

RNLI LIFESAVING ENDOWMENT

England & Wales · Charity number 1184013

Details

Status Registered

Legal form CIO

Registered 2019-06-20

Register [View on the Charity Commission register](#)

Contact

Address RNLI Lifesaving Endowment (CIO)
West Quay Road
Poole
BH15 1HZ

Phone 03003009990

Email company_secretary@rnli.org.uk

Activities

Objects: THE OBJECTS OF THE CIO ARE THE ADVANCEMENT OF SAVING LIVES AT SEA BY ESTABLISHING, BUILDING AND INVESTING AN ENDOWMENT FUND WHICH IS CAPABLE OF SUPPORTING THE RNLIÆS RESCUE SERVICES.

Activities: The Charity shall establish, build and invest an endowment fund for the RNLI.

Classification

- **How:** Makes Grants To Organisations
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£346,000	£592,000	-	-
2023-12-31	£406,000	£524,000	-	-
2022-12-31	£345,000	£477,000	-	-
2021-12-31	£892,000	£952,000	£48,480,000	0
2020-06-30	£42,418,000	£30,000	£41,640,000	0

Trustees

Name	Role	Appointed
Denis Woulfe		2020-04-02
EDWARD FREDERIC COLIN DONALDSON		2019-06-20
Jamshaid Islam		2022-03-02
Janet Legrand		2023-04-19
Mark Gregory Wordsworth		2021-12-14
Paul O'Leary		2020-04-02
Robert Boddington		2020-04-02

RNLI LIFESAVING ENDOWMENT

England & Wales - Charity number 1184013

Accounts

(REGISTERED CHARITY NUMBER: 1184013)

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Page
OFFICERS AND PROFESSIONAL ADVISERS	1
TRUSTEES' REPORT	2 – 5
STATEMENT OF TRUSTEES' RESPONSIBILITIES	6
INDEPENDENT AUDITOR'S REPORT	7 – 10
STATEMENT OF FINANCIAL ACTIVITIES	11
BALANCE SHEET	12
NOTES TO THE FINANCIAL STATEMENTS	13 - 20

**RNLI LIFESAVING ENDOWMENT
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024**

TRUSTEES: E Donaldson
R Boddington
P O'Leary
D Woulfe
M Wordsworth
J Islam
J Legrand

REGISTERED OFFICE: West Quay Road
Poole
Dorset
BH15 1HZ

AUDITOR: BDO LLP
55 Baker Street
London
W1U 7EU

BANKERS: Barclays Bank PLC
Apex Plaza
Forbury Road
Reading
RG1 1AX

INVESTMENT MANAGERS: State Street Global Advisors
IFM Investors
Threadneedle

INVESTMENT ADVISORS: Lane Clark & Peacock LLP

CUSTODIANS: The Northern Trust Company

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Trustees present their report along with the financial statements of the charity which cover the year ended 31 December 2024. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements and comply with the Charitable Incorporated Organisation's (CIO) governing document. RNLI Lifesaving Endowment is registered with the Charity Commission under registration number 1184013.

OBJECTIVES AND ACTIVITIES

The objects of the RNLI Lifesaving Endowment as set out in its registered constitution are the advancement of saving lives at sea by establishing, building, and investing an endowment fund which can support the Royal National Lifeboat Institution's (RNLI) rescue services.

The CIO was created in 2019 with an initial donation from the RNLI of £42.3M. In seeking to preserve the RNLI's lifesaving services for the future, the CIO's assets will be invested in order to maintain and if possible, enhance their real (after inflation) value and provide a source of funding to support the RNLI operations.

Charitable status and public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Trustees consider the CIO to be charitable both in its intention and practice, providing substantial public benefit by preserving the RNLI's ability to save lives at sea.

FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

For the year ended 31 December 2024 there was an investment gain of £6,896,000 (2023: gain £4,354,000). Global equities returned a gain of 20.2% (2023: gain 14.7%), property a gain of 8.0% (2023: loss 0.1%) and there was a gain on infrastructure of 4.0% (2023: 5.8%). Overall, the surplus for the year was £6,649,000 (2023: surplus £4,236,000).

Total income was £346,000 (2023: £406,000), principally due to investment income. A donation of £569,000 (2023: £502,000) was made by the charity towards the RNLI's rescue services, in line with overall objectives and representing around 1% of investment values as at the end of 2024. £44,000 of this donation was made towards the RNLI's rescue services in Ireland.

At the end of 2024, the charity holds £56.8M (2023: £50.2M) of investments, with £34.5M (2023: £32.3M) invested in global equities, £7.0M (2023: £6.9M) in commercial property unit trusts and £11.4M (2023: £10.9M) held in infrastructure funds. The balance represents cash holdings.

For 2025, the intention is to continue to donate at least 1% of overall investment values to help fund the RNLI's lifesaving services.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

INVESTMENT STRATEGY & POLICY

The investment strategy is to have a long-term growth portfolio with modest income requirement that:

- Generates a real return over the long term through both capital growth and income.
- Some illiquidity is acceptable.
- Some mark-to-market volatility is acceptable.

These objectives are pursued through a strategic investment policy which involves investing in a broadly diversified spread of assets, covering global equities, pooled property funds and pooled infrastructure funds. In formulating and reviewing the investment policy, the RNLI's Investment Committee (IC) has considered a range of investment options and the need for diversification and has regard to the investment policies being pursued by the Trustees of the RNLI's other charitable reserves and the Trustees of the RNLI 1983 Contributory Pension Scheme, recognising that the RNLI's overall market exposure is to the aggregate of these distinct asset pools. Before exercising any power of investment, the IC obtains advice from a suitably qualified advisor. The IC works on behalf of the Trustees of the RNLI and the CIO and there is a requirement that at least 2 members of the IC are Trustees of the CIO.

There was no change in the asset allocation strategy in 2024, which remains as follows:

Global Equities – 60%
Infrastructure – 20%
Property – 20%

The investment strategy will be reviewed again in 2025.

The allocation followed at any time is considered by the IC on a regular basis, and proposals for any material change in strategy will be ratified by the Trustee Board before implementation.

The Trustees have carefully considered the requirements of the Statement of Recommended Practice (SORP) and the Charity Commission's revised guidance note CC14, and do not believe there is any listed investment adverse to the purpose of the CIO (saving lives at sea).

In relation to funds where the investment manager is permitted to make active decisions about the selection, retention and realisation of investments, the Trustees expect them to take account of all financially material considerations (including climate change and other environmental, social and governance considerations), where permissible within applicable guidelines and restrictions. The Trustees seek to appoint managers that have appropriate skills and processes to do this, and from time-to-time review how the managers are taking account of these issues in practice. All our managers are signatories to the UN Principles for Responsible Investment.

Reserves policy

The Trustees note that at the end of December 2024 reserves totalled £56.8M, the majority of which are held as an expendable endowment. Of that, £49.1M is held as the RNLI Lifesaving Endowment for the advancement of saving lives at sea and £7.7M is held as the Elizabeth O'Kelly Fund for the advancement of saving lives at sea in or around Ireland.

The Trustees continue to review their reserves policy to ensure there are adequate reserves available to meet future requirements.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Risk management

The nature of the charity means that the main risk for the organisation is investment risk. Investment risk represents the likelihood that investment values will fall significantly, and this is managed through a Statement of Investment Principles and an investment strategy, which is approved by the Trustees. The Trustees rely on the RNLI's Investment Committee, using professional investment advisors, to manage this risk and maximise investment returns at an acceptable risk level that is measured using a Value at Risk (VAR) metric.

PLANS FOR FUTURE PERIODS

While it is recognised that the Trustees have powers to donate capital to the RNLI in extremis, the long-term plans focus on growing the Endowment through further donations and an investment strategy focused on capital growth. Over the next twelve months the key goal will be to ensure the investment strategy meets the charity's objectives and that it is still sound in the current economic environment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The RNLI Lifesaving Endowment is regulated by its Constitution as a Charitable Incorporated Organisation and was registered on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ. The Trustees consider the Trustees of the RNLI to be the ultimate controlling party due to their ability to appoint a majority of Trustees to the board.

Organisational structure

The Charity Trustees manage the affairs of the CIO. They are responsible for setting strategy and are responsible in law for the running of the RNLI Lifesaving Endowment.

The Constitution allows for a minimum of three Trustees to be appointed. Every Trustee shall be appointed for a term of three years. The Trustees are unpaid; details of Trustee expenses and any related party transactions are disclosed in notes 5 and 11 to the accounts.

The Trustees who served during the year were as follows:

E Donaldson
R Boddington
P O'Leary
D Woulfe
M Wordsworth
J Islam
J Legrand

J Legrand, D Woulfe, M Wordsworth and J Islam are also RNLI Trustees.

Where new Trustees are appointed, they will be given a formal induction to the work of the trust and provided with the information they need to fulfil their roles, which includes information about the role of Trustees, the organisation and charity law.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

New Trustees will be appointed by the RNLI following an interview process and where they have the necessary skills to contribute to the charity's management and development. Any appointment must be made at a meeting held according to the ordinary practice of the RNLI.

The RNLI in exercising its rights of appointment, or removal, will ensure that at least two Charity Trustees are not also current Trustees or employees of the RNLI.

The Charity Trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they shall determine the terms and conditions on which the delegation is made.
Board meetings will be held as and when required but no less frequently than twice per year.

The Charity Trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. The Chair shall ordinarily be the Chair of RNLI for the time being unless the Charity Trustees have for good reason decided otherwise.

The members of staff engaged in the day-to-day administration of the RNLI Lifesaving Endowment are employed by the RNLI. The RNLI Lifesaving Endowment reimburses the RNLI for any direct costs incurred.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1.

PROVISION OF INFORMATION TO AUDITORS

In determining how amounts are presented within items in the statement of income and retained earnings and balance sheet, the Trustees have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

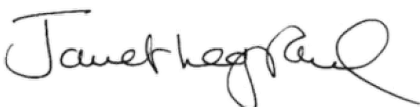
So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITOR

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 144 of the Charities Act 2011.

Approved by the Trustees on 27 March 2025 and signed on its behalf by:



.....
Janet Legrand
Trustee

RNLI LIFESAVING ENDOWMENT
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity 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 charity and of its surplus or deficit for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records. These must be sufficient to show and explain the charity's transactions and 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 UK Charities Act 2011 and applicable accounting regulations. They are also responsible for safeguarding the assets of the charity – and, therefore, for taking reasonable steps to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2024 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.

We have audited the financial statements of RNLI Lifesaving Endowment ("the Charity") for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, 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. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, 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 auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditor's 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 AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

Extent to which the audit was capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charity and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations;.

We considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation etc.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be UK tax legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation;

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the area most susceptible to fraud to be management override of controls.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

Our procedures in respect of the above included:

- Reviewing items included in the group's fraud and theft database as well as the results of internal audit's investigation into these matters; and
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 Charity's 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 Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP, statutory auditor
London, UK
Date

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

RNLI LIFESAVING ENDOWMENT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:						
Donations and legacies	2	21	-	-	21	15
Investments	7c	281	44	-	325	391
Total income and endowments		302	44	-	346	406
Expenditure on:						
Raising funds		(11)	-	-	(11)	(10)
Charitable activities		(290)	(44)	(247)	(581)	(514)
Total expenditure	3	(301)	(44)	(247)	(592)	(524)
Net gains on investments	7b	-	-	6,896	6,896	4,354
Net income		1	-	6,649	6,650	4,236
Reconciliation of funds:						
Funds at 1 January		9	-	50,164	50,173	45,937
Movement in funds		1	-	6,649	6,650	4,236
Funds at 31 December		10	-	56,813	56,823	50,173

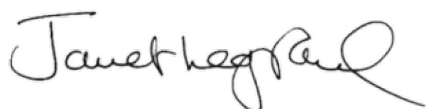
The Statement of Financial Activities includes all gains and losses recognised in the period. All income, expenditure and resulting net movements are derived from continuing activities.

Notes 1 to 4 form part of these financial statements.

RNLI LIFESAVING ENDOWMENT
REGISTERED CHARITY NUMBER: 1184013
BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	31 December 2024 £'000	31 December 2023 £'000
Fixed assets:			
Investments	7	56,847	50,173
Total fixed assets		56,847	50,173
Current assets:			
Bank and cash		40	28
Total current assets		40	28
Liabilities:			
Creditors: Amounts falling due within one year	8	(64)	(28)
Net current liabilities		(24)	-
Total assets less current liabilities		56,823	50,173
The funds of the charity:			
Expendable endowment funds	9b	56,813	50,164
Restricted funds	9c	-	-
Unrestricted funds		10	9
Total charity funds		56,823	50,173

The accounts of the RNLI Lifesaving Endowment were approved and authorised for issue by the Trustees on 27 March 2025 and signed on its behalf by



Janet Legrand
Trustee

Notes 1 to 4 form part of these financial statements.

**RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES

The RNLI Lifesaving Endowment was registered as a Charitable Incorporated Organisation on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

These accounts are 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 the Republic of Ireland (FRS 102) (effective 1st January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The accounts 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 the Charities SORP, preparing their accounts in accordance with FRS102.

The directors having taken advantage of the small companies exemptions provided by section 1A of FRS 102 and the option not to present a cash flow statement has been taken. The company is consolidated into the financial statements of the RNLI, an entity incorporated in the United Kingdom.

The RNLI Lifesaving Endowment meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in pounds sterling which is also considered to be the functional currency of the charity.

b) Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires the Trustees to make judgements and estimates. The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

c) Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (CONTINUED)

d) Income

Incoming resources are included in the SoFA when the RNLI Lifesaving Endowment is entitled to the income, the receipt is probable, and the amount can be quantified with reasonable accuracy. If these conditions are not met the income is deferred.

Donations made by the RNLI are recognised as income in the charity either when paid or at the date when the RNLI has a legal liability to make the donation payment if earlier. All external donations are accounted for when received.

Investment income is recognised on a receivable basis.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Costs of raising funds includes the legal fees incurred in the establishment of the RNLI Lifesaving Endowment and investment fees.

Expenditure on charitable activities comprises donations and allocated support costs.

Donations are recognised in the financial statements following approval by the Trustees.

f) Investments

Investments held as fixed assets and for which there is a quoted market value are measured at fair value, being the bid-price ruling at the balance sheet date. Investment gains and losses arising during the year are included in the SoFA.

g) Fund accounting

The RNLI Lifesaving Endowment funds fall into the following categories:

Expendable endowments are capital sums that are donated under the restriction that they are invested and that only the income arising is available for expenditure in accordance with the donors' directions. These capital sums may be spent at the discretion of the Trustees of the RNLI Lifesaving Endowment, where necessary, and in accordance with the donors' directions.

Restricted funds are only available for expenditure in accordance with the donors' directions.

Unrestricted funds are sums that are freely available for general use within the Charitable Objectives.

h) Taxation

The RNLI Lifesaving Endowment is exempt from tax on income and on gains falling within sections 518 and 564 of the Income Taxes Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Fund.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (CONTINUED)

i) Financial instruments

The charity 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.

2. DONATIONS AND LEGACIES

	2024	2023
	£'000	£'000
Donations	-	7
Legacies	21	8
	21	15

3. RESOURCES EXPENDED

	Direct costs	Other allocated costs	Total	Total
	£'000	£'000	£'000	£'000
Raising funds	11	-	11	10
Charitable activities	569	12	581	514
Support costs	12	(12)	-	-
Total 2024	592	-	592	524
Total 2023	524	-	524	

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

Charitable activities comprise one donation made to the RNLI (2023: one donation).

4. SUPPORT COSTS

	Total	Total
	2024	2023
	£'000	£'000
Audit fees	12	12
	12	12

Audit fees are payable to the external auditor.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

5. TRUSTEES' EXPENSES AND REMUNERATION

No Trustees, or any persons connected with them, received remuneration. There were no trustees' expenses paid during the period.

6. STAFF COSTS

There were no employees during the period.

7. INVESTMENTS HELD FOR MORE THAN ONE YEAR

	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2024 £'000	Total 2023 £'000
(a) Investment assets					
Equities	-	-	34,497	34,497	32,305
Property	-	-	7,037	7,037	6,892
Infrastructure	-	-	11,362	11,362	10,921
Cash and deposits			3,951	3,951	55
Market value at 31 December 2024	-	-	56,847	56,847	50,173
(b) Analysis of movement					
Market value at 1 January 2024	-	-	50,173	50,173	45,901
Additions			6,447	6,447	1,020
Disposals			(6,669)	(6,669)	(1,102)
Gains/(losses) on investment			6,896	6,896	4,354
Market value at 31 December 2024	-	-	56,847	56,847	50,173
Original cost	-	-	47,341	47,341	46,121
(c) Investment income					
Equities	-	-	-	-	-
Property	-	-	316	316	391
Infrastructure	-	-	-	-	-
Cash and deposits	-	-	9	9	-
Total	-	-	325	325	391

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

8. CREDITORS

	Total 2024 £'000	Total 2023 £'000
Amounts owed to the RNLI	64	28

9. FUNDS ANALYSIS

a) Balance Sheet - analysis of funds 2024 summary

	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Endowed funds 2024 £'000	Total 2024 £'000
Investments	-	-	56,847	56,847
Net current assets	10	-	(34)	(24)
Total	10	-	56,813	56,823

b) Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2024 £'000	Investment gains 2024 £'000	Income 2024 £'000	Expenditure 2024 £'000	Closing balance 2024 £'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	43,400	5,966	-	(214)	49,152
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	6,764	930	-	(33)	7,661
Total endowed funds		50,164	6,896	-	(247)	56,813

c) Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2024 £'000	Income 2024 £'000	Expenditure 2024 £'000	Closing balance 2024 £'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	-	44	(44)	-
Total restricted funds		-	44	(44)	-

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

10. FINANCIAL COMMITMENTS

There were no capital commitments at the end of the period.

There are no other liabilities, contingent or otherwise, that are not provided in these accounts.

11. RELATED PARTY TRANSACTIONS

The RNLI Lifesaving Endowment donated £569,000 (2023: £502,000) to the RNLI during the period.

The RNLI recharged the administration costs of the charitable incorporated organisation, for example, auditor fees, legal fees and investment fees. The RNLI also provided accounting support for which no charge was made.

12. ULTIMATE CONTROLLING UNDERTAKING

RNLI Lifesaving Endowment is consolidated into the financial statements of the Royal National Lifeboat Institution.

The ultimate controlling undertaking is the Royal National Lifeboat Institution, incorporated under Royal Charter in the United Kingdom. Copies of the consolidated financial statements of the Royal National Lifeboat Institution, including RNLI Lifesaving Endowment, can be obtained from West Quay Road, Poole, Dorset, BH15 1HZ.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

13. 2023 COMPARATIVES

a. Statement of Financial Activities – previous year comparatives

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2023 £'000
Income and endowments from:					
Donations and legacies	2	15	-	-	15
Investments	7c	338	53	-	391
Total income and endowments		353	53	-	406
Expenditure on:					
Raising funds		(10)	-	-	(10)
Charitable activities		(350)	(53)	(111)	(514)
Total expenditure	3	(360)	(53)	(111)	(524)
Net gains/(losses) on investments	7b	-	-	4,354	4,354
Net income/(expenditure)		(7)	-	4,243	4,236
Reconciliation of funds:					
Funds at 1 January 2023		16	-	45,921	45,937
Movement in funds		(7)	-	4,243	4,236
Funds at 31 December 2023		9	-	50,164	50,173

b. Consolidated balance sheet – analysis of funds 2023 summary

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowed funds 2023 £'000	Total 20234 £'000
Investments	-	-	50,173	50,173
Net current assets	9	-	(9)	-
Total	9	-	50,164	50,173

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

14. 2023 COMPARATIVES – FUNDS (CONTINUED)

c. Resources expended

	Direct costs	Other allocated costs	Total 2023
	£'000	£'000	£'000
Raising funds	10	-	10
Charitable activities	502	12	514
Support costs	12	(12)	-
Total 2023	524	-	524

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

d. Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance	Investment gains	Income	Expenditure	Closing balance
		2023	2023	2023	2023	2023
		£'000	£'000	£'000	£'000	£'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	39,729	3,767	-	(96)	43,400
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	6,192	587	-	(15)	6,764
Total endowed funds		45,921	4,354	-	(111)	50,164

e. Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance	Income	Expenditure	Closing balance
		2023	2023	2023	2023
		£'000	£'000	£'000	£'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	-	53	(53)	-
Total restricted funds		-	53	(53)	-

RNLI LIFESAVING ENDOWMENT

England & Wales - Charity number 1184013

Accounts

(REGISTERED CHARITY NUMBER: 1184013)

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Page
OFFICERS AND PROFESSIONAL ADVISERS	1
TRUSTEES' REPORT	2 – 5
STATEMENT OF TRUSTEES' RESPONSIBILITIES	6
INDEPENDENT AUDITOR'S REPORT	7 – 10
STATEMENT OF FINANCIAL ACTIVITIES	11
BALANCE SHEET	12
NOTES TO THE FINANCIAL STATEMENTS	13 - 20

**RNLI LIFESAVING ENDOWMENT
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Unless otherwise stated, Trustees served for the full year.

TRUSTEES: E Donaldson
R Boddington
P O'Leary
D Woulfe
M Wordsworth
J Islam
J Legrand (appointed 19 April 2023)

REGISTERED OFFICE: West Quay Road
Poole
Dorset
BH15 1HZ

AUDITOR: BDO LLP
55 Baker Street
London
W1U 7EU

BANKERS: Barclays Bank PLC
Apex Plaza
Forbury Road
Reading
RG1 1AX

INVESTMENT MANAGERS: State Street Global Advisors
IFM Investors
Threadneedle

INVESTMENT ADVISORS: Lane Clark & Peacock LLP

CUSTODIANS: The Northern Trust Company

RNLI LIFESAVING ENDOWMENT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report along with the financial statements of the charity which cover the year ended 31 December 2023. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements and comply with the Charitable Incorporated Organisation's (CIO) governing document. RNLI Lifesaving Endowment is registered with the Charity Commission under registration number 1184013.

OBJECTIVES AND ACTIVITIES

The objects of the RNLI Lifesaving Endowment as per its registered constitution are the advancement of saving lives at sea by establishing, building, and investing an endowment fund which can support the Royal National Lifeboat Institution's (RNLI) rescue services.

The CIO was created with an initial donation from the RNLI of £42.3M. In seeking to preserve the RNLI's lifesaving services for the future, the CIO's assets will be invested in order to maintain and if possible, enhance their real (after inflation) value and provide a source of funding to support the RNLI operations.

Charitable status and public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Trustees consider the CIO to be charitable both in its intention and practice, providing substantial public benefit by preserving the RNLI's ability to save lives at sea.

FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

For the year ended 31 December 2023 there was an investment gain of £4,354k (2022: loss £2,411k). Global equities returned a gain of 14.7% (2022: loss 8.8%), infrastructure a gain of 5.8% (2022: 14.8%) offset by a loss on property of 0.1% (2022: loss 10.1%). Overall, there was a surplus for the year of £4,236k (2022: loss £2,543k).

Total income was £406k (2022: £345k), principally due to investment income. A donation of £502k (2022: £459k) was made towards the RNLI's rescue services, in line with overall objectives and representing around 1% of investment values as at the end of 2023. £68k of this donation was made towards the RNLI's rescue services in Ireland.

At the end of 2023, the charity holds £50.2M (2022: £45.9M) of investments, with £32.3M (2022: £27.2M) invested in global equities, £6.9M (2022: £7.4M) in commercial property unit trusts, £10.9M (2022: £10.4M) held in Infrastructure and a small cash holding (2022: £0.9M).

For 2024, the intention is to continue to donate at least 1% of overall investment values to help fund the RNLI's lifesaving services.

INVESTMENT STRATEGY & POLICY

The investment strategy is to have a long-term growth portfolio with modest income requirement that:

- Generates a real return over the long term through both capital growth and income.
- Some illiquidity is acceptable.
- Some mark-to-market volatility is acceptable.

These objectives are pursued through a strategic investment policy which involves investing in a broadly diversified spread of assets, covering global equities, pooled property funds and pooled infrastructure funds. In formulating and reviewing the investment policy, the RNLI's Investment Committee (IC) has considered a

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

range of investment options and the need for diversification and has regard to the investment policies being pursued by the Trustees of the RNLI's other charitable reserves and the Trustees of the RNLI 1983 Contributory Pension Scheme, recognising that the RNLI's overall market exposure is to the aggregate of these distinct asset pools. Before exercising any power of investment, the IC obtains advice from a suitably qualified advisor. The IC works on behalf of the Trustees of the RNLI and the CIO and there is a requirement that at least 2 members of the IC are Trustees of the CIO.

There was no change in the asset allocation strategy in 2023, which remains as follows:

Global Equities – 60%
Infrastructure – 20%
Property – 20%

The investment strategy will be subject to review in 2024.

The allocation followed at any time shall be a matter to be considered by the IC on a regular basis, and proposals for any material change in strategy shall be ratified by the Trustee Board before implementation.

The Trustees have carefully considered the requirements of the Statement of Recommended Practice (SORP) and the Charity Commission's revised guidance note CC14 and do not believe there is any listed investment adverse to the purpose of the CIO (saving lives at sea).

In relation to funds where the investment manager is permitted to make active decisions about the selection, retention and realisation of investments, the Trustees expect them to take account of all financially material considerations (including climate change and other environmental, social and governance considerations), where permissible within applicable guidelines and restrictions. The Trustees seek to appoint managers that have appropriate skills and processes to do this, and from time-to-time review how the managers are taking account of these issues in practice. All our managers are signatories to the UN Principles for Responsible Investment.

Reserves Policy

The Trustees note that at the end of December 2023 reserves totalled £50.2M, the majority of which are held as an expendable endowment. Of that, £43.4M is held as the RNLI Lifesaving Endowment for the advancement of saving lives at sea and £6.8M is held as the Elizabeth O'Kelly Fund for the advancement of saving lives at sea in or around Ireland.

The Trustees continue to review their reserves policy to ensure there are adequate reserves available to meet future requirements.

Risk management

The nature of the charity means that the main risk for the organisation is investment risk. Investment risk represents the likelihood that investment values will fall significantly, and this is managed through a Statement of Investment Principles and an investment strategy, which is approved by the Trustees. The Trustees rely on the RNLI's Investment Committee, using professional investment advisors, to manage this risk and maximise investment returns at an acceptable risk level that is measured using a Value at Risk (VAR) metric.

PLANS FOR FUTURE PERIODS

While it is recognised that the Trustees have powers to donate capital to the RNLI in extremis, the long-term plans focus on growing the Endowment through further donations and an investment strategy focused on capital growth. Over the next twelve months the key goal will be to ensure the investment strategy meets the charity's objectives and that it is still sound in the current economic environment.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The RNLI Lifesaving Endowment is regulated by its Constitution as a Charitable Incorporated Organisation and was registered on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ. The Trustees consider the Trustees of the RNLI to be the ultimate controlling party due to their ability to appoint a majority of Trustees to the board.

Organisational structure

The Constitution allows for a minimum of three Trustees to be appointed. Every Trustee shall be appointed for a term of three years.

The Trustees are unpaid and details of Trustee expenses and any related party transactions are disclosed in notes 5 and 12 to the accounts.

The Charity Trustees manage the affairs of the CIO. They are responsible for setting strategy and are responsible in law for the running of the RNLI Lifesaving Endowment.

The Trustees who served during the year were as follows:

E Donaldson
R Boddington
P O'Leary
D Woulfe
M Wordsworth
J Islam
J Legrand (appointed 19 April 2023)

J Legrand, D Woulfe, M Wordsworth and J Islam are also RNLI Trustees.

Where new Trustees are appointed, they will be given a formal induction to the work of the trust and provided with the information they need to fulfil their roles, which includes information about the role of Trustees, the organisation and charity law.

New Trustees will be appointed by the RNLI following an interview process and where they have the necessary skills to contribute to the charity's management and development. Any appointment must be made at a meeting held according to the ordinary practice of the RNLI.

The RNLI in exercising its rights of appointment, or removal, will ensure that at least two Charity Trustees are not also current Trustees or employees of the RNLI.

The Charity Trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they shall determine the terms and conditions on which the delegation is made.

Board meetings will be held as and when required but no less frequently than twice per year.

The Charity Trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. The Chair shall ordinarily be the Chair of RNLI for the time being unless the Charity Trustees have for good reason decided otherwise.

The members of staff engaged in the day-to-day administration of the RNLI Lifesaving Endowment are employed by the RNLI. The RNLI Lifesaving Endowment reimburses the RNLI for any direct costs incurred.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1.

PROVISION OF INFORMATION TO AUDITORS

In determining how amounts are presented within items in the statement of income and retained earnings and balance sheet, the Trustees have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITOR

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 144 of the Charities Act 2011.

Approved by the Trustees on 8 May 2024 and signed on its behalf by:



.....
Janet Legrand
Trustee

RNLI LIFESAVING ENDOWMENT
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity 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 charity and of its surplus or deficit for that period. In preparing these financial statements, 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 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 to operate.

The Trustees are responsible for keeping proper accounting records. These must be sufficient to show and explain the charity's transactions and 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 UK Charities Act 2011 and applicable accounting regulations. They are also responsible for safeguarding the assets of the charity – and, therefore, for taking reasonable steps to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 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.

We have audited the financial statements of RNLI Lifesaving Endowment ("the Charity") for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, 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. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, 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 auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditor's 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 AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

Extent to which the audit was capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charity and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations;.

we considered the significant laws and regulations to be the applicable accounting framework.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be UK tax legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation;

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to fraud to be valuation of investments.

Our procedures in respect of the above included:

- Reviewing items included in the group's fraud and theft database as well as the results of internal audit's investigation into these matters;
- Confirming all balances included with in investments to direct third party confirmations; and
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular any journals posted by senior management or with unusual accounts combinations

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's 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 Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

BDO LLP

73D8B18FE9AC4C9...

BDO LLP, statutory auditor

London, UK

Date 09 May 2024

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

RNLI LIFESAVING ENDOWMENT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from:						
Donations and legacies	2	15	-	-	15	-
Investments	7c	338	53	-	391	345
Total income and endowments		353	53	-	406	345
Expenditure on:						
Raising funds		(10)	-	-	(10)	(10)
Charitable activities		(350)	(53)	(111)	(514)	(467)
Total expenditure	3	(360)	(53)	(111)	(524)	(477)
Net gains/(losses) on investments	7b	-	-	4,354	4,354	(2,411)
Net income/(expenditure)		(7)	-	4,243	4,236	(2,543)
Reconciliation of funds:						
Funds at 1 January 2023		16	-	45,921	45,937	48,480
Movement in funds		(7)	-	4,243	4,236	(2,543)
Funds at 31 December 2023		9	-	50,164	50,173	45,937

The Statement of Financial Activities includes all gains and losses recognised in the period. All income, expenditure and resulting net movements are derived from continuing activities.

Notes 1 to 14 form part of these financial statements.

RNLI LIFESAVING ENDOWMENT
BALANCE SHEET
REGISTERED CHARITY NUMBER: 1184013
AS AT 31 DECEMBER 2023

		31 December 2023 £'000	31 December 2022 £'000
	Note		
Fixed assets:			
Investments	7	50,173	45,901
Total fixed assets		50,173	45,901
Current assets:			
Debtors	8	-	20
Bank and cash		28	16
Total current assets		28	36
Liabilities:			
Creditors: Amounts falling due within one year	9	(28)	-
Net current assets/(liabilities)		-	36
Total assets less current liabilities		50,173	45,937
The funds of the charity:			
Expendable endowment funds	10b	50,164	45,921
Restricted funds	10c	-	-
Unrestricted funds		9	16
Total charity funds		50,173	45,937

The accounts of the RNLI Lifesaving Endowment were approved and authorised for issue by the Trustees on 7 May 2024 and signed on its behalf by



Janet Legrand
Trustee

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

The RNLI Lifesaving Endowment was registered as a Charitable Incorporated Organisation on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

These accounts are 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 the Republic of Ireland (FRS 102) (effective 1st January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The directors having taken advantage of the small companies exemptions provided by section 1A of FRS 102 and the option not to present a cash flow statement has been taken. The company is consolidated into the financial statements of the RNLI, an entity incorporated in the United Kingdom.

The RNLI Lifesaving Endowment meets the definition of a public benefit entity under FRS 102.

b) Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires the Trustees to make judgements and estimates. The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

c) Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

d) Income

Incoming resources are included in the SoFA when the RNLI Lifesaving Endowment is entitled to the income, the receipt is probable, and the amount can be quantified with reasonable accuracy. If these conditions are not met the income is deferred.

Donations made by the RNLI are recognised as income in the charity either when paid or at the date when the RNLI has a legal liability to make the donation payment if earlier.

All external donations are accounted for when received.

Investment income is recognised on a receivable basis.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Costs of raising funds includes the legal fees incurred in the establishment of the RNLI Lifesaving Endowment and investment fees.

Expenditure on charitable activities comprises donations and allocated support costs.

Donations are recognised in the financial statements following approval by the Trustees.

f) Investments

Investments held as fixed assets and for which there is a quoted market value are valued at the bid-price ruling at the balance sheet date. Investment gains and losses arising during the year are included in the SoFA.

g) Fund accounting

The RNLI Lifesaving Endowment funds fall into the following categories:

Expendable endowments are capital sums that are donated under the restriction that they are invested and that only the income arising is available for expenditure in accordance with the donors' directions. These capital sums may be spent at the discretion of the Trustees of the RNLI Lifesaving Endowment, where necessary, and in accordance with the donors' directions.

Restricted funds are only available for expenditure in accordance with the donors' directions.

Unrestricted funds are sums that are freely available for general use within the Charitable Objectives.

h) Presentation currency

The functional currency of the RNLI Lifesaving Endowment is in pounds sterling because that is the currency of the primary economic environment in which the charity operates.

i) Taxation

The RNLI Lifesaving Endowment is exempt from tax on income and on gains falling within sections 518 and 564 of the Income Taxes Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Fund.

j) Financial instruments

The charity 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.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

2. DONATIONS AND LEGACIES

	2023	2022
	£'000	£'000
Donations	7	-
Legacies	8	-
	<u>15</u>	<u>-</u>

3. RESOURCES EXPENDED

	Direct costs	Other allocated costs	Total	Total
	£'000	£'000	2023	2022
			£'000	£'000
Raising funds	10	-	10	10
Charitable activities	502	12	514	467
Support costs	12	(12)	-	-
Total 2023	<u>524</u>	<u>-</u>	<u>524</u>	<u>477</u>
Total 2022	<u>477</u>	<u>-</u>	<u>477</u>	

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

Charitable activities comprise one donation made to the RNLI (2022: one donation).

4. SUPPORT COSTS

	Total	Total
	2023	2022
	£'000	£'000
Audit fees	12	8
	<u>12</u>	<u>8</u>

Audit fees of £12K (inclusive of VAT) are payable to the external auditor.

5. TRUSTEES' EXPENSES AND REMUNERATION

No Trustees, or any persons connected with them, received remuneration.

There were no trustees' expenses paid during the period.

6. STAFF COSTS

There were no employees during the period.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

7. INVESTMENTS HELD FOR MORE THAN ONE YEAR

All investments are basic financial instruments and are measured at fair values.

	Unrestricted funds	Restricted funds	Endowed funds	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
(a) Investment assets					
Equities	-	-	32,305	32,305	27,167
Property	-	-	6,892	6,892	7,357
Infrastructure	-	-	10,921	10,921	10,442
Cash and deposits			55	55	935
Market value at 31 December 2023	-	-	50,173	50,173	45,901
(b) Analysis of movement					
Market value at 1 January 2023	-	-	45,901	45,901	48,953
Additions	338	53	629	1,020	9,100
Disposals	(338)	(53)	(711)	(1,102)	(9,741)
Gains/(losses) on investment	-	-	4,354	4,354	(2,411)
Market value at 31 December 2023	-	-	50,173	50,173	45,901
Original cost	-	-	46,121	46,121	46,121
(c) Investment income					
Equities	-	-	-	-	-
Property	338	53	-	391	345
Infrastructure	-	-	-	-	-
Cash and deposits	-	-	-	-	-
Total	338	53	-	391	345

8. DEBTORS

	Total 2023 £'000	Total 2022 £'000
RNLI debtor	-	20
	<u>-</u>	<u>20</u>

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

9. CREDITORS

	Total	Total
	2023	2022
	£'000	£'000
RNLI creditor	28	-
	28	-

10. FUNDS ANALYSIS

a) Balance Sheet - analysis of funds 2023 summary

	Unrestricted funds	Restricted funds	Endowed funds	Total
	2023	2023	2023	2023
	£'000	£'000	£'000	£'000
Investments	-	-	50,173	50,173
Net current assets	9	-	(9)	-
Total	9	-	50,164	50,173

b) Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance	Investment gains	Income	Expenditure	Closing balance
		2023	2023	2023	2023	2023
		£'000	£'000	£'000	£'000	£'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	39,729	3,767	-	(96)	43,400
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	6,192	587	-	(15)	6,764
Total endowed funds		45,921	4,354	-	(111)	50,164

c) Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance	Income	Expenditure	Closing balance
		2023	2023	2023	2023
		£'000	£'000	£'000	£'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	-	53	(53)	-
Total Restricted funds		-	53	(53)	-

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

11. FINANCIAL COMMITMENTS

There were no capital commitments at the end of the period.

There are no other liabilities, contingent or otherwise, that are not provided in these accounts.

12. RELATED PARTY TRANSACTIONS

The RNLI Lifesaving Endowment donated £502K (2022: £459K) to the RNLI during the period.

The RNLI recharged the administration costs of the charitable incorporated organisation, for example, auditor fees, legal fees and investment fees. The RNLI also provided accounting support for which no charge was made.

13. ULTIMATE CONTROLLING UNDERTAKING

RNLI Lifesaving Endowment is consolidated into the financial statements of the Royal National Lifeboat Institution.

The ultimate controlling undertaking is the Royal National Lifeboat Institution, incorporated under Royal Charter in the United Kingdom. Copies of the consolidated financial statements of the Royal National Lifeboat Institution, including RNLI Lifesaving Endowment, can be obtained from West Quay Road, Poole, Dorset, BH15 1HZ.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

14. 2022 COMPARATIVES – FUNDS

a. Statement of Financial Activities – previous year comparatives

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2022 £'000
Income and endowments from:					
Donations and legacies	2	-	-	-	-
Investments	7c	298	47	-	345
Total income and endowments		298	47	-	345
Expenditure on:					
Raising funds	3	(10)	-	-	(10)
Charitable activities		(318)	(55)	(94)	(467)
Total expenditure		(328)	(55)	(94)	(477)
Net (losses) on investments	7b	-	-	(2,411)	(2,411)
Net income		(30)	(8)	(2,505)	(2,543)
Reconciliation of funds:					
Funds at 1 January 2022		46	8	48,426	48,480
Movement in funds		(30)	(8)	(2,505)	(2,543)
Funds at 31 December 2022		16	-	45,921	45,937

b. Consolidated balance sheet – analysis of funds 2022 summary

	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Endowed funds 2022 £'000	Total 2022 £'000
Investments	-	-	45,901	45,901
Net current assets	16	-	20	36
Total	16	-	45,921	45,937

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

14. 2022 COMPARATIVES – FUNDS (CONTINUED)

c. Resources expended

	Direct costs £'000	Other allocated costs £'000	Total 2022 £'000
Raising funds	10	-	10
Charitable activities	459	8	467
Support costs	8	(8)	-
	477	-	477

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

d. Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2022 £'000	Investment gains 2022 £'000	Income 2022 £'000	Expenditure 2022 £'000	Closing balance 2022 £'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	41,896	(2,086)	-	(87)	39,729
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	6,530	(325)	-	(7)	6,192
Total endowed funds		48,426	(2,411)	-	(94)	45,921

e. Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2022 £'000	Income 2022 £'000	Expenditure 2022 £'000	Closing balance 2022 £'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	8	47	(55)	-
Total restricted funds		8	47	(55)	-

RNLI LIFESAVING ENDOWMENT

England & Wales - Charity number 1184013

Accounts

(REGISTERED CHARITY NUMBER: 1184013)

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page
OFFICERS AND PROFESSIONAL ADVISERS	1
TRUSTEES' REPORT	2 – 5
STATEMENT OF TRUSTEES' RESPONSIBILITIES	6
INDEPENDENT AUDITOR'S REPORT	7 – 10
STATEMENT OF FINANCIAL ACTIVITIES	11
BALANCE SHEET	12
STATEMENT OF CASH FLOWS	13
NOTES TO THE FINANCIAL STATEMENTS	14 - 21

**RNLI LIFESAVING ENDOWMENT
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Unless otherwise stated, Trustees served for the full year.

TRUSTEES: E Donaldson
S Popham (resigned 22 July 2022)
R Boddington
P O'Leary
D Woulfe
M Wordsworth
J Islam (appointed 2 March 2022)

REGISTERED OFFICE: West Quay Road
Poole
Dorset
BH15 1HZ

AUDITOR: BDO LLP
55 Baker Street
London
W1U 7EU

BANKERS: Barclays Bank PLC
Apex Plaza
Forbury Road
Reading
RG1 1AX

INVESTMENT MANAGERS: State Street Global Advisors
IFM Investors
Threadneedle

INVESTMENT ADVISORS: Lane Clark & Peacock LLP

CUSTODIANS: The Northern Trust Company

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees present their report along with the financial statements of the charity which cover the year ended 31 December 2022. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements and comply with the Charitable Incorporated Organisation's (CIO) governing document. RNLI Lifesaving Endowment is registered with the Charity Commission under registration number 1184013.

OBJECTIVES AND ACTIVITIES

The objects of the RNLI Lifesaving Endowment as per its registered constitution are the advancement of saving lives at sea by establishing, building, and investing an endowment fund which can support the Royal National Lifeboat Institution's (RNLI) rescue services.

The CIO was created with an initial donation from the RNLI of £42.3M. In seeking to preserve the RNLI's lifesaving services for the future, the CIO's assets will be invested in order to maintain and if possible, enhance their real (after inflation) value and provide a source of funding to support the RNLI operations.

Charitable status and public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Trustees consider the CIO to be charitable both in its intention and practice, providing substantial public benefit by preserving the RNLI's ability to save lives at sea.

FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

For the year to the 31 December 2022 investments produced a total loss of -3.4%. Property provided losses of -10.1% and Global equities -8.8%, although this was offset by gains of 14.8% in Infrastructure and some holdings in cash throughout the year. Overall, there was a deficit for the period of -£2.5M, mainly due to investment losses of -£2.4M.

Total income was £0.3M, principally due to investment income (£47k of which related to the Elizabeth O'Kelly Fund).

A total donation of £459K was made in 2022 towards the RNLI's rescue services, in line with overall objectives and representing around 1% of investment values as at the end of 2022. £62K of this donation was made towards the RNLI's rescue services in Ireland.

At the end of 2022, the charity holds £45.9M of investments, with £27.2M invested in global equities, £7.4M in commercial property unit trusts and £10.4M held in Infrastructure. There was also a cash holding of £0.9M that will be moved into global equities in 2023.

For 2023, the intention is to continue to donate at least 1% of overall investment values to help fund the RNLI's lifesaving services.

INVESTMENT STRATEGY & POLICY

The investment strategy is to have a long-term growth portfolio with modest income requirement that:

- Generates a real return over the long term through both capital growth and income.
- Some illiquidity is acceptable.
- Some mark-to-market volatility is acceptable.

These objectives are pursued through a strategic investment policy which involves investing in a broadly diversified spread of assets, covering global equities, pooled property funds and pooled infrastructure funds. In formulating and reviewing the investment policy, the RNLI's Investment Committee (IC) has considered a

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

range of investment options and the need for diversification and has regard to the investment policies being pursued by the Trustees of the RNLI's other charitable reserves and the Trustees of the RNLI 1983 Contributory Pension Scheme, recognising that the RNLI's overall market exposure is to the aggregate of these distinct asset pools. Before exercising any power of investment, the IC obtains advice from a suitably qualified advisor. The IC works on behalf of the Trustees of the RNLI and the CIO and there is a requirement that at least 2 members of the IC are Trustees of the CIO.

The IC finalised the move to the desired asset allocation in 2022, as follows:

- Global Equities – 60%
- Infrastructure – 20%
- Property – 20%

The allocation followed at any time shall be a matter to be considered by the IC on a regular basis, and proposals for any material change in strategy shall be ratified by the Trustee Board before implementation.

The Trustees have carefully considered the requirements of the Statement of Recommended Practice (SORP) and the Charity Commission's revised guidance note CC14 and do not believe there is any listed investment adverse to the purpose of the CIO (saving lives at sea).

In relation to funds where the investment manager is permitted to make active decisions about the selection, retention and realisation of investments, the Trustees expect them to take account of all financially material considerations (including climate change and other environmental, social and governance considerations), where permissible within applicable guidelines and restrictions. The Trustees seek to appoint managers that have appropriate skills and processes to do this, and from time-to-time review how the managers are taking account of these issues in practice. All our managers are signatories to the UN Principles for Responsible Investment.

Reserves Policy

The Trustees note that at the end of December 2022 reserves totalled £45.9M, the majority of which are held as an expendable endowment. Of that, £39.7M is held as the RNLI Lifesaving Endowment for the advancement of saving lives at sea and £6.2M is held as the Elizabeth O'Kelly Fund for the advancement of saving lives at sea in or around Ireland.

The Trustees continue to review their reserves policy to ensure there are adequate reserves available to meet future requirements.

Risk management

The nature of the charity means that the main risk for the organisation is investment risk. Investment risk represents the likelihood that investment values will fall significantly, and this is managed through a Statement of Investment Principles and an investment strategy, which is approved by the Trustees. The Trustees rely on the RNLI's Investment Committee, using professional investment advisors, to manage this risk and maximise investment returns at an acceptable risk level that is measured using a Value at Risk (VAR) metric.

PLANS FOR FUTURE PERIODS

While it is recognised that the Trustees have powers to donate capital to the RNLI in extremis, the long-term plans focus on growing the Endowment through further donations and an investment strategy focused on capital growth. Over the next twelve months the key goal will be to ensure the investment strategy meets the charity's objectives and that it is still sound in the current economic environment.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The RNLI Lifesaving Endowment is regulated by its Constitution as a Charitable Incorporated Organisation and was registered on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ. The Trustees consider the Trustees of the RNLI to be the ultimate controlling party due to their ability to appoint a majority of Trustees to the board.

Organisational structure

The Constitution allows for a minimum of three Trustees to be appointed. Aside from the first Charity Trustees listed below, every Trustee shall be appointed for a term of three years.

All of the original Trustees have long experience of being a charity trustee. The Trustees are unpaid and details of Trustee expenses and any related party transactions are disclosed in notes 5 and 12 to the accounts.

The Charity Trustees manage the affairs of the CIO. They are responsible for setting strategy and are responsible in law for the running of the RNLI Lifesaving Endowment.

The Trustees who served during the period were as follows:

E Donaldson (Chair)
S Popham (resigned 22 July 2022)
R Boddington
P O'Leary
D Woulfe
M Wordsworth
J Islam (appointed 2 March 2022)

D Woulfe, M Wordsworth and J Islam are also RNLI Trustees. On 22 July 2022, E Donaldson and S Popham stepped down as RNLI Trustees.

Where new Trustees are appointed, they will be given a formal induction to the work of the trust and provided with the information they need to fulfil their roles, which includes information about the role of Trustees, the organisation and charity law.

New Trustees will be appointed by the RNLI following an interview process and where they have the necessary skills to contribute to the charity's management and development. Any appointment must be made at a meeting held according to the ordinary practice of the RNLI.

The RNLI in exercising its rights of appointment, or removal, will ensure that at least two Charity Trustees are not also current Trustees or employees of the RNLI.

The Charity Trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they shall determine the terms and conditions on which the delegation is made.

Board meetings will be held as and when required but no less frequently than twice per year.

The Charity Trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. The Chair shall ordinarily be the Chair of RNLI for the time being unless the Charity Trustees have for good reason decided otherwise.

The members of staff engaged in the day-to-day administration of the RNLI Lifesaving Endowment are employed by the RNLI. The RNLI Lifesaving Endowment reimburses the RNLI for any direct costs incurred.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1.

PROVISION OF INFORMATION TO AUDITORS

In determining how amounts are presented within items in the statement of income and retained earnings and balance sheet, the Trustees have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITOR

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 144 of the Charities Act 2011.

Approved by the Trustees on 15th March 2023 and signed on its behalf by:

E Donaldson

.....
E Donaldson
Trustee

**RNLI LIFESAVING ENDOWMENT
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity 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 charity and of its surplus or deficit for that period. In preparing these financial statements, 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 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 to operate.

The Trustees are responsible for keeping proper accounting records. These must be sufficient to show and explain the charity's transactions and 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 UK Charities Act 2011 and applicable accounting regulations. They are also responsible for safeguarding the assets of the charity – and, therefore, for taking reasonable steps to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2022 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.

We have audited the financial statements of RNLI Lifesaving Endowment ("the Charity") for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, 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. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, 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 auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditor's 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 AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

Extent to which the audit was capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the Charities Act 2011. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection and health and safety legislation. In order to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, we made enquiries of management and those charged with Governance about whether the entity is in compliance with such laws and regulations and we inspected any relevant regulatory and legal correspondence. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Audit procedures performed by the engagement team included:

- Discussions with group management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meeting of those charged with governance, reviewing internal audit reports and the correspondence with the Charity Commission;
- Reviewing items included in the group's fraud and theft database as well as the results of internal audit's investigation into these matters;
- Confirming all balances included with investments to direct third party confirmations; and
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular any journals posted by senior management or with unusual accounts combinations

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's 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 Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

BDO LLP

73D8B18FE9AC4C9...

BDO LLP, statutory auditor

London, UK

Date 26 April 2023

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

RNLI LIFESAVING ENDOWMENT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2022 £'000	Total 18 month period to 31/12/2021 £'000
Income and endowments from:						
Donations and legacies	2	-	-	-	-	342
Investments	7c	298	47	-	345	550
Total income and endowments		298	47	-	345	892
Expenditure on:						
Raising funds		(10)	-	-	(10)	(16)
Charitable activities		(318)	(55)	(94)	(467)	(936)
Total expenditure	3	(328)	(55)	(94)	(477)	(952)
Net gains/(losses) on investments	7b	-	-	(2,411)	(2,411)	6,900
Net income/(expenditure)		(30)	(8)	(2,505)	(2,543)	6,840
Reconciliation of funds:						
Funds at 1 January 2022		46	8	48,426	48,480	41,640
Movement in funds		(30)	(8)	(2,505)	(2,543)	6,840
Funds at 31 December 2022		16	-	45,921	45,937	48,480

The Statement of Financial Activities includes all gains and losses recognised in the period. All income, expenditure and resulting net movements are derived from continuing activities

Notes 1 to 14 form part of these financial statements.

RNLI LIFESAVING ENDOWMENT
BALANCE SHEET
REGISTERED CHARITY NUMBER: 1184013
AS AT 31 DECEMBER 2022

		31 December 2022 £'000	31 December 2021 £'000
	Note		
Fixed assets:			
Investments	7	45,901	48,953
Total fixed assets		45,901	48,953
Current assets:			
Bank and cash		16	-
Debtors	8	20	16
Total current assets		36	16
Liabilities:			
Creditors: Amounts falling due within one year	9	-	(489)
Net current assets/(liabilities)		36	(473)
Total assets less current liabilities		45,937	48,480
The funds of the charity:			
Expendable endowment funds	10b	45,921	48,426
Restricted funds	10c	-	8
Unrestricted funds		16	46
Total charity funds		45,937	48,480

The accounts of the RNLI Lifesaving Endowment were approved and authorised for issue by the Trustees on 15th March 2023 and signed on its behalf by

E Donaldson

E Donaldson
Trustee

Notes 1 to 14 form part of these financial statements.

**RNLI LIFESAVING ENDOWMENT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	£'000	£'000
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	(970)	(167)
Cash flows from investing activities:		
Dividends, interest and rents from investments	345	550
Purchase of investments	(345)	(550)
Proceeds from sale of investments	872	122
Net cash provided by investing activities	872	122
Cash flows from financing activities:		
Additions to endowment	(8,755)	(28,161)
Disposal of endowment	8,869	28,206
Net cash provided by financing activities	114	45
Change in cash and cash equivalents in the reporting period	16	-
Reconciliation of cash flow:		
Cash and cash equivalents at the beginning of the reporting period	-	-
Change in cash and cash in the reporting period	16	-
Cash and cash equivalents at the end of the reporting period	16	-

Reconciliation of net income to net cash flow from operating activities

	2022	2021
	£'000	£'000
<i>Net income/ for the reporting period (as per the statement of financial activities)</i>	(2,543)	6,840
Adjustments for:		
Losses/(gains) on investments	2,411	(6,900)
Investment income	(345)	(550)
(Decrease)/increase in creditors	(489)	459
Increase in debtors	(4)	(16)
Net cash used in operating activities	(970)	(167)

Notes 1 to 14 form part of these financial statements.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

The RNLI Lifesaving Endowment was registered as a Charitable Incorporated Organisation on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

These accounts are 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 the Republic of Ireland (FRS 102) (effective 1st January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The RNLI Lifesaving Endowment meets the definition of a public benefit entity under FRS 102.

b) Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires the Trustees to make judgements and estimates. The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

c) Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

d) Income

Incoming resources are included in the SoFA when the RNLI Lifesaving Endowment is entitled to the income, the receipt is probable, and the amount can be quantified with reasonable accuracy. If these conditions are not met the income is deferred.

Donations made by the RNLI are recognised as income in the charity either when paid or at the date when the RNLI has a legal liability to make the donation payment if earlier.

All external donations are accounted for when received.

Investment income is recognised on a receivable basis.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Costs of raising funds includes the legal fees incurred in the establishment of the RNLI Lifesaving Endowment and investment fees.

Expenditure on charitable activities comprises donations and allocated support costs.

Donations are recognised in the financial statements following approval by the Trustees.

f) Investments

Investments held as fixed assets and for which there is a quoted market value are valued at the bid-price ruling at the balance sheet date. Investment gains and losses arising during the year are included in the SoFA.

g) Fund accounting

The RNLI Lifesaving Endowment funds fall into the following categories:

Expendable endowments are capital sums that are donated under the restriction that they are invested and that only the income arising is available for expenditure in accordance with the donors' directions. These capital sums may be spent at the discretion of the Trustees of the RNLI Lifesaving Endowment, where necessary, and in accordance with the donors' directions.

Restricted funds are only available for expenditure in accordance with the donors' directions.

Unrestricted funds are sums that are freely available for general use within the Charitable Objectives.

h) Presentation currency

The functional currency of the RNLI Lifesaving Endowment is in pounds sterling because that is the currency of the primary economic environment in which the charity operates.

i) Exchange rate gains and losses

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets are translated at the rate of exchange ruling at the balance sheet date. Gains and losses on exchange are included in the SoFA.

j) Taxation

The RNLI Lifesaving Endowment is exempt from tax on income and on gains falling within sections 518 and 564 of the Income Taxes Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Fund.

k) Financial instruments

The charity 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.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

2. DONATIONS AND LEGACIES

	2022	18 month period to 31/12/2021
	£'000	£'000
Donation from RNLI	-	326
Donations	-	16
	<u>-</u>	<u>342</u>

3. RESOURCES EXPENDED

	Direct costs	Other allocated costs	Total 2022	18 month period to 31/12/2021
	£'000	£'000	£'000	£'000
Raising funds	10	-	10	16
Charitable activities	459	8	467	936
Support costs	8	(8)	-	-
	<u>477</u>	<u>-</u>	<u>477</u>	<u>952</u>
Total 2021	<u>952</u>	<u>-</u>	<u>952</u>	

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

Charitable activities comprise one donation made to the RNLI (2021: two donations).

4. SUPPORT COSTS

	Total 2022	Total 18 month period to 31/12/2021
	£'000	£'000
Audit fees	8	7
Legal fees	-	-
	<u>8</u>	<u>7</u>

Audit fees of £8K (inclusive of VAT) are payable to the external auditor.

5. TRUSTEES' EXPENSES AND REMUNERATION

No Trustees, or any persons connected with them, received remuneration.

There were no trustees' expenses paid during the period.

6. STAFF COSTS

There were no employees during the period.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

7. INVESTMENTS HELD FOR MORE THAN ONE YEAR

All investments are basic financial instruments and are measured at fair values

	Unrestricted funds	Restricted funds	Endowed funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000
(a) Investment assets					
Equities	-	-	27,167	27,167	29,802
Property	-	-	7,357	7,357	8,376
Infrastructure	-	-	10,442	10,442	-
Cash and deposits			935	935	10,775
Market value at 31 December 2022	-	-	45,901	45,901	48,953
(b) Analysis of movement					
Market value at 1 January 2022	456	71	48,426	48,953	41,670
Additions	298	47	8,755	9,100	28,711
Disposals	(754)	(118)	(8,869)	(9,741)	(28,328)
Gains/(losses) on investment	-	-	(2,411)	(2,411)	6,900
Market value at 31 December 2022	-	-	45,901	45,901	48,953
Original cost	-	-	46,121	46,121	46,163
(c) Investment income					
Equities	-	-	-	-	-
Property	298	47	-	345	550
Infrastructure	-	-	-	-	-
Cash and deposits	-	-	-	-	-
Total	298	47	-	345	550

8. DEBTORS

	Total 2022 £'000	Total 2021 £'000
RNLI debtor	20	16
	<u>20</u>	<u>16</u>

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

9. CREDITORS

	Total 2022 £'000	Total 2021 £'000
Accruals	-	-
RNLI creditor	-	489
	-	489

10. FUNDS ANALYSIS

a) Balance Sheet - analysis of funds 2022 summary

	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Endowed funds 2022 £'000	Total 2022 £'000
Investments	-	-	45,901	45,901
Net current assets	16	-	20	36
Total	16	-	45,921	45,937

b) Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2022 £'000	Investment losses 2022 £'000	Income 2022 £'000	Expenditure 2022 £'000	Closing balance 2022 £'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	41,896	(2,086)	-	(87)	39,729
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	6,530	(325)	-	(7)	6,192
Total endowed funds		48,426	(2,411)	-	(94)	45,921

c) Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2022 £'000	Income 2022 £'000	Expenditure 2022 £'000	Closing balance 2022 £'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	8	47	(55)	-
Total endowed funds		8	47	(55)	-

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

11. FINANCIAL COMMITMENTS

There were no capital commitments at the end of the period

There are no other liabilities, contingent or otherwise, that are not provided in these accounts.

12. RELATED PARTY TRANSACTIONS

The RNLI Lifesaving Endowment donated £459K (2021: £930K) to the RNLI during the period.

No additional donation was made in 2022 by the RNLI (2021: £326K).

The RNLI recharged the administration costs of the charitable incorporated organisation, for example, auditor fees, legal fees and investment fees. The RNLI also provided accounting support for which no charge was made.

13. ULTIMATE CONTROLLING UNDERTAKING

RNLI Lifesaving Endowment is consolidated into the financial statements of the Royal National Lifeboat Institution.

The ultimate controlling undertaking is the Royal National Lifeboat Institution, incorporated under Royal Charter in the United Kingdom. Copies of the consolidated financial statements of the Royal National Lifeboat Institution, including RNLI Lifesaving Endowment, can be obtained from West Quay Road, Poole, Dorset, BH15 1HZ.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

14. 2021 COMPARATIVES – FUNDS

a. Statement of Financial Activities – previous year comparatives

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2021 £'000
Income and endowments from:					
Donations and legacies	2	16	-	326	342
Investments	7c	479	71	-	550
Total income and endowments		495	71	326	892
Expenditure on:					
Raising funds	3	(16)	-	-	(16)
Charitable activities		(489)	(76)	(371)	(936)
Total expenditure		(505)	(76)	(371)	(952)
Net (losses) on investments	7b	-	-	6,900	6,900
Net income		(10)	(5)	6,855	6,840
Reconciliation of funds:					
Funds at 1 July 2020		56	13	41,571	41,640
Movement in funds		(10)	(5)	6,855	6,840
Funds at 31 December 2021		46	8	48,426	48,480

b. Consolidated balance sheet – analysis of funds 2021 summary

	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Endowed funds 2021 £'000	Total 2021 £'000
Investments	456	71	48,426	48,953
Creditors	(410)	(63)	-	(473)
Total	46	8	48,426	48,480

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2022

14. 2021 COMPARATIVES – FUNDS (CONTINUED)

c. Resources expended

	Direct costs	Other allocated costs	Total 2021
	£'000	£'000	£'000
Raising funds	16	-	16
Charitable activities	929	7	936
Support costs	7	(7)	-
	952	-	952

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

d. Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2021 £'000	Investment gains 2021 £'000	Income 2021 £'000	Expenditure 2021 £'000	Closing balance 2021 £'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	36,168	6,003	52	(327)	41,896
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	5,403	897	274	(44)	6,530
Total endowed funds		41,571	6,900	326	(371)	48,426

e. Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2021 £'000	Income 2021 £'000	Expenditure 2021 £'000	Closing balance 2021 £'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	13	71	(76)	8
Total endowed funds		13	71	(76)	8

RNLI LIFESAVING ENDOWMENT

England & Wales - Charity number 1184013

Accounts

(REGISTERED CHARITY NUMBER: 1184013)

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

	Page
OFFICERS AND PROFESSIONAL ADVISERS	1
TRUSTEES' REPORT	2 – 5
STATEMENT OF TRUSTEES' RESPONSIBILITIES	6
INDEPENDENT AUDITOR'S REPORT	7 – 10
STATEMENT OF FINANCIAL ACTIVITIES	11
BALANCE SHEET	12
STATEMENT OF CASH FLOWS	13
NOTES TO THE FINANCIAL STATEMENTS	14 - 21

**RNLI LIFESAVING ENDOWMENT
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

Unless otherwise stated, Trustees served for the full 18-month period.

TRUSTEES: E Donaldson
C Hunter-Pease (resigned 14 December 2021)
S Popham
R Boddington
P O'Leary
D Woulfe
M Wordsworth (appointed 14 December 2021)

REGISTERED OFFICE: West Quay Road
Poole
Dorset
BH15 1HZ

AUDITOR: BDO LLP
55 Baker Street
London
W1U 7EU

BANKERS: Barclays Bank PLC
Apex Plaza
Forbury Road
Reading
RG1 1AX

INVESTMENT MANAGERS: State Street Global Advisors
IFM Investors
Threadneedle

INVESTMENT ADVISORS: Lane Clark & Peacock LLP

CUSTODIANS: The Northern Trust Company

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

The Trustees present their report along with the financial statements of the charity which cover the 18-month period to 31 December 2021. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements and comply with the Charitable Incorporated Organisation's (CIO) governing document. RNLI Lifesaving Endowment is registered with the Charity Commission under registration number 1184013.

OBJECTIVES AND ACTIVITIES

The objects of the RNLI Lifesaving Endowment as per its registered constitution are the advancement of saving lives at sea by establishing, building and investing an endowment fund which is capable of supporting the Royal National Lifeboat Institution's (RNLI) rescue services.

The CIO was created with an initial donation from the RNLI of £42.3m. In seeking to preserve the RNLI's lifesaving services for the future, the CIO's assets will be invested in order to maintain and if possible enhance their real (after inflation) value and provide a source of funding to support the RNLI operations.

Charitable status and public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Trustees consider the CIO to be charitable both in its intention and practice, providing substantial public benefit by preserving the RNLI's ability to save lives at sea.

FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

For the 18-month period to the 31st December 2021 investments produced a total return of 18.0%. Property provided returns of 21.3% and Global equities 32.1%, although a relatively high level of cash throughout reduced the overall return. Overall, there was a surplus for the period of £6.8M, mainly due to investment gains of £6.9M.

Total income was £0.9M, principally due to investment income of £0.6M and a donation from the RNLI of £326k (£274k of which related to the Elizabeth O'Kelly Fund) for income accumulated on the funds as they were held awaiting set-up of the CIO. There has also been a small donation of £16K in 2021.

A total donation of £930K was made in 2021 towards the RNLI's rescue services, in line with overall objectives and representing around 1% of the investment values over the last 2 years. £121K of this donation will be made towards the RNLI's rescue services in Ireland.

In 2021, there was substantial movement towards the new investment strategy with £7.0M transferred from cash into equities. At the end of 2021, £29.8M was invested in global equities, £8.4M in commercial property unit trusts and £10.8M was held in cash pending investment into an infrastructure fund.

For 2022, the intention is to complete the investment of the cash into Infrastructure, as per the investment strategy and continue to donate at least 1% of overall investment values to help fund the RNLI's lifesaving services.

INVESTMENT STRATEGY & POLICY

The investment strategy is to have a long-term growth portfolio with modest income requirement that:

- Generates a real return over the long term through both capital growth and income.
- Some illiquidity is acceptable.
- Some mark-to-market volatility is acceptable.

These objectives are pursued through a strategic investment policy which involves investing in a broadly diversified spread of assets, covering global equities, pooled property funds and pooled infrastructure funds. In formulating and reviewing the investment policy, the RNLI's Investment Committee (IC) has considered a

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

range of investment options and the need for diversification and has regard to the investment policies being pursued by the Trustees of the RNLI's other charitable reserves and the Trustees of the RNLI 1983 Contributory Pension Scheme, recognising that the RNLI's overall market exposure is to the aggregate of these distinct asset pools. Before exercising any power of investment, the IC obtains advice from a suitably qualified advisor. The IC intends to move towards the following asset allocation over time, allowing for market conditions which includes the wider economic environment, liquidity in markets and the risk of an economic downturn:

- Global Equities – 60%
- Infrastructure – 20%
- Property – 20%

The allocation followed at any time shall be a matter to be considered by the IC on a regular basis, and proposals for any material change in strategy shall be ratified by the Trustee Board before implementation.

The Trustees have carefully considered the requirements of the Statement of Recommended Practice (SORP) and the Charity Commission's revised guidance note CC14 (issued in October 2011) and do not believe there is any listed investment adverse to the purpose of the CIO (saving lives at sea).

In relation to funds where the investment manager is permitted to make active decisions about the selection, retention and realisation of investments, the Trustees expect the investment managers to take account of all financially material considerations (including climate change and other environmental, social and governance considerations), where permissible within applicable guidelines and restrictions. The Trustees seek to appoint managers that have appropriate skills and processes to do this, and from time-to-time review how the managers are taking account of these issues in practice. All our managers are signatories to the UN Principles for Responsible Investment.

Reserves Policy

The Trustees note that at the end of December 2021 reserves totalled £48.5M, the majority of which are held as an expendable endowment. Of that, £42M is held as the RNLI Lifesaving Endowment for the advancement of saving lives at sea and £6.5M is held as the Elizabeth O'Kelly Fund for the advancement of saving lives at sea in or around Ireland.

The Trustees continue to review their reserves policy to ensure there are adequate reserves available to meet future requirements.

Risk management

The nature of the charity means that the main risk for the organisation is investment risk. Investment risk represents the likelihood that investment values will fall significantly, and this is managed through a Statement of Investment Principles and an investment strategy, which is approved by the Trustees. The Trustees rely on the RNLI's Investment Committee, using professional investment advisors, to manage this risk and maximise investment returns at an acceptable risk level that is measured using a Value at Risk (VAR) metric.

PLANS FOR FUTURE PERIODS

While it is recognised that the Trustees have powers to donate capital to the RNLI in extremis, the long-term plans focus on growing the Endowment through further donations and an investment strategy focused on capital growth. Over the next twelve months the key goal will be to finalise the investment strategy to meet the charity's objectives and ensure it is still sound in the current economic environment and in line with the overall objectives.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The RNLI Lifesaving Endowment is regulated by its Constitution as a Charitable Incorporated Organisation and was registered on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ. The Trustees consider the Trustees of the RNLI to be the ultimate controlling party due to their ability to appoint a majority of Trustees to the board.

Organisational structure

The Constitution allows for a minimum of three Trustees to be appointed. Aside from the first Charity Trustees listed below, every Trustee shall be appointed for a term of three years.

All of the original Trustees have long experience of being a charity trustee. The Trustees are unpaid and details of Trustee expenses and any related party transactions are disclosed in notes 5 and 12 to the accounts.

The Charity Trustees manage the affairs of the CIO. They are responsible for setting strategy and are responsible in law for the running of the RNLI Lifesaving Endowment.

The Trustees who served during the period were as follows:

E Donaldson (Chair)
C Hunter-Pease (resigned 14 December 2021)
S Popham
R Boddington
P O'Leary
D Woulfe
M Wordsworth (appointed 14 December 2021)

E Donaldson, S Popham, D Woulfe and M Wordsworth are also RNLI Trustees.

Where new Trustees are appointed, they will be given a formal induction to the work of the trust and provided with the information they need to fulfil their roles, which includes information about the role of Trustees, the organisation and charity law.

New Trustees will be appointed by the RNLI following an interview process and where they have the necessary skills to contribute to the charity's management and development. Any appointment must be made at a meeting held according to the ordinary practice of the RNLI.

The RNLI in exercising its rights of appointment, or removal, will ensure that at least two Charity Trustees are not also current Trustees or employees of the RNLI.

The Charity Trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they shall determine the terms and conditions on which the delegation is made.

Board meetings will be held as and when required but no less frequently than twice per year.

The Charity Trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. The Chair shall ordinarily be the Chair of RNLI for the time being unless the Charity Trustees have for good reason decided otherwise.

The members of staff engaged in the day-to-day administration of the RNLI Lifesaving Endowment are employed by the RNLI. The RNLI Lifesaving Endowment reimburses the RNLI for any direct costs incurred.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1.

PROVISION OF INFORMATION TO AUDITORS

In determining how amounts are presented within items in the statement of income and retained earnings and balance sheet, the Trustees have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITOR

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 144 of the Charities Act 2011.

Approved by the Trustees on 18th March 2022 and signed on its behalf by:



.....
E Donaldson
Trustee

RNLI LIFESAVING ENDOWMENT
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity 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 charity and of its surplus or deficit for that period. In preparing these financial statements, 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 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 to operate.

The Trustees are responsible for keeping proper accounting records. These must be sufficient to show and explain the charity's transactions and 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 UK Charities Act 2011 and applicable accounting regulations. They are also responsible for safeguarding the assets of the charity – and, therefore, for taking reasonable steps to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its incoming resources and application of resources for the period 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.

We have audited the financial statements of RNLI Lifesaving Endowment ("the Charity") for the 18-month period ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report, other than the financial statements and our auditor's report thereon. The other information comprises: The Trustees' Report. 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. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, 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 determines 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 auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditor's 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 AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)**

Extent to which the audit was capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the Charities Act 2011. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- Discussions with group management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meeting of those charged with governance, reviewing internal audit reports and the various charity commission;
- Reviewing items included in the group's fraud and theft database as well as the results of internal audit's investigation into these matters;
- Confirming all balances included with investments to direct third party confirmations; and
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular any journals posted by senior management or with unusual accounts combinations

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)**

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's 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 Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

BDO LLP

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BDO LLP, statutory auditor

London, UK

Date 08 June 2022

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

RNLI LIFESAVING ENDOWMENT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2021 £'000	Total 54-week period to 30 June 2020 £'000
Income and endowments from:						
Donations and legacies	2	16	-	326	342	42,319
Investments	7c	479	71	-	550	99
Total income and endowments		495	71	326	892	42,418
Expenditure on:						
Raising funds		(16)	-	-	(16)	(30)
Charitable activities		(489)	(76)	(371)	(936)	-
Total expenditure	3	(505)	(76)	(371)	(952)	(30)
Net gains/(losses) on investments	7b	-	-	6,900	6,900	(748)
Net income/(expenditure)		(10)	(5)	6,855	6,840	41,640
Reconciliation of funds:						
Funds at 1 July 2020		56	13	41,571	41,640	-
Movement in funds		(10)	(5)	6,855	6,840	41,640
Funds at 31 December 2021		46	8	48,426	48,480	41,640

The Statement of Financial Activities includes all gains and losses recognised in the period. All income, expenditure and resulting net movements are derived from continuing activities

Notes 1 to 14 form part of these financial statements.

RNLI LIFESAVING ENDOWMENT
BALANCE SHEET
REGISTERED CHARITY NUMBER: 1184013
AS AT 31 DECEMBER 2021

		31 December 2021	30 June 2020
	Note	£'000	£'000
Fixed assets:			
Investments	7	48,953	41,670
Total fixed assets		48,953	41,670
Current assets:			
Debtors	8	16	-
Liabilities:			
Creditors: Amounts falling due within one year	9	(489)	(30)
Net current (liabilities)		(473)	(30)
Total assets less current liabilities		48,480	41,640
The funds of the charity:			
Expendable endowment funds	10b	48,426	41,571
Restricted funds	10c	8	13
Unrestricted funds		46	56
Total charity funds		48,480	41,640

The accounts of the RNLI Lifesaving Endowment were approved and authorised for issue by the Trustees on 18th March 2022 and signed on its behalf by



E Donaldson
Trustee

Notes 1 to 14 form part of these financial statements.

**RNLI LIFESAVING ENDOWMENT
STATEMENT OF CASH FLOWS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021**

	2021	2020
	£'000	£'000
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	(167)	-
Cash flows from investing activities:		
Dividends, interest and rents from investments	550	99
Purchase of investments	(550)	(99)
Proceeds from sale of investments	122	
<i>Net cash provided by investing activities</i>	122	-
Cash flows from financing activities:		
Additions to endowment	(28,161)	-
Disposal of endowment	28,206	-
<i>Net cash provided by financing activities</i>	45	-
<i>Change in cash and cash equivalents in the reporting period</i>	-	-
Reconciliation of cash flow:		
Cash and cash equivalents at the beginning of the reporting period	-	-
Change in cash and cash in the reporting period	-	-
<i>Cash and cash equivalents at the end of the reporting period</i>	-	-

Reconciliation of net income to net cash flow from operating activities

	2021	2020
	£'000	£'000
<i>Net income/ for the reporting period (as per the statement of financial activities)</i>	6,840	41,640
Adjustments for:		
(Gains)/losses on investments	(6,900)	748
Investment income	(550)	(99)
Increase in creditors	459	30
Increase in debtors	(16)	-
Investment capital transferred by RNLI	-	(42,319)
<i>Net cash used in operating activities</i>	(167)	-

Notes 1 to 14 form part of these financial statements.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The RNLI Lifesaving Endowment was registered as a Charitable Incorporated Organisation on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

These accounts are 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 the Republic of Ireland (FRS 102) (effective 1st January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The RNLI Lifesaving Endowment meets the definition of a public benefit entity under FRS 102.

The financial statements cover the 18-month period from 1 July 2020 to 31 December 2021.

b) Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires the Trustees to make judgements and estimates. The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

c) Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

d) Income

Incoming resources are included in the SoFA when the RNLI Lifesaving Endowment is entitled to the income, the receipt is probable, and the amount can be quantified with reasonable accuracy. If these conditions are not met the income is deferred.

Donations made by the RNLI are recognised as income in the charity either when paid or at the date when the RNLI has a legal liability to make the donation payment if earlier.

All external donations are accounted for when received.

Investment income is recognised on a receivable basis.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Costs of raising funds includes the legal fees incurred in the establishment of the RNLI Lifesaving Endowment and investment fees.

Expenditure on charitable activities comprises donations and allocated support costs.

Donations are recognised in the financial statements following approval by the Trustees.

f) Investments

Investments held as fixed assets and for which there is a quoted market value are valued at the bid-price ruling at the balance sheet date. Investment gains and losses arising during the year are included in the SoFA.

g) Fund accounting

The RNLI Lifesaving Endowment funds fall into the following categories:

Expendable endowments are capital sums that are donated under the restriction that they are invested and that only the income arising is available for expenditure in accordance with the donors' directions. These capital sums may be spent at the discretion of the Trustees of the RNLI Lifesaving Endowment, where necessary, and in accordance with the donors' directions.

Restricted funds are only available for expenditure in accordance with the donors' directions.

Unrestricted funds are sums that are freely available for general use within the Charitable Objectives.

h) Presentation currency

The functional currency of the RNLI Lifesaving Endowment is in pounds sterling because that is the currency of the primary economic environment in which the charity operates.

i) Exchange rate gains and losses

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets are translated at the rate of exchange ruling at the balance sheet date. Gains and losses on exchange are included in the SoFA.

j) Taxation

The RNLI Lifesaving Endowment is exempt from tax on income and on gains falling within sections 518 and 564 of the Income Taxes Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Fund.

k) Financial instruments

The charity 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.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

2. DONATIONS AND LEGACIES

	2021	2020
	£'000	£'000
Donation from RNLI	326	42,319
Donations	16	-
	<u>342</u>	<u>42,319</u>

3. RESOURCES EXPENDED

	Direct costs	Other allocated costs	Total	Total
	£'000	£'000	2021	2020
			£'000	£'000
Raising funds	16	-	16	30
Charitable activities	929	7	936	-
Support costs	7	(7)	-	-
	<u>952</u>	<u>-</u>	<u>952</u>	<u>30</u>
Total 2020	<u>30</u>	<u>-</u>	<u>30</u>	

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

Charitable activities comprise one donation made to the RNLI.

4. SUPPORT COSTS

	Total	Total
	2021	2020
	£'000	£'000
Audit fees	7	5
Legal fees	-	21
	<u>7</u>	<u>26</u>

Audit fees of £7K (inclusive of VAT) are payable to the external auditor.

5. TRUSTEES' EXPENSES AND REMUNERATION

No Trustees, or any persons connected with them, received remuneration.

There were no trustees' expenses paid during the period.

6. STAFF COSTS

There were no employees during the period.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

7. INVESTMENTS HELD FOR MORE THAN ONE YEAR

All investments are basic financial instruments and are measured at fair values

	Unrestricted funds	Restricted funds	Endowed funds	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000
(a) Investment assets					
Equities	-	-	29,802	29,802	17,096
Property	-	-	8,376	8,376	7,205
Cash and deposits	456	71	10,248	10,775	17,369
Market value at 31 December 2021	456	71	48,426	48,953	41,670
(b) Analysis of movement					
Market value at 1 July 2020	86	13	41,571	41,670	-
Additions	479	71	28,161	28,711	99
Transfers	-	-	-	-	42,319
Disposals	(109)	(13)	(28,206)	(28,328)	-
Gains/(losses) on investment	-	-	6,900	6,900	(748)
Market value at 31 December 2021	456	71	48,426	48,953	41,670
Original cost	456	71	45,636	46,163	42,418
(c) Investment income					
Equities	-	-	-	-	-
Property	479	71	-	550	99
Cash and deposits	-	-	-	-	-
Total	479	71	-	550	99

8. DEBTORS

	Total 2021 £'000	Total 2020 £'000
RNLI debtor	16	-
	<u>16</u>	<u>-</u>

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

9. CREDITORS

	Total 2021 £'000	Total 2020 £'000
Accruals	-	30
RNLI creditor	489	-
	489	30

10. FUNDS ANALYSIS

a) Balance Sheet - analysis of funds 2021 summary

	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Endowed funds 2021 £'000	Total 2021 £'000
Investments	456	71	48,426	48,953
Net current assets	(410)	(63)	-	(473)
Total	46	8	48,426	48,480

b) Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2021 £'000	Investment gains 2021 £'000	Income 2021 £'000	Expenditure 2021 £'000	Closing balance 2021 £'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	36,168	6,003	52	(327)	41,896
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	5,403	897	274	(44)	6,530
Total endowed funds		41,571	6,900	326	(371)	48,426

c) Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2021 £'000	Income 2021 £'000	Expenditure 2021 £'000	Closing balance 2021 £'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	13	71	(76)	8
Total endowed funds		13	71	(76)	8

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

11. FINANCIAL COMMITMENTS

There were no capital commitments at the end of the period

There are no other liabilities, contingent or otherwise, that are not provided in these accounts.

12. RELATED PARTY TRANSACTIONS

The RNLI Lifesaving Endowment donated £930K (2020: £Nil) to the RNLI during the period.

An additional donation of £326K was made in 2021 by the RNLI (2020: £42.3M).

The RNLI recharged the administration costs of the charitable incorporated organisation, for example, auditor fees, legal fees and investment fees. The RNLI also provided accounting support for which no charge was made.

13. ULTIMATE CONTROLLING UNDERTAKING

RNLI Lifesaving Endowment is consolidated into the financial statements of the Royal National Lifeboat Institution.

The ultimate controlling undertaking is the Royal National Lifeboat Institution, incorporated under Royal Charter in the United Kingdom. Copies of the consolidated financial statements of the Royal National Lifeboat Institution, including RNLI Lifesaving Endowment, can be obtained from West Quay Road, Poole, Dorset, BH15 1HZ.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

14. 2020 COMPARATIVES – FUNDS

All comparatives for 2020 are for the period 20 June 2019 to 30 June 2020.

a. Statement of Financial Activities – previous year comparatives

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2020 £'000
Income and endowments from:					
Donations and legacies	2	-	-	42,319	42,319
Investments	7c	86	13	-	99
Total income and endowments		86	13	42,319	42,418
Expenditure on:					
Raising funds	3	(30)	-	-	(30)
Total expenditure		(30)	-	-	(30)
Net (losses) on investments	7b	-	-	(748)	(748)
Net income		56	13	41,571	41,640
Reconciliation of funds:					
Total funds carried forward		56	13	41,571	41,640

b. Consolidated balance sheet – analysis of funds 2020 summary

	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Endowed funds 2020 £'000	Total 2020 £'000
Investments	86	13	41,571	41,670
Creditors	(30)	-	-	(30)
Total	56	13	41,571	41,640

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2021

14. 2020 COMPARATIVES – FUNDS (CONTINUED)

c. Resources expended

	Direct costs £'000	Other allocated costs £'000	Total 2020 £'000
Raising funds	4	26	30
Support costs	26	(26)	-
	30	-	30

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

d. Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2020 £'000	Investment (losses) 2020 £'000	Transfers 2020 £'000	Closing balance 2020 £'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	-	(651)	36,819	36,168
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	-	(97)	5,500	5,403
Total endowed funds		-	(748)	42,319	41,571

e. Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2020 £'000	Income 2020 £'000	Expenditure 2020 £'000	Closing balance 2020 £'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	-	13	-	13
Total endowed funds		-	13	-	13

RNLI LIFESAVING ENDOWMENT

England & Wales - Charity number 1184013

Accounts

(REGISTERED CHARITY NUMBER: 1184013)

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020**

**RNLI LIFESAVING ENDOWMENT
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020**

	Page
OFFICERS AND PROFESSIONAL ADVISERS	1
TRUSTEES' REPORT	2 – 5
STATEMENT OF TRUSTEES' RESPONSIBILITIES	6
INDEPENDENT AUDITOR'S REPORT	7 – 9
STATEMENT OF FINANCIAL ACTIVITIES	10
BALANCE SHEET	11
STATEMENT OF CASH FLOWS	12
NOTES TO THE FINANCIAL STATEMENTS	13 - 18

**RNLI LIFESAVING ENDOWMENT
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE PERIOD ENDED 30 JUNE 2020**

Three Trustees were appointed on the date of incorporation (20 June 2019) and served in office throughout the period. A further three were appointed during the year.

TRUSTEES: E Donaldson
C Hunter-Pease
S Popham
R Boddington (appointed 2/4/2020)
P O'Leary (appointed 2/4/2020)
D Woulfe (appointed 2/4/2020)

REGISTERED OFFICE: West Quay Road
Poole
Dorset
BH15 1HZ

AUDITOR: BDO LLP
55 Baker Street
London
W1U 7EU

BANKERS: Barclays Bank PLC
Apex Plaza
Forbury Road
Reading
RG1 1AX

INVESTMENT MANAGERS: State Street Global Advisors
IFM Investors
Threadneedle

INVESTMENT ADVISORS: Lane Clark & Peacock LLP

CUSTODIANS: The Northern Trust Company

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE PERIOD ENDED 30 JUNE 2020**

The Trustees present their report along with the financial statements of the charity which cover the period from the date of registration (20 June 2019) to 30 June 2020. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements and comply with the Charitable Incorporated Organisation's (CIO) governing document. RNLI Lifesaving Endowment is registered with the Charity Commission under registration number 1184013.

OBJECTIVES AND ACTIVITIES

The objects of the RNLI Lifesaving Endowment as per its registered constitution are the advancement of saving lives at sea by establishing, building and investing an endowment fund which is capable of supporting the Royal National Lifeboat Institution's (RNLI) rescue services.

The CIO was created with an initial donation from the RNLI of £42.3m. In seeking to preserve the RNLI's lifesaving services for the future, the CIO's assets will be invested in order to maintain and if possible enhance their real (after inflation) value and provide a source of funding to support the RNLI operations.

Charitable status and public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Trustees consider the CIO to be charitable both in its intention and practice, providing substantial public benefit by preserving the RNLI's ability to save lives at sea.

FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

Full details of the organisation's financial position can be found in the accompanying financial statements attached to this report. The Statement of Financial Activities shows total incoming resources of £42.4M relating to the donation made by the RNLI and investment income, total resources expended of £0.03M resulting in a surplus of £42.4M. There was a loss on investments of £0.7M.

During the period, £17.2M was invested in global equities, £7.8M in commercial property unit trusts and £17.3M was held in cash pending investment.

Performance – the investments produced a negative total return of -1.5% for the period. Global equities provided a positive return of +0.9% but this was offset by a negative return of -6.3% from commercial property.

It is expected that a donation will be made in 2020 towards the RNLI's rescue services, in line with overall objectives.

INVESTMENT POLICY

The CIO's overarching objective is to maintain and, if possible, enhance the real value of the reserves represented by its investments over the long-term. The Trustees aim to generate an income flow (for the RNLI) and a real total return, whilst maintaining an appropriate balance between maximising long-term returns and avoiding undue risk and volatility in capital values. Given the long investment time horizon (ten plus years), some short term capital volatility and illiquidity is acceptable in the pursuit of long term returns.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE PERIOD ENDED 30 JUNE 2020**

The Trustees have considered carefully the requirements of the Statement of Recommended Practice (SORP) and the Charity Commission's revised guidance note CC14 (issued in October 2011) and do not believe there is any listed investment adverse to the purpose of the CIO (saving lives at sea).

In relation to funds where the investment manager is permitted to make active decisions about the selection, retention and realisation of investments, the Trustees expect the investment managers to take account of all financially material considerations (including climate change and other environmental, social and governance considerations), where permissible within applicable guidelines and restrictions. The Trustees seek to appoint managers that have appropriate skills and processes to do this, and from time to time review how the managers are taking account of these issues in practice. All our managers are signatories to the UN Principles for Responsible Investment.

Reserves Policy

The Trustees note that at the end of June 2020 reserves totalled £41.6M, all of which are held as an expendable endowment. Of that, £36.2M is held as the RNLI Lifesaving Endowment for the advancement of saving lives at sea and £5.4M is held as the Elizabeth O'Kelly Fund for the advancement of saving lives at sea in or around Ireland.

The Trustees continue to review their reserves policy to ensure there are adequate reserves available to meet future requirements.

Risk management

The nature of the charity means that the main risks for the organisation centre around investment risk.

Investment risk is monitored and managed through the Investment Committee on behalf of the Trustees.

The Trustees will review these, and other, risks in their Trustee meetings.

PLANS FOR FUTURE PERIODS

While it is recognised that the Trustees have powers to donate capital to the RNLI in extremis, the long term plans focus on growing the Endowment through further donations and an investment strategy focused on capital growth. Over the next twelve months the key goal will be to establish the new investment strategy to meet the charity's objectives.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE PERIOD ENDED 30 JUNE 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The RNLI Lifesaving Endowment is controlled by its Constitution as a Charitable Incorporated Organisation and was registered on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ.

Organisational structure

The Constitution allows for a minimum of three Trustees to be appointed. Aside from the first Charity Trustees listed below, every Trustee shall be appointed for a term of three years.

All of the original Trustees have long experience of being a charity trustee. The Trustees are unpaid and details of Trustee expenses and any related party transactions are disclosed in notes 5 and 11 to the accounts.

The Charity Trustees manage the affairs of the CIO. They are responsible for setting strategy and are responsible in law for the running of the RNLI Lifesaving Endowment.

The Trustees who served during the period were as follows:

E Donaldson
C Hunter-Pease
S Popham
R Boddington (appointed 2/4/2020)
P O'Leary (appointed 2/4/2020)
D Woulfe (appointed 2/4/2020)

Where new Trustees are appointed, they will be given a formal induction to the work of the trust and provided with the information they need to fulfil their roles, which includes information about the role of Trustees, the organisation and charity law.

New Trustees will be appointed (or removed) by the RNLI following an interview process and where they have the necessary skills to contribute to the charity's management and development. Any appointment must be made at a meeting held according to the ordinary practice of the RNLI.

The RNLI in exercising its rights of appointment, will ensure that at least two Charity Trustees are not also current Trustees or employees of the RNLI.

The Charity Trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they shall determine the terms and conditions on which the delegation is made.

Board meetings will be held as and when required but no less frequently than twice per year.

The Charity Trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. The Chair shall ordinarily be the Chair of RNLI for the time being unless the Charity Trustees have for good reason decided otherwise.

The members of staff engaged in the day-to-day administration of the RNLI Lifesaving Endowment are employed by the RNLI. The RNLI Lifesaving Endowment reimburses the RNLI for any direct costs incurred.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1.

**RNLI LIFESAVING ENDOWMENT
TRUSTEES' REPORT
FOR THE PERIOD ENDED 30 JUNE 2020**

PROVISION OF INFORMATION TO AUDITORS

In determining how amounts are presented within items in the statement of income and retained earnings and balance sheet, the Trustees have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.


So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITOR

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 144 of the Charities Act 2011.

Approved by the Trustees on 25th March 2021 and signed on its behalf by:



E Donaldson
Trustee

**RNLI LIFESAVING ENDOWMENT
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 30 JUNE 2020**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity 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 charity and of its surplus or deficit for that period. In preparing these financial statements, 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 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 to operate.

The Trustees are responsible for keeping proper accounting records. These must be sufficient to show and explain the charity's transactions, and 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 UK Charities Act 2011 and applicable accounting regulations. They are also responsible for safeguarding the assets of the charity – and, therefore, for taking reasonable steps to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE PERIOD ENDED 30 JUNE 2020**

Opinion

We have audited the financial statements of the RNLI Lifesaving Endowment ("the Charity") for the period from 20 June 2019 to 30 June 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of 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 30 June 2020 and of its incoming resources and application of resources for the period 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 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 related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: The Trustees' Report. The Trustees are responsible for the other information.

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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE PERIOD ENDED 30 JUNE 2020
(CONTINUED)**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RNLI LIFESAVING ENDOWMENT
FOR THE PERIOD ENDED 30 JUNE 2020
(CONTINUED)**

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's 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 Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP, statutory auditor
London, UK
Date

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**RNLI LIFESAVING ENDOWMENT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 30 JUNE 2020**

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2020 £'000
Income and endowments from:					
Donations and legacies	2	-	-	42,319	42,319
Investments	7c	86	13	-	99
Total income and endowments		86	13	42,319	42,418
Expenditure on:					
Raising funds	3	(30)	-	-	(30)
Total expenditure		(30)	-	-	(30)
Net gains/(losses) on investments	7b	-	-	(748)	(748)
Net income/(expenditure)		56	13	41,571	41,640
Reconciliation of funds:					
Total funds carried forward		56	13	41,571	41,640

The Statement of Financial Activities includes all gains and losses recognised in the period. All income, expenditure and resulting net movements are derived from continuing activities

Notes 1 to 12 form part of these financial statements.

**RNLI LIFESAVING ENDOWMENT
BALANCE SHEET
REGISTERED CHARITY NUMBER: 1184013
AS AT 30 JUNE 2020**

	Note	2020 £'000
Fixed assets:		
Investments	7	41,670
Total fixed assets		41,670
Liabilities:		
Creditors: Amounts falling due within one year	8	(30)
Net current assets		(30)
Total assets less current liabilities		41,640
The funds of the charity:		
Endowment funds	9b	41,571
Restricted funds	9c	13
Unrestricted funds		56
Total charity funds		41,640

The accounts of the RNLI Lifesaving Endowment were approved and authorised for issue by the Trustees on 25th March 2021 and signed on its behalf by



E Donaldson
Trustee

Notes 1 to 12 form part of these financial statements.

**RNLI LIFESAVING ENDOWMENT
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2020**

	2020
	£'000
Cash flows from operating activities:	
<i>Net cash provided by (used in) operating activities</i>	-
Cash flows from investing activities:	
Dividends, interest and rents from investments	99
Purchase of investments	(99)
<i>Net cash provided by (used in) investing activities</i>	-
<i>Change in cash and cash equivalents in the reporting period</i>	-
Reconciliation of cash flow:	
Cash and cash equivalents at the beginning of the reporting period	-
Change in cash and cash in the reporting period	-
<i>Cash and cash equivalents at the end of the reporting period</i>	-

Reconciliation of net income to net cash flow from operating activities

	2020
	£'000
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	41,640
Adjustments for:	
(Gains)/losses on investments	748
Investment income	(99)
Increase/(decrease) in creditors	30
Investment capital transferred by RNLI	(42,319)
<i>Net cash provided by (used in) operating activities</i>	-

Notes 1 to 12 form part of these financial statements.

**RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020**

1. ACCOUNTING POLICIES

The RNLI Lifesaving Endowment was registered as a Charitable Incorporated Organisation on 20 June 2019 with the Charity Commission of England and Wales (1184013). The address of the registered office is West Quay Road, Poole, Dorset, BH15 1HZ.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

These accounts are 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 the Republic of Ireland (FRS 102) (effective 1st January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The RNLI Lifesaving Endowment meets the definition of a public benefit entity under FRS 102.

The financial statements cover the period from the date of registration (20 June 2019) to 30 June 2020.

b) Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires the Trustees to make judgements and estimates. The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

c) Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

d) Income

Incoming resources are included in the SoFA when the RNLI Lifesaving Endowment is entitled to the income, the receipt is probable and the amount can be quantified with reasonable accuracy. If these conditions are not met the income is deferred.

Donations made by the Parent Charity are recognised as income in the charity either when paid or at the date when the Parent has a legal liability to make the donation payment if earlier.

Investment income is recognised on a receivable basis.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Costs of raising funds includes the legal fees incurred in the establishment of the RNLI Lifesaving Endowment and investment fees.

**RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020**

f) Investments

Investments held as fixed assets and for which there is a quoted market value are valued at the bid-price ruling at the balance sheet date. Other investments are valued at their realisable market value. Investment gains and losses arising during the year are included in the SoFA.

g) Fund accounting

The RNLI Lifesaving Endowment funds fall into the following categories:

Expendable endowments are capital sums that are donated under the restriction that they are invested and that only the income arising is available for expenditure in accordance with the donors' directions. These capital sums may be spent at the discretion of the Trustees of the RNLI Lifesaving Endowment, where necessary, and in accordance with the donors' directions.

Restricted funds are only available for expenditure in accordance with the donors' directions.

Unrestricted funds are sums that are freely available for general use within the Charitable Objectives.

h) Presentation currency

The functional currency of the RNLI Lifesaving Endowment is in pounds sterling because that is the currency of the primary economic environment in which the charity operates.

i) Exchange rate gains and losses

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets are translated at the rate of exchange ruling at the balance sheet date. Gains and losses on exchange are included in the SoFA.

j) Taxation

The RNLI Lifesaving Endowment is exempt from tax on income and on gains falling within sections 518 and 564 of the Income Taxes Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Fund.

k) Financial instruments

The charity 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.

2. DONATIONS AND LEGACIES

	2020
	£'000
Donation from parent undertaking	42,319
	42,319

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2020

3. RESOURCES EXPENDED

	Direct costs	Other allocated costs	Total 2020
	£'000	£'000	£'000
Raising funds	4	26	30
Support costs	26	(26)	-
	<u>30</u>	<u>-</u>	<u>30</u>

Support costs are allocated to relevant categories based on their percentage share of overall direct costs.

4. SUPPORT COSTS

	Total 2020 £'000
Audit fees	5
Legal fees	21
	<u>26</u>

5. TRUSTEES' EXPENSES AND REMUNERATION

No Trustees, or any persons connected with them, received remuneration.

There were no trustees' expenses paid during the period.

6. STAFF COSTS

There were no employees during the period.

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2020

7. INVESTMENTS HELD FOR MORE THAN ONE YEAR

All investments are basic financial instruments and are measured at fair values

	Unrestricted funds	Restricted funds	Endowed funds	Total 2020
	£'000	£'000	£'000	£'000
(a) Investment assets				
Equities	-	-	17,096	17,096
Property	-	-	7,205	7,205
Cash and deposits	86	13	17,270	17,369
Market value at 30 June 2020	86	13	41,571	41,670
(b) Analysis of movement				
Market value at 20 June 2019	-	-	-	-
Additions	86	13	-	99
Transfers	-	-	42,319	42,319
Disposals	-	-	-	-
Gains/(losses) on investment	-	-	(748)	(748)
Market value at 30 June 2020	86	13	41,571	41,670
Original cost	86	13	42,319	42,418
(c) Investment income				
Equities	-	-	-	-
Property	86	13	-	99
Cash and deposits	-	-	-	-
Total	86	13	-	99

8. CREDITORS

	Total
	2020
	£'000
Accruals	30
	30

RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2020

9. FUNDS ANALYSIS

a) Balance Sheet - analysis of funds 2020 summary

	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Endowed funds 2020 £'000	Total 2020 £'000
Investments	86	13	41,571	41,670
Creditors	(30)	-	-	(30)
Total	56	13	41,571	41,640

b) Endowed funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2020 £'000	Investment (losses) 2020 £'000	Transfers 2020 £'000	Closing balance 2020 £'000
RNLI Lifesaving Endowment	The advancement of saving lives at sea	-	(651)	36,819	36,168
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	-	(97)	5,500	5,403
Total endowed funds		-	(748)	42,319	41,571

c) Restricted funds – analysis of major funds

Name of fund	Purpose of fund	Opening balance 2020 £'000	Income 2020 £'000	Expenditure 2020 £'000	Closing balance 2020 £'000
Elizabeth O'Kelly Fund	The advancement of saving lives at sea in Ireland	-	13	-	13
Total endowed funds		-	13	-	13

10. FINANCIAL COMMITMENTS

There were no capital commitments at the end of the period

There are no other liabilities, contingent or otherwise, that are not provided in these accounts.

**RNLI LIFESAVING ENDOWMENT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2020**

11. RELATED PARTY TRANSACTIONS

The RNLI Lifesaving Endowment was created with an initial donation from the RNLI of £42.3m.

The parent undertaking recharged the administration costs of the charitable incorporated organisation, for example, auditor fees, legal fees and investment fees. The parent also provided accounting support for which no charge was made.

12. ULTIMATE PARENT UNDERTAKING

RNLI Lifesaving Endowment is consolidated into the financial statements of the Royal National Lifeboat Institution.

The ultimate parent and controlling undertaking is the Royal National Lifeboat Institution, incorporated under Royal Charter in the United Kingdom. Copies of the consolidated financial statements of the Royal National Lifeboat Institution, including RNLI Lifesaving Endowment, can be obtained from West Quay Road, Poole, Dorset, BH15 1HZ.