

THE LAUDERDALE TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

THE LAUDERDALE TRUST

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THE LAUDERDALE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2024

Trustees	M J Kinton, Chair C R Campbell (appointed 21 June 2024) A P L Cornes (resigned 7 June 2024) J R Harrison A E Hayman (appointed 8 March 2024) M C Kinton A Komashie A M Taylor (appointed 21 June 2024)
Charity registered number	1195066
Principal office	Unit 1, Chuck-a-Bush Farm Royston Road Whittlesford Cambridge CB22 4NW
Independent auditors	Griffin Stone Moscrop & Co Chartered Accountants Statutory Auditors 21-27 Lamb's Conduit Street London WC1N 3GS
Bankers	Lloyds Bank plc 25 Gresham Street London EC2V 7HN
Solicitors	Birketts LLP Providence House 141-145 Princes Street Ipswich IP1 1QJ
Investment managers	Charles Stanley & Co Limited 25 Ropemaker Street London EC2Y 9LY CCLA Investment Management Limited One Angel Lane London EC4R 3AB

THE LAUDERDALE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

The trustees of The Lauderdale Trust ("the Trust"), a charity registered in 2021, present their annual report and financial statements for the year ended 30 June 2024.

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 trust deed, and registered with the Charity Commission of England and Wales. Trustees are appointed by election in accordance with the trust deed.

Objectives and activities

a. Policies and objectives

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.

b. Strategies for achieving objectives

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)".

Achievements and performance

a. Main achievements of the Trust

Our third year of operation saw the following:

- Receipt of 131 (2023 - 53) full applications and the subsequent selection of 16 (2023 - 15) new projects to support, representing 12% (2023 - 28%) of applications received. These allocations (for up to 3 years of funding) represent a total grant commitment (subject to six-monthly reviews) of £1,298,850 (2023 - £1,016,703). The new projects cover activities including church planting, childrens/youth work, outreach and social action, and all are based in the UK.
- Support for a total of 49 (2023 - 39) projects was provided during the year, represented by grant payments of £961,468 (2023 - £877,369). This included the continuation of support for 33 projects awarded in prior years, following six-monthly reviews.

THE LAUDERDALE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance (continued)

- Significant ongoing improvements, as detailed in the grant-making policy, were made to grant-making principles, criteria and processes, based upon reflection on lessons learnt from the first two years of operation and adoption of best practice as researched from other similar grant-making bodies. In the 12 months to June 2024, this included significant revision of the Trust's application and interim report forms, a review of aspects of the assessment process, and updates to the Trust's website and branding to reflect the vision and values of the Trust and to make the grant application process more user-friendly.
- Recognition that the number of projects which can be supported is, of necessity, limited to the amount of funding available for distribution in any year; determination by the trustees in early 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 (updated in December 2023) is therefore as follows:

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

- Purchase of a small freehold business unit in Whittlesford, Cambridge in August 2023. The Trust's staff moved into the premises in September and, over the 12 months to June 2024, work was done to make the office a safe and practical place from which to operate.

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 its objects through income from investments and a gradual utilisation of the capital, balancing the needs of current and future beneficiaries.

a. Material investments policy

The investment objective is therefore 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 charity investors in general. As such, the expectation is that the Trust's 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 continue the transition from holding all of the Charity's Assets in a single stock direct-listed investment, as gifted to the Trust, to a diversified portfolio of investments.

The transition to the desired portfolio position with CCLA was slowed over 2022-23 due to a weakening in the share price of the direct-listed investment, and limited additional funds were invested with CCLA. The Trust continued with the transition during 2023-24 and £1,346,237 was received by the Trust during the period from sales in the direct-listed investment.

The CCLA Fund delivered a total return (net of fees) of 12.6% for the 12 months to 30 June 2024 against the real return benchmark of 6.1% (CPI plus 4%) and the ARC Equity Risk Charity Index of 12.1% (the ARC Equity Risk Charity Index is a composite of charity portfolios exhibiting 80% to 110% of the volatility of the UK equity market). The Fund's return was significantly higher than the inflation plus target over the period, but it should be noted that the Trust's aim is to outperform this target over the medium to long term. The Fund's return was also ahead of the peer group index, the ARC Equity Risk Charity Index, indicating that the Fund's return was strong relative to the returns achieved by other charities with similar objectives and risk profiles.

THE LAUDERDALE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

b. Reserves policy

The Trust's 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.

In terms of ethical considerations, the Trust's assets are to be invested in line with its purpose. The trustees do not wish to adopt a rigid exclusionary policy, but individual investments may be excluded if perceived to conflict with the Trust's purpose. It is in this context that the Trust excludes having direct holdings in companies whose activities may have a negative impact upon the charity's reputation or conflict with its objectives. Following the appointment of CCLA Investment Management as investment managers, the Trust regards the CCLA COIF Charity Ethical Investment Fund's Ethical Investment Policies as reasonable best practice and therefore appropriate as an investment fund for the Trust.

c. Principal risks and uncertainties

The principal risks faced by the Trust are:

- A 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.

Structure, governance and management

a. Constitution

The Trust was established by a charitable Trust Deed on 8 June 2021, with 6 trustees, and was registered with the Charity Commission for England and Wales on 6 July 2021 (registration number 1195066).

b. Methods of appointment or election of trustees

The management of the charity is the responsibility of the trustees, who are elected and co-opted under the terms of the trust deed, with all trustees involved in the grant-making process of the Trust. To support this, the Chief Executive is responsible for the day-to-day management of the Trust and for implementing policies agreed by the Board of Trustees. Reporting into the Chief Executive are two part-time Grants Administrators and a Finance Officer, all of whom play a vital role in enabling the charity to fulfil its purposes effectively and professionally.

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 are invited to serve by agreement of the Board of Trustees and are 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.

During the year, J R Harrison and A Komashie were both re-appointed for a further 3 years, with A P L Cornes choosing to stand-down at the end of her 3-year term. In addition, A E Hayman, C R Campbell and A M Taylor were all appointed as new trustees.

THE LAUDERDALE TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Structure, governance and management (continued)

c. Policies adopted for the induction and training of trustees

All new trustees received a briefing and guidelines outlining the Trust's purposes, processes and activities, along with documentation outlining trustees' duties. Opportunities for trustee training are provided, alongside regular sharing of resources and articles in order further to strengthen governance.

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 which give a true and fair view of the state of affairs of the trust 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 judgements 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 trust will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the trust's transactions and disclose with reasonable accuracy at any time the financial position of the trust 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 trust 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:

John R Harrison
.....
J R Harrison

Date: 13 December 2024

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 2024 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 *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 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors 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.

THE LAUDERDALE TRUST

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

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 specific procedures designed and implemented to detect irregularities, including fraud, are 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;
- Enquiring of management around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Griffin Stone Moscrop & Co

Griffin Stone Moscrop & Co

Chartered Accountants

Statutory Auditors

21-27 Lamb's Conduit Street

London

WC1N 3GS

16 December 2024

Griffin Stone Moscrop & Co 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 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	As restated Total funds 2023 £
Income from:				
Other trading activities	4	5,000	5,000	-
Investments	5	374,182	374,182	325,749
Total income		379,182	379,182	325,749
Expenditure on:				
Raising funds	6	(8,836)	(8,836)	1,779
Charitable activities	7	1,139,554	1,139,554	968,438
Total expenditure		1,130,718	1,130,718	970,217
Net expenditure before net losses on investments		(751,536)	(751,536)	(644,468)
Net losses on investments		(1,430,714)	(1,430,714)	(5,260,608)
Net movement in funds		(2,182,250)	(2,182,250)	(5,905,076)
Reconciliation of funds:				
Total funds brought forward, as restated		18,022,453	18,022,453	23,927,529
Net movement in funds		(2,182,250)	(2,182,250)	(5,905,076)
Total funds carried forward		15,840,203	15,840,203	18,022,453

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

The notes on pages 12 to 21 form part of these financial statements.

THE LAUDERDALE TRUST

BALANCE SHEET
AS AT 30 JUNE 2024

	Note	2024 £	As restated 2023 £
Fixed assets			
Tangible assets	12	232,708	-
Investments	13	14,105,515	16,090,736
		<u>14,338,223</u>	<u>16,090,736</u>
Current assets			
Debtors	14	85,306	79,833
Cash at bank and in hand		1,434,728	1,862,384
		<u>1,520,034</u>	<u>1,942,217</u>
Creditors: amounts falling due within one year	15	(18,054)	(10,500)
Net current assets		<u>1,501,980</u>	<u>1,931,717</u>
Total net assets		<u><u>15,840,203</u></u>	<u><u>18,022,453</u></u>
Charity funds			
Restricted funds	18	-	-
Unrestricted funds	18	15,840,203	18,022,453
Total funds		<u><u>15,840,203</u></u>	<u><u>18,022,453</u></u>

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

John R Harrison

.....
J R Harrison

Date: 13 December 2024

The notes on pages 12 to 21 form part of these financial statements.

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

1. General information

The Lauderdale Trust is an unincorporated charitable trust with its principal office located at Unit 1, Chuck-a-Bush Farm, Royston Road, Whittlesford, Cambridge, CB224NW. It is registered with the Charity Commission in England and Wales (registration number 1195066). A description of the nature of the Trust's operations and its principal activities can be found in the Trustees' Report.

The presentation currency in these financial statements is sterling and figures are rounded to the nearest pound.

2. Accounting policies

2.1 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.

2.2 Going concern

The trustees are confident that the Trust 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 outlook. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

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

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

2.4 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 on raising funds includes all expenditure incurred by the trust 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 trust's objectives, as well as any associated support costs.

THE LAUDERDALE TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

2. Accounting policies (continued)**2.4 Expenditure (continued)**

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, and future instalments of grants for which funding has commenced, 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.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 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.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Land is not depreciated. In the opinion of the trustees, depreciation of the freehold building would be immaterial and has not been charged. The trustees carry out an annual impairment review, and in their opinion no provision is necessary in respect of the value at which the freehold property is included in the financial statements.

2.8 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.

2.9 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.

THE LAUDERDALE TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

2. Accounting policies (continued)**2.10 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.

2.11 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 Trust 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.

2.12 Financial instruments

The Trust 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.

2.13 Pensions

The Trust pays into a number of defined contribution pension schemes and the pension charge represents the amounts payable by the Trust to the funds in respect of the year.

2.14 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 Trust and which have not been designated for other purposes.

The Trust does not have restricted funds.

3. Critical accounting estimates and areas of judgement

Estimates and judgements 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.

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**4. Income from other trading activities****Income from non-charitable trading activities**

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rent receivable	5,000	5,000	-
Total 2023	-	-	

5. Income from investments

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from listed investments	372,589	372,589	325,243
Bank interest received	1,593	1,593	506
	374,182	374,182	325,749
Total 2023	325,749	325,749	

6. Expenditure on raising funds

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment management fees	(8,836)	(8,836)	1,779
Total 2023	1,779	1,779	

The Trust's investment in the CCLA fund suffers management costs charged by the fund manager, however no fees are deducted from investment income before it is received. Accordingly, as permitted by the SORP, there is no requirement to report the charges suffered as a cost in the Trust's statement of financial activities. The Trust receives rebates of some of the investment charges suffered and in the year under review the total rebates received exceeded the Trust's other separately identified investment management costs, therefore explaining why there is an overall credit reportable under investment management fees.

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

7. Expenditure on charitable activities

	Grant funding of activities (see Note 8) 2024 £	Support costs (see below) 2024 £	Total funds 2024 £	As restated Total funds 2023 £
Total costs	961,468	178,086	1,139,554	968,438
Total 2023 as restated	877,369	91,069	968,438	

Analysis of support costs

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	73,458	73,458	25,974
Advertising and marketing	3,285	3,285	-
Admin support and bookkeeping	2,130	2,130	32,430
IT software and consumables	6,128	6,128	11,733
Legal and professional fees	6,425	6,425	-
Printing and stationery and sundry running costs	1,574	1,574	399
Rent	(452)	(452)	5,900
Telephone and internet	922	922	903
Trustee travel expenses	673	673	585
Travel expenses	1,510	1,510	1,371
Insurance	2,209	2,209	1,279
Rates	1,101	1,101	-
Heat, light and power	1,973	1,973	-
Cleaning	996	996	-
Repairs and maintenance	64,184	64,184	395
Subscriptions	1,500	1,500	-
Governance cost - Auditors' remuneration (see Note 9)	10,470	10,470	10,100
	178,086	178,086	91,069
Total 2023	91,069	91,069	

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**8. Analysis of grants**

	Grants to institutions 2024 £	Total funds 2024 £	As restated Total funds 2023 £
Grants awarded	961,468	961,468	877,369
Total 2023 as restated	877,369	877,369	

The grants awarded during the year can be analysed as follows:

	2024 £	As restated 2023 £
Granted for projects in the UK	634,126	582,064
Granted for UK charities for projects in other countries	202,338	124,650
Granted for projects in other countries, via a UK intermediary	125,004	170,655
	961,468	877,369

9. Auditors' remuneration

The auditors' remuneration amounts to an audit fee of £7,000 (2023 - £7,300), accountancy services of £3,080 (2023 - £3,200) and an under-provision of £390 (2023 - over-provision of £400) relating to the previous year.

10. Staff costs

	2024 £	2023 £
Wages and salaries	65,796	24,134
Social security costs	3,278	-
Contribution to defined contribution pension schemes	4,384	1,840
	73,458	25,974

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

10. Staff costs (continued)

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

	2024 No.	2023 No.
Employees	4	1

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

Total remuneration paid to key management personnel during the year was £36,137 (2023 - £17,500).

11. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2023 - £nil).

During the year ended 30 June 2024, expenses totalling £673 were reimbursed or paid directly to 2 trustees (2023 - £585 to 1 trustee) for travel expenses.

12. Tangible fixed assets

	Freehold property £
Cost	
Additions	232,708
At 30 June 2024	232,708
Net book value	
At 30 June 2024	232,708
At 30 June 2023	-

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**13. Fixed asset investments**

	Direct listed investments £	Managed funds £	Total £
Cost or valuation			
At 1 July 2023	6,958,476	9,132,260	16,090,736
Additions	-	800,379	800,379
Disposals	(1,349,468)	-	(1,349,468)
Revaluations	(2,318,504)	882,372	(1,436,132)
At 30 June 2024	<u>3,290,504</u>	<u>10,815,011</u>	<u>14,105,515</u>

14. Debtors

	2024 £	2023 £
Due within one year		
Other debtors	85,306	73,709
Prepayments and accrued income	-	6,124
	<u>85,306</u>	<u>79,833</u>

15. Creditors: amounts falling due within one year

	2024 £	As restated 2023 £
Accruals and deferred income	<u>18,054</u>	<u>10,500</u>

At 30 June 2024 deferred income includes rental income of £1,000 (2023 - £nil) which was received in advance.

16. Financial instruments

	2024 £	2023 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>15,540,243</u>	<u>17,953,120</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments and cash at bank and in hand.

THE LAUDERDALE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

17. Prior period adjustment

A prior period adjustment has been made in respect of grant commitments accrued. The previous accounting policy was as follows:

"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 trust."

Following a review of grant documentation, the trustees are of the opinion that the recognition criteria was not met for future instalments of grants payable. As a result, there has been a change in accounting policy and grant commitments accrued previously included within creditors falling due within one year and after more than one year have been reversed.

The prior period adjustment has resulted in the following:

- An increase of £1,380,499 in unrestricted funds brought forward as at 1 July 2022, from £22,547,030 to £23,927,529, being discounted grant commitments accrued at 30 June 2022
- A reduction of £854,995 in creditors falling due within one year as at 30 June 2023, from £854,995 to £nil, and a reduction of £554,813 in creditors falling due after more than one year as at 30 June 2023, from £554,813 to £nil, being discounted grant commitments accrued at 30 June 2023
- A reduction of £29,309 in unrestricted expenditure on charitable activities for the year ended 30 June 2023, from £997,747 to £968,438, being the movement in total discounted grant commitments accrued over that year
- An increase of £1,409,808 in unrestricted funds brought forward as at 1 July 2023, from £16,612,645 to £18,022,453, being total discounted grant commitments accrued at 30 June 2023

18. Statement of funds

Statement of funds - current year

	As restated Balance at 1 July 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2024 £
Unrestricted funds					
General fund	18,022,453	379,182	(1,130,718)	(1,430,714)	15,840,203

Statement of funds - prior year

	As restated Balance at 1 July 2022 £	Income £	As restated Expenditure £	Gains/ (Losses) £	As restated Balance at 30 June 2023 £
Unrestricted funds					
General fund	23,927,529	325,749	(970,217)	(5,260,608)	18,022,453

THE LAUDERDALE TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

19. Grant commitments

At the balance sheet date, future instalments of grants for which funding had already commenced totalled £1,776,175 (2023 - £1,439,019). The future payment of these grant instalments are subject to the individual grant agreement conditions being met, six-monthly reviews being undertaken by the Trust, and are at the discretion of the trustees. Hence, no liabilities have been recognised for these amounts in these financial statements.

20. Pension commitments

The Trust pays into a number of defined contribution pension schemes. The assets of the schemes are held separately from those of the Trust in independently-administered funds. The pension cost charge represents contributions payable by the Trust to those funds and amounted to £4,384 (2023 - £1,840).

21. Related party transactions

The Trust provided temporary assistance to a related charity, The Lewin Trust, of which M J Kinton and M C Kinton are trustees. At 30 June 2024, £nil (2023 - £203) was owed by The Lewin Trust.

The Lewin Trust paid £6,000 (2023 - £nil) rent in the year (of which, £1,000 has been deferred in these financial statements) for the use of office space. £816 (2023 - £nil) was reimbursed to The Lewin Trust for expenses incurred on behalf of the Trust.

During the year, grant payments of £nil (2023 - £43,750) were made to The Parochial Church Council of the Ecclesiastical Parish of St Philemon Toxteth, which is also the employer of A P L Cornes, a trustee until 7 June 2024. A P L Cornes was not involved in the decision to make the grant, nor involved in any of the interim grant reviews.

The Trust made a reimbursement of £770 (2023 - £nil) to Rachel King, a close family member of two of the trustees, for office refurbishment costs.