
THE LAUDERDALE TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

THE LAUDERDALE TRUST

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THE LAUDERDALE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 JUNE 2023

Trustees

M J Kinton, Chair
A P L Cornes, Trustee
G J N Farrant, Trustee (resigned 16 September 2022)
J R Harrison, Trustee
M C Kinton, Trustee
A Komashie, Trustee

Charity registered number

1195066

Principal office

Unit 1, Chuck-a-Bush Farm
Royston Road
Whittlesford
Cambridge
CB22 4NW

Independent auditors

CLA Evelyn Partners Limited
Chartered accountants & statutory auditors
Stonecross
Trumpington High Street
Cambridge
CB2 9SU

Bankers

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

Solicitors

Birketts
Providence House
141-145 Princes Street
Ipswich
IP1 1QJ

Investment Managers

Charles Stanley & Co Ltd
55 Bishopsgate
London
EC2N 3AS

CCLA Investment Management Ltd
One Angel Lane
London
EC4R 3AB

THE LAUDERDALE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Trustees of the Lauderdale Trust ("The Trust"), a charity registered in 2021, present their annual report and financial statements for the period ended 30 June 2023.

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 trust deed, 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".

Structure

The Lauderdale Trust is an unincorporated charitable trust governed by the Trustees in accordance with the Declaration of Trust ("Deed") registered with the Charity Commission of England and Wales. Trustees are appointed by election in accordance with the Trust's articles of association.

Objectives and activities for the public benefit

The objects of the Trust are, for the public benefit, the advancement of the Christian faith in the United Kingdom and across the world. The main activity through which this is achieved is the provision of grants and financial support to individuals and organisations to enable the training and development of teachers, preachers, and Christian disciples, and to support and promote the wider church mission.

The Trustees ensure that any strategic focus falls within the objects of the Trust: the current focus is on making grants to other UK registered charities for a maximum of three years, following a detailed application and assessment process, and with six-monthly monitoring and reviews built into the agreement. The grant-making policy is regularly reviewed by the Trustees to ensure that it continues to meet the objects of the Trust and thereby advances the public benefit.

In setting their grant-making policy and when reviewing the Trust's aims and objectives, the Trustees confirm that they have given due consideration to general guidance published by the Charity Commission relating to the public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

THE LAUDERDALE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Achievements and performance

- Within this second year of operation, the receipt of 53 (2022: 36) full applications and the subsequent selection of 15 charities (2022: 24), representing 28% of applications received (2022: 66%), which are aligned with the Trust's aims and objectives, leading to the disbursement of funds for specified projects. These allocations (for up to 3 years of funding) represent a total disbursement of £1,016,703 (2022: £2,021,860), which is shown within the accounts as £906,678 (2022: £1,942,149) due to discounting to present value and a small number of withheld grants.
- Continuation of support for 24 projects awarded in the prior year, with payments of £630,664 made following six-monthly reviews. In total, this represents 39 projects supported during the year, with 3 projects reaching the end of their grant agreements by the end of June 2023.
- Transition from using consultancy resource for administration to directly employing staff, with three part-time appointments being made by the end of the year, thus creating stronger foundations from which to ensure that the Trust is achieving maximum impact and effectiveness through grant-making.
- Significant improvements to grant-making principles, criteria and processes, as detailed in the grant-making policy, based upon reflection on lessons learnt from the first year of operation and adoption of best practice as researched from other similar grant-making bodies.
- Recognising that the number of projects which can be supported is, of necessity, limited to the amount of funds available for distribution in any year, determination by the Trustees in February 2023 that the strategic priorities for funding over the coming years would be based on the following vision and mission:

"The Lauderdale Trust's vision is to transform communities by making Jesus known, through providing grant funding and support to Christian charities."

The Trustees will review each year (or more often if deemed appropriate by the Trustees) how best to meet this vision and mission, with a published focus for which projects are the current priority. This focus will vary based on the Trustees' view of the most effective application of available funds at any point in time. The current focus is therefore as follows:

"Providing support for community-focused initiatives in areas of need or deprivation within the UK."

THE LAUDERDALE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Financial review

The principal source of funds for the Trust was the gifting of a direct-listed investment in 2021. The Trust does not actively fundraise and seeks to meet the objects of the Trust through income on investments and a gradual utilisation of the capital, balancing the needs of current and future beneficiaries.

Therefore, the investment objective is to achieve, over the medium to long term, a real total return in excess of 4% (net of fees and UK CPI inflation). The Trust is prepared to take a "medium level" of investment risk relative to the risk profile of UK charities investors in general. As such, the expectation is that the Investment Managers will aim to take no more than 80% of equity market risk, at any one time.

A tender exercise for the provision of investment management services to the Trust was conducted in 2021-22, resulting in the appointment of CCLA Investment Management and investment in the CCLA COIF Charity Ethical Investment Fund. The appointment of CCLA Investment Management has enabled the Trust to begin the transition from holding all of the Charity's Assets in a single stock direct-listed investment, that was gifted to the Trust, to a diversified portfolio. The transition to the desired portfolio position with CCLA has been slowed due to a weakening in the share price of the direct-listed investment, and limited additional funds were invested with CCLA over 2022-23. The Trust aims to continue with the transition when market conditions allow.

The CCLA Fund delivered a total return (net-of-fees) of 5.5% for the 12 months to 30 June 2023 against the real return benchmark of 12.3% (CPI plus 4%) and ARC Steady Growth Index of 3.2% (the ARC Steady Growth Index is a composite of charity portfolios exhibiting 60-80% of the volatility of the UK equity market).

The Fund's return was significantly lower than the inflation plus target over the period, however the Trust's aim is to outperform this target over the medium to long term. Inflation was extremely high over the period making it impossible for a charity with a medium risk profile to exceed the target, given market returns over the period. The Fund was significantly ahead of the peer group index, the ARC Steady Growth Charity Index, indicating that the Fund's return was strong relative to the returns achieved by other charities with similar objectives and risk profiles.

In this context, the Trust policy is to hold at least 12 months of funds in cash accounts for easy access to make grant payments and cover operational costs: this is currently set at £1.5m and is reviewed annually.

The principal risks faced by the Trust are therefore:

- Further reduction in the value of the direct-listed investments and/or poor performance of the managed funds. Mitigation – direct-listed investments to be disposed of and invested within the diversified portfolio of the investment manager with clear guidance on investment policy and risk profile.
- Misuse of funds by charities who are provided with a grant. Mitigation – rigorous assessment before the selection of projects to support, followed by six-monthly reviews built into the grant agreement ahead of release of funds, with the ability to withhold funds at any point or to seek repayment.

THE LAUDERDALE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Structure, governance and management

The Trust was established by a charitable trust deed on 8 June 2021, with 6 Trustees, and was registered with the Charity Commission on 6 July 2021 (registration number 1195066).

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The founder invited the initial trustees to serve on the board. Those agreeing to serve were required to confirm their eligibility, non-disqualification and any conflict of interest through formal declaration. Future trustees will be invited to serve by agreement of the board of trustees and will be required to make the same declaration. The Trust deed states that the number of Trustees shall be at least 5 and not more than 12, and that they shall be followers of the Christian faith in accordance with the statement of belief set out in the Apostles' Creed. M J Kinton and M C Kinton were appointed Trustees for life; all other Trustees are appointed for terms of 3 years.

Trustees receive a briefing and guidelines outlining all aspects of the Trust's purpose, processes and activities. Those new to a trustee role also receive independent trustee training and documents outlining Trustees' duties.

Trustee involvement and the use of consultancy resources was instrumental in creating the necessary administrative infrastructure to disburse funds. During 2022, the Trustees undertook a review to discern the optimal organisational structure for the future, and determined that employing a Chief Executive would enable the charity to have greater and more effective impact. Recognising that the appointment was of critical importance to the Trust, the decision was taken to conduct a search for potential candidates. During this process, it became apparent that an existing Trustee might be a suitable candidate. It was deemed essential that the individual play no part in any of the discussions which determined the shape of the role; at the point of applying, the individual also resigned as a Trustee. In December 2022, following a robust and open recruitment process, involving external input from The Lewin Trust (charity number 1197855), with which The Lauderdale Trust works closely, the Trustees were delighted to be able to appoint Grant Farrant as Chief Executive of both The Lauderdale and The Lewin Trusts. Further appointments of a Grants Administrator and a Finance Officer were made in March 2023. The Trustees would like to thank all current and past staff for the significant contributions they have made.

THE LAUDERDALE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Statement of Trustees' responsibilities

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 & 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 in business.

The Trustees are responsible for keeping adequate accounting records that are 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 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
J R Harrison

Trustee

Date: 8 December 2023

THE LAUDERDALE TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LAUDERDALE TRUST

Opinion

We have audited the financial statements of The Lauderdale Trust (the 'charity') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 relating 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.

THE LAUDERDALE TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LAUDERDALE TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual 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 course of 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 this gives rise to 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient 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 Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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.

THE LAUDERDALE TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LAUDERDALE TRUST (CONTINUED)

Auditors' 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 Auditors' 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.

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:

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include the Charities Act 2011, Financial Reporting Standard 102 and the Charities SORP (FRS102).
- It is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of:

- 1) Enquiring of management around actual and potential litigation and claims;
- 2) Reviewing minutes of meetings of those charged with governance;
- 3) Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- 4) Performing audit work over the risks of management override of controls, including testing of journal entries for appropriateness and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

THE LAUDERDALE TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LAUDERDALE TRUST (CONTINUED)

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



CLA Evelyn Partners Limited

Chartered accountants & statutory auditors
Stonecross
Trumpington High Street
Cambridge
CB2 9SU

14 Dec 2023

Date:

CLA Evelyn Partners Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE LAUDERDALE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	3	-	-	29,797,946
Investments	4	325,749	325,749	76,851
Total income		325,749	325,749	29,874,797
Expenditure on:				
Investment management costs	5	1,779	1,779	40,184
Charitable activities	6	997,747	997,747	2,032,676
Total expenditure		999,526	999,526	2,072,860
Net (expenditure)/income before net losses on investments		(673,777)	(673,777)	27,801,937
Net losses on investments		(5,260,608)	(5,260,608)	(5,254,907)
Net movement in funds		(5,934,385)	(5,934,385)	22,547,030
Reconciliation of funds:				
Total funds brought forward		22,547,030	22,547,030	-
Net movement in funds		(5,934,385)	(5,934,385)	22,547,030
Total funds carried forward		16,612,645	16,612,645	22,547,030

The Statement of Financial Activities includes all gains and losses recognised in the period

The notes on pages 13 to 23 form part of these financial statements.

THE LAUDERDALE TRUST

**BALANCE SHEET
AS AT 30 JUNE 2023**

	Note	2023 £	2022 £
Fixed assets			
Investments	11	16,090,736	21,792,855
		<u>16,090,736</u>	<u>21,792,855</u>
Current assets			
Debtors	12	79,833	72,754
Cash at bank and in hand		1,862,384	2,079,197
		<u>1,942,217</u>	<u>2,151,951</u>
Creditors: amounts falling due within one year	13	(865,495)	(734,672)
Net current assets		<u>1,076,722</u>	<u>1,417,279</u>
Total assets less current liabilities		<u>17,167,458</u>	<u>23,210,134</u>
Creditors: amounts falling due after more than one year	14	(554,813)	(663,104)
Total net assets		<u><u>16,612,645</u></u>	<u><u>22,547,030</u></u>
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	16,612,645	22,547,030
Total funds		<u><u>16,612,645</u></u>	<u><u>22,547,030</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
J R Harrison

Trustee

Date: 8 December 2023

The notes on pages 13 to 23 form part of these financial statements.

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been 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 Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements 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 (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Lauderdale Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The trustees are confident that the charity has adequate reserves and resources to continue operations for the foreseeable future and is well placed to manage its business risks successfully despite the current uncertain economic outlook. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The charity does not have restricted funds.

1.4 Income

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

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 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.

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. Accounting policies (continued)

1.5 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes investment management costs.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. Accounting policies (continued)

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

Grant commitments are recognised as liabilities in the balance sheet and charged to the statement of financial activities when the offer of a grant award has been communicated to the beneficiary. Grants due in more than one year are discounted to present value. The discount rate used is determined by the trustees after considering the expected time value of money for the charity.

1.11 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

i) Discount rate used for future commitments. The discount rate used to discount future commitments was discussed and agreed by the trustees. The factors the trustees considered have included inflation and expected investment performance. The accounting policy for grant commitments is shown at note 1.10 and the amounts of the commitments are shown in notes 13 and 14.

THE LAUDERDALE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

3. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	-	-
	<u>-</u>	<u>-</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	29,797,946	29,797,946
	<u>29,797,946</u>	<u>29,797,946</u>

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Income from investments	325,243	325,243
Interest received	506	506
	<u>325,749</u>	<u>325,749</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from investments	76,845	76,845
Interest received	6	6
	<u>76,851</u>	<u>76,851</u>

THE LAUDERDALE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

5. Investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £
Investment management fees	1,779	1,779
	<u> </u>	<u> </u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment management fees	40,184	40,184
	<u> </u>	<u> </u>

6. Analysis of expenditure by activities

	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Direct costs	906,678	91,069	997,747
	<u> </u>	<u> </u>	<u> </u>

	<i>Grant funding of activities 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Direct costs	1,942,149	90,526	2,032,675
	<u> </u>	<u> </u>	<u> </u>

THE LAUDERDALE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2023 £	Total funds 2023 £
Staff costs	25,974	25,974
Admin support and bookkeeping	32,430	32,430
IT software and consumables	11,733	11,733
Printing and stationery and sundry running costs	794	794
Rent	5,900	5,900
Telephone and internet	903	903
Trustee travel expenses	585	585
Travel expenses	1,371	1,371
Audit fee	10,100	10,100
Insurance	1,279	1,279
	91,069	91,069

	<i>Activities 2022 £</i>	<i>Total funds 2022 £</i>
Advertising and marketing	192	192
Admin support and bookkeeping	47,054	47,054
IT software and consumables	7,219	7,219
Legal and professional fees	24,079	24,079
Printing and stationery and sundry running costs	361	361
Telephone and internet	978	978
Trustee travel expenses	256	256
Travel expenses	387	387
Audit fee	10,000	10,000
	90,526	90,526

THE LAUDERDALE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

7. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £
Grant making activities	906,678	906,678

	<i>Grants to Institutions 2022 £</i>	<i>Total funds 2022 £</i>
Grant making activities	1,942,149	1,942,149

Grants awarded in the year

	2023 £	2022 £
Granted for projects in United Kingdom	743,116	1,560,226
Granted to UK Charities, for projects in other countries	54,417	198,307
Granted for projects in other countries, via a UK intermediary	226,895	183,616
Grants cancelled, refunded or adjusted during the year	(117,750)	-
Total grants awarded in the year	906,678	1,942,149

8. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	10,500	10,000

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

9. Staff costs

	2023 £	2022 £
Wages and salaries	24,134	-
Contribution to defined contribution pension schemes	1,840	-
	<u>25,974</u>	<u>-</u>

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Employees	<u>1</u>	<u>-</u>

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration paid to Key Management Personnel was £17,500 (2022 - £nil).

THE LAUDERDALE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

10. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the period ended 30 June 2023, expenses totalling £585 were reimbursed or paid directly to 1 Trustee (2022 - £256 to 1 Trustee) for travel expenses. No other trustees received any other reimbursement for expenses.

11. Fixed asset investments

	Direct listed investments £	Managed funds £	Total £
Cost or valuation			
At 1 July 2022	12,867,112	8,925,742	21,792,854
Disposals	(597,077)	-	(597,077)
Revaluations	(5,311,559)	206,518	(5,105,041)
	<u>6,958,476</u>	<u>9,132,260</u>	<u>16,090,736</u>
At 30 June 2023	<u>6,958,476</u>	<u>9,132,260</u>	<u>16,090,736</u>
Net book value			
At 30 June 2023	<u>6,958,476</u>	<u>9,132,260</u>	<u>16,090,736</u>
At 30 June 2022	<u>12,867,112</u>	<u>8,925,742</u>	<u>21,792,854</u>

12. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	73,709	72,014
Prepayments and accrued income	6,124	740
	<u>79,833</u>	<u>72,754</u>

THE LAUDERDALE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

13. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	-	4,247
Accruals and deferred income	10,500	13,030
Grants commitments accrued	854,995	717,395
	<u>865,495</u>	<u>734,672</u>

14. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Grants commitments accrued	554,813	663,104
	<u>554,813</u>	<u>663,104</u>

15. Statement of funds

Statement of funds - current period

	Balance at 1 July 2022	Income	Expenditure	Gains/ (Losses)	Balance at 30 June 2023
	£	£	£	£	£
Unrestricted funds					
General Funds - all funds	22,547,030	325,749	(999,526)	(5,260,608)	16,612,645
	<u>22,547,030</u>	<u>325,749</u>	<u>(999,526)</u>	<u>(5,260,608)</u>	<u>16,612,645</u>

Statement of funds - prior year

	<i>Balance at 1 July 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 30 June 2022</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Unrestricted funds					
General Funds - all funds	-	30,314,967	(2,513,030)	(5,254,907)	22,547,030
	<u>-</u>	<u>30,314,967</u>	<u>(2,513,030)</u>	<u>(5,254,907)</u>	<u>22,547,030</u>

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

16. Related party transactions

The charity provided temporary assistance to a related charity, The Lewin Trust, of which M J Kinton and M C Kinton are trustees. At the period end £203 was owed by The Lewin Trust (2022 - £203).

During the year, grant payments of £43,750 (2022 - £25,000) were made to The Parochial Church Council of the Ecclesiastical Parish of St Philemon Toxteth, who are also the employer of A P L Cornes, one of the trustees. A P L Cornes was not involved in the decision to make the grant, nor involved in any of the interim grant reviews.

17. Post balance sheet events

In July 2023 The Trust purchased a freehold property to be used for office and meeting space for £212,500.