

(REGISTERED CHARITY NUMBER: 1184013)

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

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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

10. FUNDS ANALYSIS

a) Balance Sheet - analysis of funds 2023 summary

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowed funds 2023 £'000	Total 2023 £'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 2023 £'000	Investment gains 2023 £'000	Income 2023 £'000	Expenditure 2023 £'000	Closing balance 2023 £'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 2023 £'000	Income 2023 £'000	Expenditure 2023 £'000	Closing balance 2023 £'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	Other allocated costs	Total 2022
	£'000	£'000	£'000
Raising funds	10	-	10
Charitable activities	459	8	467
Support costs	8	(8)	-
	<u>477</u>	<u>-</u>	<u>477</u>

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)	-