

T H RUSSELL CHARITABLE TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 OCTOBER 2023



4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

T H RUSSELL CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|--------------------------|--|
| Trustee | T. H. Russell Trustee Limited MEMBERS OF THE TRUSTEE Mrs A Morris Mrs D Norman Mrs L Ansell Mrs R McDermott Miss J Arigho Mr M Steele Mrs V A Rowland Mrs G Longhurst |
| Charity number | 204340 |
| Principal address | Alexandra House St Johns Street Salisbury SP1 2SB |
| Auditor | Harrisons Chartered Accountants 4 Brackley Close Bournemouth International Airport Christchurch Dorset BH23 6SE |
| Bankers | NatWest 11 High Street Ringwood Hants BH24 1BA |
| Solicitors | Wilsons Solicitors LLP Alexandra House St John's Street Salisbury Wiltshire SP1 2SB |

T H RUSSELL CHARITABLE TRUST

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T H RUSSELL CHARITABLE TRUST

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 OCTOBER 2023

The trustee presents its annual report and financial statements for the year ended 31 October 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 governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Objectives

The objective of the Trust was to found, establish, equip and endow St. Ives House, St. Ives as a care home for elderly persons and to use income from the permanent endowment towards the upkeep and maintenance of the hostel. The charity was established primarily for the benefit of elderly people of the Parish of Ringwood in the County of Hants and the Parish of St Leonards and St Ives, now in the County of Dorset, but formerly in the County of Hants.

Since the closure of St. Ives House in February 2015 the objectives of the charity have been expanded to cover the provision of items, services or facilities to assist the elderly who require care on account of age or disability.

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

Achievements and performance

In April 2015 a 125 year lease of land at St. Ives House was granted to Care South. A new care home has been built on the site by Care South which opened on 27th January 2017. Rent has been receivable since then. The income arising is used by the Trustee for the benefit of the elderly as stipulated in the objectives paragraph above.

On 18th March 2019 the Members of the Trustee approved an updated 'Grant Making Policy' which sets out the type of activities and projects that they will support in the future. All future grants will be to existing charities, already working in the area, on local projects that benefit the stated class of beneficiaries.

Throughout the year the country had experienced the 'cost of living' crisis and a particularly cold winter, which had resulted in local authorities and charitable bodies providing community facilities for people to meet and share a meal. During the year grants were awarded to support such projects in Ringwood and St. Leonards.

In addition, grants have been awarded to a range of local charities. These include clubs running activities for the elderly in Ringwood, improving facilities at Greyfriars, the local Community Centre in Ringwood and Hyde War Memorial Hall, and supporting Christmas activities at a local care home.

Support has continued to be given to the local hospices in Christchurch, Salisbury and Poole, and to Marie Curie and Macmillan Cancer Support providing at home end of life care. Total payments to charities during the year were £92,075.

Public Benefit

In planning for the future the Members of the Trustee have considered the Charity Commission's guidance on Public Benefit, including 'Public Benefit: Running a Charity (PB2)'. The Members of the Trustee are paying particular attention to keeping the public informed and wherever possible publicise the work of the T H Russell Charitable Trust and where there is a need, encourage local charities to apply for grants. Members of the Trustee attend the local Community Network Meetings to which all charities, local to the Ringwood area, are invited to attend and participate in, sharing information about local needs and events.

T H RUSSELL CHARITABLE TRUST

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

Financial review

Reserves

Much of the reserves of the charity are invested in its land and its investments. Given the change in the nature of the trust's activities the members of the trustee have yet to consider the level of liquid reserves to be retained in the future. Total amount of reserves held at 31 October 2023 was £6,435,966 of which £665,038 was unrestricted funds. The remainder relates to the endowment fund as explained below.

Total Returns Policy

In May 2013 the Charity Commission gave an order to enable the Trustees of the Charity to decide which part of the unapplied total return from the assets of the Charity given to it on Trust for investment (capital) should be held on Trust for application (income) for the purposes of the Charity. In November 2013 the Trustees determined the amount of the total returns policy to be applied to income by reference to the date upon which the Trustees began detailed consideration of the long term future of St Ives House.

The total value of the investments held in the endowment fund at 31 October 2022 was £1,552,399. During the year the value of these assets has decreased by £3,436 to £1,548,963. The total amount of the endowment fund at 31 October 2023 was £5,770,928.

Investments

The Trustee has wide powers of investment of the funds within the Permanent Endowment. The investment strategy is to achieve a mixture of income and capital growth.

The members of the trustee have periodic presentations from a Senior Investment Director from Rathbones (Incorporating Investec Wealth & Investment) concerning the Trust's investment portfolio. The members review on a regular basis the investment strategy in line with advice from their brokers.

Major risks

Throughout the year the members of the trustee have continually appraised the Trust's exposure to risk. All significant risks to which the charity may be exposed are believed to be manageable.

Structure, governance and management

Legal Status

The charitable trust was established in accordance with the will of the late T H Russell Esq, who died in September 1955, and is operated as a charitable trust.

The members of the trustee who served during the year and up to the date of signature of the financial statements were:

T. H. Russell Trustee Limited (sole trustee)

MEMBERS OF THE TRUSTEE:

Mrs A Morris (Chairman)

Mrs D Norman (Vice Chairman)

Mrs L Ansell

Mrs R McDermott

Miss J Arigho

Mr M Steele

Mrs V A Rowland

Mrs G Longhurst

T. H. Russell Trustee Limited holds the title to the assets on trust for T H Russell Charitable Trust.

T H RUSSELL CHARITABLE TRUST

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

Organisation

The charity is controlled by the members of the trustee. The trust deed does not address the method of appointment of new trustees. In practice, potential new members are approached by the existing members. If the potential member is interested he is interviewed and, if appropriate, invited to join. At its Annual General Meeting the members elect a Chairman and Deputy Chairman for the coming year.

The policies adopted to achieve the trust objectives have evolved with changing circumstances.

The trustee's report was approved by the Trustee.

Mrs A Morris

Member of the trustee

Dated: 15 March 2024

T H RUSSELL CHARITABLE TRUST

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

FOR THE YEAR ENDED 31 OCTOBER 2023

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

The law applicable to charities in England and Wales requires the trustee 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 year.

In preparing these financial statements, the trustee is required to:

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

The trustee is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it 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. It is 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.

T H RUSSELL CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEE OF T H RUSSELL CHARITABLE TRUST

Opinion

We have audited the financial statements of T H Russell Charitable Trust (the 'charity') for the year ended 31 October 2023 which comprise the statement of financial activities, the balance sheet 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 Financial Reporting Standard 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 October 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 *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 trustee's 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 trustee 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 other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 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 financial statements is inconsistent in any material respect with the trustee's report; 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.

T H RUSSELL CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF T H RUSSELL CHARITABLE TRUST

Responsibilities of trustee

As explained more fully in the statement of trustee's responsibilities, the trustee is 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 trustee determines 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 trustee is 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 trustee either intends to cease operations, or has 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 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 on 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 trustee's 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 auditor's 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 auditor's 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.

Use of our report

This report is made solely to the charity's trustee, 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 trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

T H RUSSELL CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF T H RUSSELL CHARITABLE TRUST

Harrisons

9 July 2024

Chartered Accountants

Statutory Auditor

4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

T H RUSSELL CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 OCTOBER 2023

| | Notes | Unrestricted funds 2023 £ | Endowment funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---|-------|---------------------------------|------------------------------|-------------------------|-------------------------|
| <u>Income and endowments from:</u> | | | | | |
| <u>Charitable activities</u> | | | | | |
| Investment income | 3 | 196,235 | - | 196,235 | 170,552 |
| Other income | 4 | 28 | - | 28 | 28 |
| Total income | | <u>196,263</u> | <u>-</u> | <u>196,263</u> | <u>170,580</u> |
| <u>Expenditure on:</u> | | | | | |
| <u>Charitable activities</u> | | | | | |
| Charitable Expenditure | 5 | <u>110,998</u> | <u>10,892</u> | <u>121,890</u> | <u>134,952</u> |
| Total charitable expenditure | | <u>110,998</u> | <u>10,892</u> | <u>121,890</u> | <u>134,952</u> |
| Net gains/(losses) on investments | 8 | <u>(3,635)</u> | <u>1,526,650</u> | <u>1,523,015</u> | <u>(223,410)</u> |
| Net movement in funds | | <u>81,630</u> | <u>1,515,758</u> | <u>1,597,388</u> | <u>(187,782)</u> |
| Fund balances at 1 November 2022 | | <u>583,408</u> | <u>4,255,170</u> | <u>4,838,578</u> | <u>5,026,360</u> |
| Fund balances at 31 October 2023 | | <u><u>665,038</u></u> | <u><u>5,770,928</u></u> | <u><u>6,435,966</u></u> | <u><u>4,838,578</u></u> |

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

T H RUSSELL CHARITABLE TRUST

BALANCE SHEET

AS AT 31 OCTOBER 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|---|-------|-----------|-----------|-----------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 9 | 4,245,000 | | 2,700,000 | |
| Investments | 10 | 1,855,800 | | 1,859,917 | |
| | | | | | |
| | | | 6,100,800 | | 4,559,917 |
| Current assets | | | | | |
| Debtors | 12 | 10,014 | | 5,948 | |
| Cash at bank and in hand | | 353,610 | | 296,096 | |
| | | | | | |
| | | | 363,624 | | 302,044 |
| Creditors: amounts falling due within one year | 13 | (28,458) | | (23,383) | |
| | | | | | |
| Net current assets | | | 335,166 | | 278,661 |
| Total assets less current liabilities | | | 6,435,966 | | 4,838,578 |
| | | | | | |
| Funds of the charity | | | | | |
| Endowment funds | 14 | 5,770,928 | | 4,255,170 | |
| Unrestricted funds | | 665,038 | | 583,408 | |
| | | | | | |
| | | | 6,435,966 | | 4,838,578 |

The financial statements were approved by the Trustee on 15 March 2024

Mrs A Morris
Member of the Trustee

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

1 Accounting policies

Charity information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated.

1.1 Accounting convention

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

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustee in furtherance of its charitable objectives.

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

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

All proceeds on the sale of Permanent Endowment assets are treated as capital receipts and are taken directly to the Permanent Endowment fund.

Income arising on Permanent Endowment investments is treated as general income of the trust.

1.4 Income

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

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

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

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost. Fixed assets carried at revalued amounts are recorded at fair value at the date of revaluation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------|-----------------|
| Freehold land and buildings | not depreciated |
|-----------------------------|-----------------|

The freehold property has not been depreciated as the property is maintained to a standard appropriate to its purpose. Any depreciation arising would be immaterial. The property is revalued every five years, with the surplus or deficit being transferred to the endowment fund.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

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

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Financial instruments

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 company after deducting all of its liabilities.

1.10 Taxation

The trust is a registered charity and any surplus arising on the charitable activities is therefore not liable to United Kingdom income and capital taxes.

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

2 Critical accounting estimates and judgements

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

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

3 Income from investments

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|--------------------------------|------------------------------------|------------------------------------|
| Rental income | 125,000 | 125,000 |
| Income from listed investments | 66,624 | 45,124 |
| Interest receivable | 4,611 | 428 |
| | <u>196,235</u> | <u>170,552</u> |

4 Other income

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|--------------|------------------------------------|------------------------------------|
| Other income | <u>28</u> | <u>28</u> |

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

5 Expenditure on charitable activities

| | Charitable activities 2023 £ | Charitable activities 2022 £ |
|---|------------------------------------|------------------------------------|
| Direct costs | | |
| Resident funding and grants payable | 92,075 | 103,056 |
| Share of support and governance costs (see note 6) | | |
| Governance | 29,815 | 31,896 |
| | <u>121,890</u> | <u>134,952</u> |
| Analysis by fund | | |
| Unrestricted funds | 110,998 | 120,264 |
| Endowment funds | 10,892 | 14,688 |
| | <u>121,890</u> | <u>134,952</u> |

The charitable activities costs above relate to grants made to charitable institutions. These charitable institutions undertake activities or projects which provide support to the elderly, which is congruent with the objectives of the charity.

6 Support costs

| | Support costs £ | Governance costs £ | 2023 Support costs £ | Governance costs £ | 2022 £ |
|---------------------------|--------------------|-----------------------|-------------------------|-----------------------|---------------|
| Charitable activity costs | - | - | - | 557 | 557 |
| Legal and professional | - | 21,678 | 21,678 | - | 23,249 |
| Other governance costs | - | 8,137 | 8,137 | - | 8,090 |
| | <u>-</u> | <u>29,815</u> | <u>29,815</u> | <u>-</u> | <u>31,896</u> |
| Analysed between | | | | | |
| Charitable activities | - | 29,815 | 29,815 | - | 31,896 |
| | <u>-</u> | <u>29,815</u> | <u>29,815</u> | <u>-</u> | <u>31,896</u> |

Governance costs includes payments to the auditors of £1,930 (2022- £1,930) for audit fees.

7 Trustee

None of the members of the trustee (or any persons connected with them) received any remuneration or benefits from the charity during the year.

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

8 Net gains/(losses) on investments

| | Unrestricted funds 2023 £ | Endowment funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Endowment funds 2022 £ | Total 2022 £ |
|---|------------------------------------|---------------------------------|--------------------|------------------------------------|---------------------------------|--------------------|
| Revaluation of investments | (4,910) | (24,786) | (29,696) | (57,835) | (291,957) | (349,792) |
| Gain/(loss) on sale of investments | 1,275 | 6,436 | 7,711 | (791) | (3,994) | (4,785) |
| Revaluation of investment properties | - | 1,545,000 | 1,545,000 | - | - | - |
| Gain/(loss) on sale of investment properties | - | - | - | - | 131,167 | 131,167 |
| | <u>(3,635)</u> | <u>1,526,650</u> | <u>1,523,015</u> | <u>(58,626)</u> | <u>(164,784)</u> | <u>(223,410)</u> |

9 Tangible fixed assets

| | Freehold land and buildings £ |
|------------------------|-------------------------------------|
| Cost | |
| At 1 November 2022 | 2,700,000 |
| Revaluation | 1,545,000 |
| | <u>4,245,000</u> |
| At 31 October 2023 | |
| Carrying amount | |
| At 31 October 2023 | 4,245,000 |
| | <u>4,245,000</u> |
| At 31 October 2022 | 2,700,000 |
| | <u>2,700,000</u> |

The freehold land was valued as an investment property based upon the terms of the lease by Vail Williams LLP, Chartered Surveyors, as at 25 August 2023 in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors.

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

10 Fixed asset investments

| | Unlisted investments £ |
|--------------------------|------------------------------|
| Cost or valuation | |
| At 1 November 2022 | 1,859,917 |
| Additions | 361,742 |
| Valuation changes | (21,985) |
| Disposal proceeds | (343,874) |
| | <hr/> |
| At 31 October 2023 | 1,855,800 |
| | <hr/> |
| Carrying amount | |
| At 31 October 2023 | 1,855,800 |
| | <hr/> <hr/> |
| At 31 October 2022 | 1,859,917 |
| | <hr/> <hr/> |

Fixed asset investments revalued

All investments are carried at their fair in accordance with the Charities SORP (FRS 102). Investments in equities and fixed interest securities are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using mid market prices from the appropriate Stock Exchange.

11 Financial instruments

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Carrying amount of financial assets | | |
| Instruments measured at fair value through income and expenditure | 1,855,800 | 1,859,917 |
| | <hr/> | <hr/> |

12 Debtors

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Other debtors | 10,014 | 5,948 |
| | <hr/> | <hr/> |

13 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------|-------------|-------------|
| Other creditors | 5,000 | - |
| Accruals and deferred income | 23,458 | 23,383 |
| | <hr/> | <hr/> |
| | 28,458 | 23,383 |
| | <hr/> <hr/> | <hr/> <hr/> |

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

14 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

| | Movement in funds | | | |
|-----------------------------|----------------------------------|-----------------------|-----------------------|---------------------|
| | Balance at 1 November 2022 | Incoming resources | Resources expended | Gains and losses |
| | £ | £ | £ | £ |
| Permanent endowments | | | | |
| Permanent Endowment Fund | 4,255,170 | - | (10,892) | 1,526,650 |
| | <u>4,255,170</u> | <u>-</u> | <u>(10,892)</u> | <u>1,526,650</u> |
| | <u>4,255,170</u> | <u>-</u> | <u>(10,892)</u> | <u>1,526,650</u> |

| | Movement in funds | | | |
|-----------------------------|----------------------------------|-----------------------|-----------------------|---------------------|
| | Balance at 1 November 2021 | Incoming resources | Resources expended | Gains and losses |
| | £ | £ | £ | £ |
| Permanent endowments | | | | |
| Permanent Endowment Fund | 4,434,642 | - | (14,688) | (164,784) |
| | <u>4,434,642</u> | <u>-</u> | <u>(14,688)</u> | <u>(164,784)</u> |
| | <u>4,434,642</u> | <u>-</u> | <u>(14,688)</u> | <u>(164,784)</u> |

15 Unrestricted funds

The funds of the charity include the following unrestricted funds:

| | Movement in funds | | | |
|---------------|----------------------------------|-----------------------|-----------------------|---------------------|
| | Balance at 1 November 2022 | Incoming resources | Resources expended | Gains and losses |
| | £ | £ | £ | £ |
| General Funds | 583,408 | 196,263 | (110,998) | (3,635) |
| | <u>583,408</u> | <u>196,263</u> | <u>(110,998)</u> | <u>(3,635)</u> |
| | <u>583,408</u> | <u>196,263</u> | <u>(110,998)</u> | <u>(3,635)</u> |

| | Movement in funds | | | |
|---------------|----------------------------------|-----------------------|-----------------------|---------------------|
| | Balance at 1 November 2021 | Incoming resources | Resources expended | Gains and losses |
| | £ | £ | £ | £ |
| General Funds | 591,718 | 170,580 | (120,264) | (58,626) |
| | <u>591,718</u> | <u>170,580</u> | <u>(120,264)</u> | <u>(58,626)</u> |
| | <u>591,718</u> | <u>170,580</u> | <u>(120,264)</u> | <u>(58,626)</u> |

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

16 Analysis of net assets between funds

| | Unrestricted funds | Endowment funds | Total | Unrestricted funds | Endowment funds | Total |
|--|-----------------------|--------------------|------------------|-----------------------|--------------------|------------------|
| | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 |
| | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 October 2023 are represented by: | | | | | | |
| Tangible assets | - | 4,245,000 | 4,245,000 | - | 2,700,000 | 2,700,000 |
| Investments | 306,837 | 1,548,963 | 1,855,800 | 307,518 | 1,552,399 | 1,859,917 |
| Current assets/(liabilities) | 358,201 | (23,035) | 335,166 | 275,890 | 2,771 | 278,661 |
| | <u>665,038</u> | <u>5,770,928</u> | <u>6,435,966</u> | <u>583,408</u> | <u>4,255,170</u> | <u>4,838,578</u> |

17 Operating lease commitments Lessor

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

| | 2023 £ | 2022 £ |
|----------------------------|-------------------|-------------------|
| Within one year | 125,000 | 125,000 |
| Between two and five years | 500,000 | 500,000 |
| In over five years | 13,927,083 | 14,052,083 |
| | <u>14,552,083</u> | <u>14,677,083</u> |

This discloses the total rent amounts receivable over the period of the Care South lease which expires in 2140.

T H RUSSELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 OCTOBER 2023*

18 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Mrs L Ansell, a member of the trustee, was appointed as a director of Care South on 22 July 2015. From 1 April 2015 part of the land owned by T H Russell Charitable Trust has been leased to Care South. Mrs L Ansell resigned as a director of Care South on 14 December 2022. During the year rental income totalling £125,000 (2022: £125,000) was due from Care South to the charity.

Miss J Arigho, a member of the trustee, is also a trustee of Hyde War Memorial Hall. During the year grants totalling £3,505 (2022: £nil) were paid to Hyde War Memorial Hall.

Trustee indemnity insurance of £865 (2022: £852) was paid during the year.

T.H.Russell Trustee Limited is the sole trustee of the Charity. The Charity's assets are held by the company on trust for the Charity.