	(12,998)	29,814
Designated	27,670	-	-	12,998	40,668
Total unrestricted	51,718	81,269	(62,505)	-	70,482
Restricted	16,029	14,322	(9,680)	-	20,671
Total funds	67,747	95,591	(72,185)	-	91,153

	Balance at 1 February 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 January 2024 £
Unrestricted					
General	30,394	39,059	(59,509)	14,104	24,048
Designated	41,774	-	-	(14,104)	27,670
Total unrestricted	72,168	39,059	(59,509)	-	51,718
Restricted	11,174	15,337	(10,482)	-	16,029
Total funds	83,342	54,396	(69,991)	-	67,747

Rare Charity**Notes to the Financial Statements for the Year Ended 31 January 2025**

16 Analysis of net assets between funds

	Unrestricted			Total funds
	General £	Designated £	Restricted £	£
Current assets	30,537	40,668	20,653	91,858
Current liabilities	(705)	-	-	(705)
Total net assets	29,832	40,668	20,653	91,153

	Unrestricted			Total funds
	General £	Designated £	Restricted £	£
Current assets	24,786	27,670	16,029	68,485
Current liabilities	(738)	-	-	(738)
Total net assets	24,048	27,670	16,029	67,747

17 Analysis of net funds

	At 1 February 2024 £	Financing cash flows £	At 31 January 2025 £
Cash at bank and in hand	67,362	19,496	86,858
Net debt	67,362	19,496	86,858

	At 1 February 2023 £	Financing cash flows £	At 31 January 2024 £
Cash at bank and in hand	79,947	(12,585)	67,362
Net debt	79,947	(12,585)	67,362