

THE CLOCKWORK FOUNDATION

REGISTERED CHARITY NO: 1180037

ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2022

Pothecary
Witham
Weld | **PWW**
solicitors

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THE CLOCKWORK FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

TRUSTEES:

P B Patel
S P Patel
D P Patel

PRINCIPAL OFFICE & CORRESPONDENCE ADDRESS

84 Eccleston Square, Pimlico
London
SW1V 1PX

SOLICITORS:

Pothecary Witham Weld
84 Eccleston Square, Pimlico
London
SW1V 1PX

BANKERS:

Handelsbanken
Chelmsford Branch
Greenwood House
91-99 New London Road
Chelmsford
CM2 0PP

INVESTMENT MANAGER:

Investec Wealth and Investment Ltd
30 Gresham Street
London
EC2V 7QN

INDEPENDENT EXAMINERS:

Robinson Sterling
Business Advisory, Taxation and Strategic
Planning
616d Green Lane
Ilford
Essex
IG3 9SE

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2022

Objectives and activities of the Trust

The Trust deed gives the trustees the power to apply the funds of the charity to or for such charitable purposes or for the benefit of such charitable institutions or charitable foundations in India as well as England and Wales as shall from time to time be determined by the trustees. In identifying those charitable activities that the trustees will support and in deciding the aims of the charity and its grant making objectives, the trustees considered carefully the Charity Commission guidance 'Charities and Public Benefit'.

Grant-making Policy

The Foundation's grant-making policy stipulates that grants will only be made to other registered charities. The number and value of grants that can be made by the charity will, by necessity, be limited to the amount of funds available for distribution in any year. Funding priorities will be changed in accordance with the trustees' view of the most effective application of funds available at any point in time as long as they continue to reflect the charitable purposes and objectives of the charity. All potential grants will be tested against the public benefit requirement and no grants will be made that fall outside of the area of benefit.

The trustees will not normally make grants to fund purposes for which statutory provision is made. Grants will only be given to subsidise public service or other public provision where there is clear justification for doing so. The charity will not normally make grants to charities which are in the opinion of the trustees dedicated to causes which are already well funded. The Trustees will consider awarding grants in conjunction with other grant making bodies where the funding required is beyond the scope of any single grant making body.

The trustees will carry out due diligence checks before a grant is made to ensure:

- The identity of proposed recipient;
- That the grant will be used to fund purposes which fall within the charitable purposes and objects of the charity;
- That any grant funding will not be used for illegal purposes within the meaning of the laws of England and Wales.

In cases where the grant will be used in conjunction with other grant funding, the trustees may extend due diligence checks to include other funding bodies or third parties.

The trustees will take a risk-based approach to due diligence checks based on the following factors:

- The size of the grant;
- The country of residence of the applicant or proposed recipient;
- The geographical destination of the grant money;
- The nature of the relationship between the charity and the applicant or proposed recipient; and
- Whether the charity has previously granted funding to the applicant or proposed recipient.

All proposed recipients of grant funding to carry out research will be asked to provide assurance in writing to the trustees that the recipient and/or the person conducting the research:

- is fully authorised by the organisation in which the research will be conducted;
- accepts full responsibility for the proper management of the research;
- will comply with all statutory requirements relating to the research;

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- has acquired all the necessary consents and authorities required to carry out the research; and
- will disseminate the results of the research as widely as possible and as stipulated by the trustees of the charity.

Further due diligence checks will be undertaken if the circumstances of the recipient change, or each financial year where grant funding has been agreed over more than one financial year.

Before a grant is confirmed, terms and conditions which are appropriate to the nature of the grant will be communicated in writing to the proposed recipient. In relevant cases, the trustees will agree and set targets and/or milestones with the recipient.

All proposed recipients will be asked to make a declaration stating that the grant funds will be used in accordance with the terms and conditions of the grant, including any specific terms or conditions made by the trustees, communicated in writing to the applicant or proposed recipient.

Acceptance of a cheque or other transfer of funds from the charity to the recipient will be deemed to be acceptance of the terms and conditions of the trustees as communicated to the recipient in writing.

Small grants of £500 or less will be subject to less stringent process than that outlined above.

All grants made by the charity will be regularly monitored. An end of project report is required. If the grant is payable by instalments, the payment of subsequent grant instalments will be dependent on satisfactory progress having been demonstrated (usually in the form of written progress reports) against agreed targets and/or milestones. The trustees reserve the right to withdraw future funding if they consider that satisfactory progress is not being made.

Where the purpose of the grant is to fund research, the trustees expect to be consulted on and may stipulate how the results of the research will be published and disseminated.

The grant recipient should notify the trustees if there are extenuating circumstances that mean the report cannot be submitted within this time scale. In such cases, the trustees will agree a new deadline for the recipient to submit the report.

Achievements and Performance

During the reporting year the Foundation made grants totalling £20,000

A grant of £5,000 was made to Educate for Life to be utilised towards the Hunar Ghar School Project, Rajasthan, India.

The Foundation also gave a grant of £5,000 to Joy for Humanity to be utilised towards the remote learning of 679 children of the Kyazanga Modern Primary School (KMPS) in Uganda.

A grant of £5,000 was given to Pratham to be utilised towards Teaching at the Right Level in Khandala, India.

Food for Life received a grant of £5,000 to be utilised towards the Embroidery training, Computers for schools, or School bus in Vindravan, India.

Management and governance arrangements

The charity is an unincorporated charitable trust. Its governing document is a Deed of Trust dated 3rd April 2018. It was registered with the Charity Commission on 21st September 2018. At least three trustees are required to govern the charity at any given time and the duration on their appointment is for at least two years.

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Financial review and reserves

Incoming resources totalled £50,353 in the year (2021: £25,112). The net surplus for the year, after grants, operational expenses and cost of generating funds of £ 21,459 (2021: £8,388), was £28,894 (2021: £16,724). At the end of the financial year reserves of £38,566 (2021: £26,779) were carried forward in unrestricted funds.

The trustees believe the charity needs to hold 3 years' worth of running costs as unrestricted reserves. The 3-year period is to allow sufficient time for say an economic recovery to allow investment returns to pick up again and also allow time for the Trustees to review the charities position and make plans in the unlikely event that it is envisaged that no further donations are likely to be received from family members or their associated entities.

Investment Policy

The Trustees decided to invest the charity's income. There are no restrictions on the Foundation's power to invest. The investment strategy is set by the Trustees and takes into account income requirements, the decided risk profile and the appointed investment managers' advice on market prospects in the medium term. The overall objectives are to create sufficient income and capital growth to enable the charity to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance of, and if possible, enhancement of the value of the invested funds while they are retained.

Trustees' Responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that period.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy, at any time, the financial position of the Foundation and which enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Foundation and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees on 17/10 2022 and signed on their behalf by:



Dhruv Patel
Chairman

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Independent Examiner's Report to the Trustees of the Clockwork Foundation

I report to the trustees on my examination of the accounts of The Clockwork Foundation ('the charity') for the year ended 5 April 2022 which are set out on pages 6 to 9.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act, and in carrying out my examination, I have followed all the applicable directions given by the Charity Commissioners under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently, does not cover all the matters that an auditor considers in giving his opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view', and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's report

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

- accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008, 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.

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.

Mukesh Pandit, FCCA

The Association of Chartered Certified Accountants
On behalf of Robinson Sterling,
Business Advisory, Taxation and Strategic Planning
616d Green Lane
Ilford
Essex
IG3 9SE

Dated: 18th October 2022

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Receipts and Payments Account for the Year Ended 5 April 2022

	Note	Unrestricted Fund	Unrestricted Fund
		2022	2021
		£	£
RECEIPTS			
Voluntary receipts	3	50,000	25,000
Investment Income	3	353	112
TOTAL RECEIPTS		50,353	25,112
PAYMENTS			
Cost of charitable activities	4	21,980	6,936
Cost of generating funds	6	(521)	1,452
TOTAL PAYMENTS		21,459	8,388
NET (OUTGOING)/INCOMING RESOURCES		28,894	16,724
Net purchases of investments		(17,107)	(31,914)
Fund balance at 6 April 2021		26,779	41,969
UNRESTRICTED FUND BALANCES CARRIED FORWARD AT 5 APRIL 2022		38,566	26,779

None of the charity's operations were acquired or discontinued during this or the previous year.

The Notes on pages 8 to 10 form part of these accounts

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Statement of Assets and Liabilities as at 5 April 2022

	£	£
CASH FUNDS		
Handelsbanken Current Account	38,465	25,073
Investec Capital account	26	1,706
Investec Income account	75	-
Total unrestricted cash funds	<u>38,566</u>	<u>26,779</u>
 INVESTMENTS		
The movements and changes in value of the Foundation's investment portfolio were as follows:		
Fair value of portfolio at 6 th April 2021	35,123	-
Additions at cost during the year	21,462	31,915
Disposal proceeds	(2,694)	-
Increase(decrease) in value of investment portfolio	(279)	3,208
Fair value of portfolio at 5 th April 2022	<u>53,612</u>	<u>35,123</u>
 Realised losses on disposals during the year were £450 (2021-£nil)		
 LIABILITIES		
April Administration Costs	<u>120</u>	<u>120</u>

Approved by the Trustees on 17/10/ 2022

and signed on their behalf by:



Dhruv Patel
Chairman

The Notes on pages 8 to 10 form part of these accounts

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NOTES TO THE ACCOUNTS

1 TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

2 ACCOUNTING POLICIES

Accounting convention and standards

The accounts are prepared on the receipts and payments basis and in accordance with the Charities Act 2011.

The Accounts comply with the requirements of the Trust Deed and applicable accounting standards.

Investment Income

Income from investments is taken into account by reference to the date on which it is received.

Resources expended

Expenditure is included as it is paid.

Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not included as an expenditure.

Management and administration comprise the costs of running the charity.

Taxation

The Foundation, being a charity, is not liable for income tax or corporation tax. Tax deducted from interest received is reclaimed. Value Added Tax is not recoverable and is included in the relevant charges for administration expenses.

3 VOLUNTARY RECEIPTS AND INVESTMENT INCOME

Income represents the amount derived from donations of monies from family members and associated entities. In the reporting year £50,000 of voluntary donations were received. The income raised from investments amounted to £353.

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NOTES TO THE ACCOUNTS (Continued)

4 COST OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Grants paid	20,000	5,000
Support costs (see note 7 below)	1,980	1,936
	<u>21,980</u>	<u>6,936</u>

5 GRANTS PAID

	2022 £
Educate for Life	5,000
Joy for Humanity	5,000
Pratham	5,000
Food for Life	5,000
	<u>20,000</u>

6 Cost of raising funds

	2022 £
Investment managers fees (net credit)	(521)
	<u>(521)</u>

7 ANALYSIS OF SUPPORT COSTS

	2022 £	2021 £
Administration charges	1,980	1,932
Bank charges	-	4
	<u>1,980</u>	<u>1,936</u>

8 CONNECTED PARTY TRANSACTIONS

During the year the fund received £50,000 (2021: £25,000) from Clockwork Retail Limited of which P B Patel, S P Patel, D P Patel are officers and shareholders.

The trustees received no remuneration.