

# **The Richard Oatley Trust Number 2**

## **Annual Report and Financial Statements Year Ended 31 March 2024**

Charity registration number: 1198118

# **The Richard Oatley Trust Number 2**

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# The Richard Oatley Trust Number 2

## Trustees' Report

The trustees present their report and the audited financial statement for the year ended 31 March 2024.

### Introduction

The reference and administration information set out on page 5 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts 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 FRS 102

### Objectives and activities

The objects of the charity are to pay all or part of the trust fund to, or for the benefit of, any of the charitable beneficiaries named in, or legally added to, the original trust deed of August 2015

The charity provides funding to small number of specific charities who have a direct impact on the lives of people living and working in Wiltshire and Somerset. Beneficiary charities operate across a wide spectrum of activities which include farming & agriculture, cancer research & patient support, rural communities, mental wellbeing, and historic buildings & landscapes.

Whilst the distribution of grants and funding to the beneficiary charities is at the discretion of the trustees as set out in the Trust Deed, the charity's aim is to engage with all named beneficiaries and explore the opportunities for grant funding to support them in furthering their own charitable objectives and providing benefit to the public through their operations.

Whilst operating the Charity, the trustees do not aim to distribute funds valued significantly in excess of income derived from investments and property, although it is within their remit to do so. An objective of the charity is to provide long term funding and grants to its beneficiaries.

The Richard Oatley Trust No 2 delivers public benefit through the provision of financial grants to charitable organisations registered with the Charity Commission.

The activities of the charity are restricted to the provision and administration of grants to beneficiary charities, and trustees believe that all the activities undertaken by the charity are for the public benefit, and as part of their role as trustees for the organisation ensure that future and proposed activities fit with the purposes of the charity, and that the charitable activities remain relevant to beneficiaries.

Trustees can confirm that they have had regard for the Charity Commission Public Benefit guidance as below:

- The Public Benefit Requirement (PB1)
- Running a Charity (PB2)
- Reporting (PB3)

The core objective of the charity is the making of grants and distribution of trust funds. This activity is restricted to registered charities named in, or legally added as permitted by, the original Trust deed. Applications for grant funding are not accepted from non-charitable organisations, nor those not named in, or added to, the original Trust Deed.

Applications for funding from eligible organisation are formulated through on-going discussions and exploration of the beneficiaries needs and aims. Organisations must demonstrate clear furtherance of their own charitable objectives. In addition, trustees will consider the suitability and fit with the aims of the Richard Oatley No2 trust as set out in the Trust deed and a wider letter of wishes provide by the original settlor of the Trust.

# The Richard Oatley Trust Number 2

## Trustees' Report (continued)

Beneficiary payments totalled £645,290 for the year and can be attributed as follows against the beneficiary charities areas of operation.

Farming and Agriculture	£193,600
Cancer research and patient support	£296,300
Rural Communities	£105,390
Historic Buildings and Landscapes	£ 50,000

Social investment does not form a material part of the charity's direct charitable and investment activities, and therefore the trustees do not have specific social investment policies or objectives. However, the beneficiaries of grant funding may undertake activities or make investments that could be related to social investment, and they are expected to have suitable policies in place. The benefits and risks of any such social investment proposed by a beneficiary would be considered by trustees before any funding is granted.

The charity does not use volunteers in its operations.

### **Achievement and performance**

The charity distributed £645,290 of grant funding during the year, representing 211% of its income from investments and property.

The impact of this funding can best be illustrated through the activities of the benefits of the grant funding.

In the area of Farming and Agriculture grant funding has enabled the Frome and District Agricultural Society to further grow and develop the Frome Agriculture and Cheese Show for the benefit of local farmers, the agricultural sector and the wider public. A successful annual show allows the Society to further its charitable objects through wider activities.

Funding awarded to the Farming Community Network has enabled this charity to expand its network of support advisors to farmers and agricultural workers. In addition, grant funds have been used to develop new initiatives encouraging farmers to meet on a social basis, in turn improving mental wellbeing and encouraging those in need of help to seek support.

Grants provided to the Royal Agricultural Benevolence Institute has enable additional staff capacity to support farmers and agricultural workers.

Grant funding to support cancer research and patient support has enable Cancer Research UK to fund vital research projects, including pioneering blood testing for brain tumours at the University of Bristol. Research into the early detection of symptoms relating to ovarian, lung and pancreatic cancers has also been funded, again at Bristol University.

Macmillan Cancer have benefited from funding and have delivered a wide range of benefits to people living in Somerset and Wiltshire. Charity funding has paid for two cancer specialist nursing posts which will provide long term, benefits to local health care delivery. In addition, funding has enabled the delivery of two debt and benefit advice counsellors who support those receiving or recovering from cancer treatments. Further funds have been used to provide small grant payments through the Macmillan Hardship fund, providing financial support to those in most need whilst there at their most vulnerable.

Funds have been made available to the Frome Market Health Hub to enable preparation of plans to build a permanent home and also to promote their services. The Bath Cancer Unit Support Group were added to the trusts list of approved charities during the year and were awarded funding to purchase AI equipment to further improve the treatment of cancer patients.

## The Richard Oatley Trust Number 2

### Trustees' Report (continued)

The small rural community of Rode has benefited through funding provided to the Hardington Vale Parochial Church Council in order to restore and repair the roof of their 15th century church. The National Trust were awarded funding in order to employ a development ranger at one of its countryside sites.

#### Financial review

##### Basis of preparation

- The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities.
- Incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received, and the monetary value of the incoming resources can be measured with sufficient reliability.
- Resources expended – liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.
- Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity.

The financial statements show that the incoming resources for the year were £324,255 and that the closing fund balance at 31 March 2024 were £14,178,690.

No incoming funds were identified as restricted income, and all incoming funds were secured in order to further the charity's objects.

Unrestricted funds are held in order to generate income from which to award grants in furtherance of the charity's objective. Therefore, no specific reserve policy is in place. The value of cash at bank and in hand is reflective of the annual administration costs anticipated along with foreseeable grant commitments.

#### Investment policy and objectives

The investment objectives of the trustees are

- To maintain the real value of the trustee investment portfolio over the longer term, while generating a relatively stable and sustainable return to fund grant making.
- To target a total return on the trustee investment portfolio of CPI plus 3% per annum over the longer term, net of all costs.
- To distribute grants totalling around £400,000 per annum in total and around £250,000 of this from the trustee investment portfolio. These figures may vary from year to year depending on grant making opportunities and investment returns. You may decide to make larger grants irregularly if you consider that to do so would further the objectives of the trust.

The trustees will consider the following when adopting a level of risk associated with the trustee investment portfolio

- The specific investment risk associated with the portfolio,
- The capacity to withstand any drop in value to the portfolio, and
- Knowledge and experience of investment matters.

Trustees believe the current risk profile is appropriate.

# The Richard Oatley Trust Number 2

## Trustees' Report (continued)

The trustees consider the trust to be a balanced investor in line with the following:

*A balanced investor is looking for investment growth greater than inflation and is prepared to accept greater volatility of returns to achieve this.*

*A balanced investor may hold up to 75% of their portfolio in equity-risk assets and can accept short-term losses of up to 20%.*

It is the opinion of the trustees that the underlying investment portfolios held remain suitable for the trusts' circumstances, objectives, and the agreed risk profile.

### Plans for future periods

The trustees have approved 3-year plans with the majority of the beneficiary charities in order to provide either mid-term sustainable support, or to fund larger projects over a period of multiple years.

Committed grant funding for 2024/25 stands at £476,750, and for 2025/26 £163,410, and therefore in line with or below the anticipated respective annual income from investments and property. Further allocations are made within the business plan, allowing for grant funding of projects yet to be fully considered or approved. Over the next two years the trustees anticipate these to total in the region of £900,000

The Richard Oatley Trust No 2 does not have an obligation to hold funds in perpetuity, rather it has the responsibility to support the named charities with a level of support relevant to their impact and charitable benefits.

### Structure governance and management

The Richard Oatley Trust No2 is a charity registered with the Charity Commission on 2 March 2022, and established under the original Trust deed dated 21 August 2015.

It has two trustees, again as established in the Trust deed of 2015.

The charity employs no staff and there are no plans to change this in the foreseeable future. Professional services are provided as below and suitable letters and terms of engagement are in place.

- Charity advice, beneficiary support and administration are provided by Running Hare VCS, represented by Kevin Butcher.
- Accountancy services are provided by PKF Francis Clark, represented by Mike Butler.
- Legal services are provided by Mogers Drewett LLP, represented by Frank Collins.

## The Richard Oatley Trust Number 2

### Trustees' Report (continued)

#### Reference and administrative details

<b>Status</b>	The organisation is a charitable trust, registered 2 March 2022
<b>Governing document</b>	The Trust was established under the Trust Deed dated 21 August 2015
<b>Charity number</b>	1198118
<b>Working name</b>	Richard Oatley Foundation
<b>Registered office</b>	c/o Mogers Drewett LLP St James House The Square Lower Bristol Road Bath BA2 3BH
<b>Trustees</b>	Frank Collins Mike Butler
<b>Employees</b>	None
<b>Charity advisors</b>	Kevin Butcher of Running Hare VCS
<b>Bankers</b>	Barclays Bank 36-38 Milsom Street Bath BA1 1DW
<b>Auditors</b>	Edwards and Keeping Limited Unity Chambers 34 High East Street Dorchester DT1 1HA

## The Richard Oatley Trust Number 2

### Statement of Trustees' Responsibilities

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

The law applicable to charities 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 business.

The trustees are responsible for keeping proper 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 Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees 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 trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable trust's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Michael John Butler  
Trustee

.....  
Frank Collins  
Trustee



# **The Richard Oatley Trust Number 2**

## **Independent Auditor's Report to the Members of The Richard Oatley Trust Number 2**

### **Opinion**

We have audited the financial statements of The Richard Oatley Trust Number 2 ('the charity') for the year ended 31 March 2024, which comprise of the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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 Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions 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 entity's ability to continue as a going concern for a year of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's 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.

## **The Richard Oatley Trust Number 2**

### **Independent Auditor's Report to the Members of The Richard Oatley Trust Number 2 (continued)**

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**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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; 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 (set out on page 6), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

## The Richard Oatley Trust Number 2

### Independent Auditor's Report to the Members of The Richard Oatley Trust Number 2 (continued)

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including charity regulations and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;

## The Richard Oatley Trust Number 2

### Independent Auditor's Report to the Members of The Richard Oatley Trust Number 2 (continued)

- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with The Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Edwards and Keeping Limited, Statutory Auditor

Unity Chambers  
34 High East Street  
Dorchester  
Dorset  
DT1 1HA

Date: .....

Edwards and Keeping Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## The Richard Oatley Trust Number 2

### Statement of Financial Activities

Year Ended 31 March 2024

	Note	Unrestricted funds £	Total 2024 £	Restated Total 2023 £ See Note 2
<b>Income and Endowments from:</b>				
Investment income	3	304,929	304,929	359,488
Other income		19,326	19,326	-
Total income		<u>324,255</u>	<u>324,255</u>	<u>359,488</u>
<b>Expenditure on:</b>				
Raising funds	4	(100,347)	(100,347)	(77,306)
Charitable activities	5	<u>(622,241)</u>	<u>(622,241)</u>	<u>(1,218,064)</u>
Total expenditure		<u>(722,588)</u>	<u>(722,588)</u>	<u>(1,295,370)</u>
Gains/losses on investment assets		<u>1,591,936</u>	<u>1,591,936</u>	<u>202,414</u>
Net income/(expenditure)		<u>1,193,603</u>	<u>1,193,603</u>	<u>(733,468)</u>
Net movement in funds		1,193,603	1,193,603	(733,468)
<b>Reconciliation of funds</b>				
Total funds brought forward (restated)		<u>12,985,087</u>	<u>12,985,087</u>	<u>13,718,555</u>
Total funds carried forward	13	<u><u>14,178,690</u></u>	<u><u>14,178,690</u></u>	<u><u>12,985,087</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 13.

# The Richard Oatley Trust Number 2

## Balance Sheet

31 March 2024

	Note	2024 £	Restated 2023 £ See Note 2
<b>Fixed assets</b>			
Investments	9	14,130,721	12,144,150
<b>Current assets</b>			
Debtors	10	527,383	539,858
Cash at bank and in hand		257,366	1,189,703
		784,749	1,729,561
<b>Creditors: Amounts falling due within one year</b>	11	(573,370)	(659,624)
<b>Net current assets</b>		211,379	1,069,937
<b>Total assets less current liabilities</b>		14,342,100	13,214,087
<b>Creditors: Amounts falling due after more than one year</b>	12	(163,410)	(229,000)
<b>Net assets</b>		14,178,690	12,985,087
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds	13	14,178,690	12,985,087
<b>Total funds</b>		14,178,690	12,985,087

The financial statements on pages 11 to 22 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
Michael John Butler  
Trustee

.....  
Frank Collins  
Trustee

The notes on pages 14 to 22 form an integral part of these financial statements

## The Richard Oatley Trust Number 2

### Cash Flow Statement

Year Ended 31 March 2024

		2024 £	Restated 2023 £ See Note 2
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		1,193,603	(733,468)
<b>Adjustments to cash flows from non-cash items</b>			
Investment income	3	(304,929)	(359,488)
Revaluation of investments		(1,591,936)	(122,178)
Movement on capital cash account		<u>(51,224)</u>	-
		(754,486)	(1,215,134)
<b>Working capital adjustments</b>			
Decrease in debtors	10	12,475	-
Decrease in creditors	11, 12	<u>(151,844)</u>	838,000
Net cash flows from operating activities		<u>(893,855)</u>	<u>(377,134)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	3	116,131	90,399
Purchase of investments	9	(2,804,946)	(8,980,832)
Sale of investments	9	2,461,535	8,296,605
Income from dividends	3	<u>188,798</u>	<u>269,089</u>
Net cash flows from investing activities		<u>(38,482)</u>	<u>(324,739)</u>
Net decrease in cash and cash equivalents		(932,337)	(701,873)
Cash and cash equivalents at 1 April		<u>1,189,703</u>	<u>1,891,576</u>
Cash and cash equivalents at 31 March		<u>257,366</u>	<u>1,189,703</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 14 to 22 form an integral part of these financial statements

# **The Richard Oatley Trust Number 2**

## **Notes to the Financial Statements**

**Year Ended 31 March 2024**

### **1 Accounting policies**

#### **Statement of compliance**

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Basis of preparation**

The Richard Oatley Trust Number 2 meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in sterling and are rounded to the nearest £.

#### **Legal Form**

The Trust was established under the Trust Deed dated 21 August 2015.

#### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### **Income and endowments**

##### ***Investment income***

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent.

Dividend income comprises dividends declared during the accounting period. Income from short term deposits is accounted for by reference to the amount receivable, calculated on a daily basis. Rental income is accounted for on the basis of the amount receivable for the financial year on an accruals basis.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.



# **The Richard Oatley Trust Number 2**

## **Notes to the Financial Statements**

**Year Ended 31 March 2024 (continued)**

### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### ***Grant expenditure***

Grant management cost is undertaken by the Trustees with support from Kevin Butcher. The fees in relation to this are within legal and professional fees.

### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Investment properties**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

### **Debtors**

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### **Creditors**

Creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

# The Richard Oatley Trust Number 2

## Notes to the Financial Statements

### Year Ended 31 March 2024 (continued)

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

## **2 Prior period adjustment**

The trustees have discovered material errors arising for the year to 31 March 2023 and consider that a restatement is necessary.

The impact on the financial statements is a decrease in net expenditure of £14,928 and an increase in investments of £14,928. This is due to an investment property not having been recognised on the balance sheet in the accounts for the year to 31 March 2023. There is an increase in accruals of £17,000 and an increase in expenditure of £17,000 due to investment management fees not having been accrued for in the accounts for the year to 31 March 2023.

## The Richard Oatley Trust Number 2

### Notes to the Financial Statements

Year Ended 31 March 2024 (continued)

#### 3 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Income from dividends;			
Dividends receivable from other listed investments	188,798	188,798	269,089
Income from rents	116,107	116,107	90,399
Bank interest received	24	24	
	<u>304,929</u>	<u>304,929</u>	<u>359,488</u>

#### 4 Expenditure on raising funds

	Total 2024 £	Restated Total 2023 £
Repairs and maintenance	16,519	21,631
Investment management costs	70,752	46,709
Rental management fees	13,076	8,966
	<u>100,347</u>	<u>77,306</u>

#### 5 Expenditure on charitable activities

	2024 £	2023 £
Insurance	4,415	5,331
Bank charges	-	75
Legal & professional fees	79,926	76,009
Accountancy fees	47,323	51,461
Auditor's fees	12,420	6,300
Publicity	8,057	5,038
Charitable donations (see note 6)	470,100	1,073,000
Expenses paid to legacies	-	850
	<u>622,241</u>	<u>1,218,064</u>

## The Richard Oatley Trust Number 2

### Notes to the Financial Statements

Year Ended 31 March 2024 (continued)

#### 6 Grant-making

##### Analysis of grants

	Grants to institutions	
	2024	2023
	£	£
Grants paid to institutions	645,290	257,650

Below are details of grants made to institutions.

Name of institution	Paid during period £	New committed funding during period £	Prior period committed funding met in current period £
The Farming Community Network	75,000		75,000
Cancer Research UK	50,000		50,000
Macmillan Cancer Support	160,300		160,300
Frome & District Agricultural Society	60,000	76,000	24,000
Hardington Vale PCC	105,390	(500)	105,390
Frome Market Health Hub	3,600	3,600	-
Royal Agricultural Benevolent Institution	55,000	155,000	-
Bath Cancer Unit	86,000	86,000	-
National Trust	50,000	150,000	-
	645,290	470,100	414,690

The £500 movement in new committed funding for Hardington Vale PCC is a difference of the original committed funding recorded in the statutory accounts at 31 March 2023 and the actual committed funding for future periods.

#### 7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## The Richard Oatley Trust Number 2

### Notes to the Financial Statements

Year Ended 31 March 2024 (continued)

#### 9 Fixed asset investments

##### Other investments

	Investment property £	Listed investments £	Total £
<b>Cost or Valuation</b>			
At 01 April 2023 (restated)	3,474,251	8,669,899	12,144,150
Realised and unrealised gains	793,905	798,031	1,591,936
Additions	689,912	2,115,034	2,804,946
Disposals	(14,928)	(2,446,607)	(2,461,535)
Movement on capital cash account	-	51,224	51,224
At 31 March 2024	<u>4,943,140</u>	<u>9,187,581</u>	<u>14,130,721</u>
<b>Valuation</b>			
At 31 March 2024	<u>4,943,140</u>	<u>9,187,581</u>	<u>14,130,721</u>
At 31 March 2023 (restated)	<u>3,474,251</u>	<u>8,669,899</u>	<u>12,144,150</u>

The Trustees have valued the properties at fair value after seeking guidance from local agents familiar with the properties.

#### 10 Debtors

	2024 £	2023 £
Other debtors	525,434	539,858
Prepayments	<u>1,949</u>	<u>-</u>
	<u>527,383</u>	<u>539,858</u>

#### 11 Creditors: amounts falling due within one year

	2024 £	2023 (restated) £
Committed funding	476,750	586,350
Other creditors	26,616	26,553
Accruals	<u>70,004</u>	<u>46,721</u>
	<u>573,370</u>	<u>659,624</u>

## The Richard Oatley Trust Number 2

### Notes to the Financial Statements

Year Ended 31 March 2024 (continued)

#### 12 Creditors: amounts falling due after one year

	2024 £	2023 £
Committed funding	<u>163,410</u>	<u>229,000</u>

## The Richard Oatley Trust Number 2

### Notes to the Financial Statements

Year Ended 31 March 2024 (continued)

#### 13 Funds

##### Unrestricted funds

##### *General*

Unrestricted general fund

	Restated balance at 1 April 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
	12,985,087	324,255	(722,588)	1,591,936	14,178,690

##### Unrestricted funds

##### *General*

Unrestricted general fund

	Balance at 1 April 2022 £	Incoming resources £	Restated resources expended £	Restated other recognised gains/(losses) £	Restated balance at 31 March 2023 £
	13,718,555	359,488	(1,295,370)	202,414	12,985,087

## The Richard Oatley Trust Number 2

### Notes to the Financial Statements

Year Ended 31 March 2024 (continued)

#### 14 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2024 £
Fixed asset investments	14,130,721	14,130,721
Current assets	784,749	784,749
Current liabilities	(573,370)	(573,370)
Creditors over 1 year	(163,410)	(163,410)
Total net assets	14,178,690	14,178,690

#### 15 Related party transactions

During the year the charity made the following related party transactions:

##### **PKF Francis Clark LLP**

Accountancy services are provided by PKF Francis Clark LLP, represented by Michael Butler.

Accountancy services were provided on normal commercial terms.

During the year, accountancy services provided by PKF Francis Clark LLP amounted to £47,323. At the balance sheet date the amount due to/from PKF Francis Clark LLP was £Nil.

During the year, investment advice provided by Francis Clark Financial Planning Limited amounted to £23,567. At the balance sheet date the amount due to/from Francis Clark Financial Planning Limited was £Nil.

##### **Mogers Drewett LLP**

Legal services are provided by Mogers Drewett LLP, represented by Frank Collins.

Legal services were provided on normal commercial terms.

During the year, legal services provided by Mogers Drewett amounted to £41,583. At the balance sheet date the amount due to/from Mogers Drewett LLP was £Nil.