

Charity registration number 1193635

THE FLETCHER-SMILLIE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2022

THE FLETCHER-SMILLIE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	JR Fletcher OBE	(Appointed 23 February 2021)
	Mr N Smillie	(Appointed 23 February 2021)
	AJ Golightly	(Appointed 22 March 2021)

Charity number	1193635
-----------------------	---------

Independent examiner	PM+M Solutions for Business LLP New Century House Greenbank Technology Park Challenge Way Blackburn BB1 5QB
-----------------------------	--

Portfolio Managers	Bank Julius Baer & Co. Ltd No 1, The Plaza Elizabeth Avenue Guernsey GY1 4BS
---------------------------	--

THE FLETCHER-SMILLIE FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 2
Statement of trustees' responsibilities	3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Statement of cash flows	7
Notes to the financial statements	8 - 13

THE FLETCHER-SMILLIE FOUNDATION

TRUSTEES' REPORT

FOR THE PERIOD ENDED 5 APRIL 2022

The Trustees present their annual report and financial statements for the Period ended 5 April 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objects of the CIO are to advance such charitable purposes (according to the law of England and Wales) as the trustees see fit from time to time, in particular, but not limited to:

1. The prevention or relief of poverty for the public benefit by assisting, in such way as the charity trustees see fit, other organisations whose aims include:
 - a. providing grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty,
 - b. undertaking and supporting research into factors that contribute to poverty and the most appropriate ways to mitigate these;
2. The advancement in life and help for young people for the public benefit by assisting, in such way as the charity trustees see fit, other organisations whose aims include providing support and activities which help young people overcome disadvantage and lack of opportunity, in order that they may realise their potential and enjoy healthy and fulfilling lives and enable them to participate in society as mature and responsible individuals;
3. The advancement of animal welfare for the public benefit by assisting, in such way as the charity trustees see fit, such organisations whose aims include promoting humane behaviour towards animals by providing appropriate care, protection, treatment and security for animals which are in need of care and attention by reason of sickness, maltreatment, poor circumstances or ill usage and to educate the public in matters pertaining to animal welfare in general and the prevention of cruelty and suffering among animals;
4. The advancement of environmental protection or improvement for the public benefit by assisting, in such way as the charity trustees see fit, such organisations whose aims include the education of the public in the conservation, protection and improvement of the physical and natural environment (including but not limited to promoting biological diversity); and
5. The relief of financial need and suffering among victims of natural or other kinds of disaster for the public benefit by assisting, in such way as the charity trustees see fit, organisations whose aims include providing support in the form of money (or other means deemed suitable) for persons, bodies, organisations and/or countries affected.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Details of the income and expenditure during the year and the balance sheet at 5 April 2022 are set out in pages 5 and 6.

Financial review

During the period the charity's income exceeded charitable distributions and expenses by £937,941.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the Period.

THE FLETCHER-SMILLIE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 5 APRIL 2022

Structure, governance and management

The charity is a Charitable Incorporated Organisation (CIO) and is entered onto the Charity register for England and Wales.

The Trustees who served during the Period and up to the date of signature of the financial statements were:

JR Fletcher OBE	(Appointed 23 February 2021)
Mr N Smillie	(Appointed 23 February 2021)
AJ Golightly	(Appointed 22 March 2021)

The responsibility to appoint new trustees is held by the existing trustees.

The trustees consider that all the major strategic, business and operational risks to which the charity is exposed, as identified by the trustees, have been reviewed and procedures have been put in place to mitigate those risks.

The charity's investment policy is to achieve a balance between capital growth and rising income, over the medium to long term.

Donations are made from the annual income of the charity, after careful consideration by the trustees of applications received throughout the year.

The trustees regularly consult with their financial and stockbroking advisers, Julius Baer, before any changes are made to the investment portfolio.

Grant policy and organisational structure

All charitable expenditure is regularly reviewed and approved by the trustees. The funds are fully committed throughout 2022.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which enables the annual donations to be funded out of the annual income of the charity.

The trustees' report was approved by the Board of Trustees.



Mr N Smillie
Trustee

Date: 27/04/2023

THE FLETCHER-SMILLIE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE PERIOD ENDED 5 APRIL 2022

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

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

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE FLETCHER-SMILLIE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE FLETCHER-SMILLIE FOUNDATION

I report to the Trustees on my examination of the financial statements of The Fletcher-Smillie Foundation (the charity) for the Period ended 5 April 2022.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACA, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Daniel Bowles FCCA
PM+M Solutions for Business LLP
New Century House
Greenbank Technology Park
Challenge Way
Blackburn
BB1 5QB

Dated: 27/04/2023
.....

THE FLETCHER-SMILLIE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 5 APRIL 2022

	Notes	Unrestricted funds 2022 £
<u>Income from:</u>		
Donations and legacies	3	944,221
Investments	4	5,256
Total income		949,477
<u>Expenditure on:</u>		
Charitable activities	5	11,029
Net gains/(losses) on investments	9	(14,343)
Net incoming resources		924,105
<u>Other recognised gains and losses</u>		
Other gains or losses	11	14,736
Net movement in funds		938,841
Fund balances at 23 February 2021		-
Fund balances at 5 April 2022		938,841

The statement of financial activities includes all gains and losses recognised in the Period.

All income and expenditure derive from continuing activities.

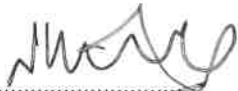
THE FLETCHER-SMILLIE FOUNDATION

BALANCE SHEET

AS AT 5 APRIL 2022

	Notes	2022 £	£
Fixed assets			
Investments	12		867,591
Current assets			
Cash at bank and in hand		75,150	
Creditors: amounts falling due within one year	14	(3,900)	
Net current assets			71,250
Total assets less current liabilities			938,841
Income funds			
Unrestricted funds			938,841
			938,841

The financial statements were approved by the Trustees on 27/04/23


Mr N Smillie
Trustee

THE FLETCHER-SMILLIE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 5 APRIL 2022

	Notes	2022 £	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	16		951,829
Investing activities			
Purchase of investments		(2,049,411)	
Proceeds from disposal of investments		1,180,774	
Investment income received		5,256	
Net cash used in investing activities			(863,381)
Net cash used in financing activities			-
Net increase in cash and cash equivalents			88,448
Cash and cash equivalents at beginning of Period			-
Effect of foreign exchange rates			(13,298)
Cash and cash equivalents at end of Period			75,150

THE FLETCHER-SMILLIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2022

1 Accounting policies

Charity information

The Fletcher-Smillie Foundation is a Charitable Incorporated Organisation registered at the Charities Commission in England and Wales.

1.1 Reporting period

The accounts cover a period of more than 12 months from 23 February 2021 to 5 April 2022 as this is the first period.

1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.3 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE FLETCHER-SMILLIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 APRIL 2022

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE FLETCHER-SMILLIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 APRIL 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

Unrestricted
funds

2022
£

Donations and gifts 944,221

4 Investments

Unrestricted
funds

2022
£

Income from listed investments 5,256

THE FLETCHER-SMILLIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 APRIL 2022

5 Charitable activities

	2022 £
Foreign Taxation	817
Portfolio Management and administration fees	6,312
	<u>7,129</u>
Share of governance costs (see note 6)	3,900
	<u>11,029</u>

6 Support costs

	Support costs £	Governance costs £	2022 £
Accountancy fees	-	3,900	3,900
	<u>-</u>	<u>3,900</u>	<u>3,900</u>
Analysed between Charitable activities	-	3,900	3,900
	<u>-</u>	<u>3,900</u>	<u>3,900</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the Period.

8 Employees

The average monthly number of employees during the Period was:

	2022 Number
Total	-

There were no employees whose annual remuneration was more than £60,000.

THE FLETCHER-SMILLIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 APRIL 2022

13 Financial instruments

2022

£

Carrying amount of financial assets

Instruments measured at fair value through profit or loss

867,591

14 Creditors: amounts falling due within one year

2022

£

Accruals and deferred income

3,900

15 Related party transactions

There were no disclosable related party transactions during the Period (- none).

16 Cash generated from operations

2022

£

Surplus for the Period

924,106

Adjustments for:

Investment income recognised in statement of financial activities

(5,256)

Foreign exchange differences

14,736

Loss on disposal of investments

23,319

Fair value gains and losses on investments

(8,976)

Movements in working capital:

Increase in creditors

3,900

Cash generated from/(absorbed by) operations

951,829

17 Analysis of changes in net funds/(debt)

The charity had no debt during the year.