

Registered Number: 00607648
Charity Number: 207392

THE RAYNE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE RAYNE TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees

Lady Jane Rayne, Patron
The Hon. Robert A Rayne, Chairman
Mr Damian Rayne
The Hon. Tamara Wood

Company secretary

The Hon. Robert A Rayne

Company registered number

00607648

Charity registered number

207392

Registered office

3 Bromley Place, London, W1T 6DB

Independent auditor

Crowe U.K. LLP, Fourth Floor, St James House, St James' Square, Cheltenham, Gloucestershire, GL50 3PR

Bankers

Barclays Bank plc, 1 Churchill Place, London, E14 5HP

Investment advisers

Cazenove Capital Management Ltd., 1 London Wall Place, London, EC2Y 5AU

Rathbones Brothers PLC, 8 Finsbury Circus, London, EC2M 7AZ

THE RAYNE TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report and financial statements for The Rayne Trust for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the Trust's Memorandum and Articles of Association, FRS 102, the Charities SORP (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Structure, governance and management

The Trust is a charitable company limited by guarantee. It is governed by its Memorandum and Articles of Association, as amended 20 November 1986 and Incorporation on 8th July 1958. The registered company number is 00607648 and registered charity number is 207392. The Trust supports projects in Israel and those in the fields of social welfare, the arts and other sectors in the UK which are of interest to the Trustees and approved by The Trust.

The Trustees who served during the year were:

Lady Jane Rayne	(Patron)
The Hon. Robert A Rayne	(Chairman)
Mr Damian Rayne	
The Hon. Tamara Wood	

The same Trustees are also directors and members of the company and guarantee to contribute £1 in the event of a winding up.

There were no new appointments of Trustees made in the year. Should new Trustees be appointed, they would be considered on the basis of the skills and knowledge they would bring to meet the charitable interests of the Trust. Names are suggested by the Chairman and any appointment approved by all the Trustees. New Trustees have an induction and receive necessary background information for them to meet their responsibilities and properly understand the work of the Trust. There is no Trustee remuneration policy as no Trustee receives any remuneration for being a Trustee, but travel expenses can be claimed although there were none. The Trustees are volunteers in their role as Trustees, but The Trust does not otherwise rely on the work of other volunteers.

A Joint Finance and Investment Committee (JFIC) meets quarterly to monitor financial matters and investments and to recommend investment decisions. It has delegated authority to do this from three charities: The JFR Charitable Trust, The Rayne Foundation and The Rayne Trust. The members of this committee are The Hon. Robert A Rayne (a Trustee of The Rayne Foundation and The Rayne Trust), The Hon. Nicholas Rayne (a Trustee of the JFR Charitable Trust and The Rayne Foundation), and Sir Emyr Jones Parry (a Trustee of The Rayne Foundation). There were no changes to the members during the year.

Day to day responsibility for managing the Trust continued with Amelia Fitzalan Howard, the Director of The Rayne Foundation, a related charity, plus four staff in the UK and a consultant based in Israel. The Director resigned in December 2021 and interim management arrangements were put in place to ensure the continued smooth running of the organisation. Shan Nicholas was appointed as Interim Chief Executive and The Foundation is in the process of recruiting a permanent Director. The interim arrangements will remain in place until a permanent Director takes up post.

Staff remuneration is agreed by the Chairman of The Rayne Foundation, The Hon Robert A Rayne. Upon any new appointments being made, remuneration would be agreed in line with other comparable roles in similar charities. Please refer to note 24 to the financial statements for details of transactions undertaken with related parties in the year.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

Policies and procedures are in place to ensure best practice; work continues with applicants and active grant recipients in Israel to ensure their responsibilities around safeguarding are understood and that necessary procedures are in place. All policies and procedures which apply across The Rayne Charities are reviewed annually by the Rayne Foundation Trustees and updated if required.

THE YEAR UNDER REVIEW

Covid-19

The year under review continued to be affected by Covid-19 with periodic lockdowns and working from home. Board and Finance Committee meetings continued to operate remotely during the course of the year.

We have continued to stay in more regular contact with grant recipients, outside the formal monitoring report cycle, to offer support and keep abreast of their needs and will continue to do so throughout 2022.

The Trust has not reduced its grant making budget and has no plans to do so.

Objectives and activities

The Trust's mandate, as per its governing document, has a very wide mandate covering support for the most vulnerable in society, education and medical assistance plus much more. Within this spectrum, the Trustees focus on understanding and engaging primarily with the needs of society to build bridges between communities and to act as a catalyst in supporting new ideas or ways of working. The Trust works to develop and increase tolerance and understanding between communities and people of different backgrounds, to help bring people in from the margins of society and heal divisions and to bring unconnected people and organisations together to benefit society.

The Trust's work is measured by the degree to which grants, and to a lesser extent smaller donations, can be considered to have contributed to projects which meet the above themes. In addition, The Trust considers projects of particular interest to Trustees as well as those which have the potential for wider than just local application or are of national importance; which provide direct benefits to vulnerable or disadvantaged people and communities; which tackle neglected causes, and which strive for excellence.

The Trust also makes grants and donations in the expectation that these sums will lever further funds and encourage the involvement of other funders or organisations. Collaboration with other funders is also important in terms of wider learning. An added benefit The Trust seeks with grant recipients, is to introduce organisations to each other to enhance learning, share good practice and where possible, work together.

In the 2019 financial year, the largest grant was to The Old Vic Theatre of £150,000 towards the development of the adjacent building. This will substantially increase scope for community and education work as well as creating more rehearsal space. Release of the grant is conditional on raising the balance and planning permission and was therefore not included in the balance sheet. Neither of these conditions have yet been met, so again it is not included in the balance sheet for the year under review.

A broad range of grants and donations were made in the UK reflecting the varied interests of Trustees. They included £30,000 to the Vision Foundation for research into domestic abuse affecting those who are visually impaired, £20,000 to Springboard supporting young people with mental health concerns who are seeking to enter the hospitality industry, £10,000 to the Migration Museum for an exhibition highlighting the entrepreneurial skills of migrants to the UK and £10,000 to Lifting Limits which is supporting schools to challenge gender stereotypes and help young people develop their full potential. The Trust's interest in mental health continued through grants to Nip in the Bud and Grief Encounter, and in the arts with a number of small grants to The Almeida, Donmar Warehouse and the Royal Academy of Arts.

The Trust in Israel continued to support activities which aim to strengthen relationships between Jews and Arabs or which seek to improve mental health. The largest grant in the year was made to the Shatil programme which

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

is supporting Arab NGOs to develop their strategies and capacity. Other significant grants were made to Enosh – developing an online support service for young people with mental health issues, Givat Haviva – training Arab community members as mediators who can resolve local conflicts, and Mahapach Taghir – supporting Arab women from Jaffa to gain higher education qualifications. A third area of interest in Israel was added in the year: supporting refugees and asylum seekers. This resulted in grants to new organisations Elifelet and Mesila for their work supporting young asylum seekers with their wellbeing and as advocates for their own needs. Shortly before the end of the year, the Trust made the first of a handful of key grants in response to the Russian invasion of Ukraine and awarded the American Jewish Joint Distribution Committee £50,000 to support those refugees arriving in Israel.

New grants and donations totalling £671,131 (2021: £1,091,521) were committed to 34 organisations in the year (13 in Israel and 21 in the UK). Details of grants of £5,000 and above are given in note 7.

Grant commitments totalling £65,000 were withdrawn during the year under review.

Grants payable during the year amounted to £181,131 in the UK (2021: £542,521) and £490,000 in Israel (2021: £549,000).

Achievements and performance

For those awards which are grants, rather than small donations, The Trust's work is measured by the degree to which each grant contributes to outcomes agreed when the grant was awarded. These cover projects in Israel and the UK. Outcomes are measured in different ways which may include feedback from beneficiaries, formal tracking from statutory agencies or others and data collection. The Trustees consider outcome monitoring on a case-by-case basis and for multi-year grants (usually up to three years), the second or third year's payment will only be released upon receipt of satisfactory progress reports and audited/independently examined accounts.

Public benefit

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The Trust provides public benefit through the making of grants to registered charities and other not-for-profit organisations with charitable objects which contribute to the needs of UK and Israeli society. Each year, The Trust makes a careful judgement between investing in immediate calls on its funds and safeguarding the endowment to meet future needs and challenges. There are no fundraising activities with the public, or from other sources, as the endowment is used and managed to support expenditure of grant awards and donations and can be drawn upon if needed. The Trust therefore has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

The year ahead

The Trust continues to be a predominantly reactive grant maker receiving applications from projects in the UK and Israel as well as other appeals for funding. In Israel, these specifically come from sectors which support improved relations between Jews and Arabs, support of refugees and asylum seekers, and improved mental health. In the UK, appeals come from a wider range of sectors spanning social welfare to the arts and other areas which may be of interest to the Trustees. No changes in funding criteria are planned in the year ahead and the Trust will remain predominantly a reactive grant maker.

FINANCIAL REVIEW

Investment performance and policy against objectives

The Trust had investment income of £648,492 (2021: £675,521). The Trust aims to maximise the investment return, which is the principle and only income stream, to achieve sufficient cash income to maintain the level of grants. The value of the investment portfolio moved in the year from £31,475,286 to £30,919,592. Trustees review expenditure on a regular basis and consider new investments and changes in allocation on a case-by-

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

case basis and do not invest to meet a formal social, environmental or ethical investment policy.

Investments are held in George Capital Estate Fund LP in which the Chairman, The Hon. Robert A Rayne, is also an investor. The Trustees hope to maintain distributions amounting to 2-4% of the capital value of the investments, primarily from income, but also periodically from capital. The distribution in the year was 2.10% of the average capital value of the previous twenty quarters.

The Trustees agreed to hold a strong cash balance due to the uncertainty of global markets particularly affected by Brexit, the world economy and the Covid-19 global pandemic.

The Trustees continue to hold a diverse portfolio, whilst recognising that a significant percentage is held in Derwent London plc. No changes were made to the Trust's investment policies.

Reserves policy

Reserves are held in order to ensure that outstanding commitments can be met and that, if necessary, levels of spending can be adjusted in a measured way.

The policy of the Trustees is to maintain, as far as possible, the Trust's funds in order to generate investment income and to fulfil their responsibilities in supporting future projects.

The Trustees have the power of discretion to convert the expendable endowed capital into unrestricted funds to support charitable activities as required. The Trustees have therefore not set a fixed level of reserves to be maintained. The Trust holds cash balances to manage fluctuations in cash flow and cash liquidity is reviewed quarterly by the Joint Finance & Investment Committee. The Trustees are satisfied that the Trust is in a position to meet all its current and anticipated future commitments.

The Trust had unrestricted funds at the end of the year of £1,345,658 and endowment funds of £31,936,182 (2021: *unrestricted funds of £1,515,015 and endowment funds of £31,974,207*). Free reserves at the year end were £1,345,658.

Risk management

The Trustees confirm that internal control procedures are in place to mitigate risks as far as possible. This includes an annual budget, approved by the Trustees, and monthly financial reporting of actual against budget and other key performance indicators.

Risks relating to financial performance and therefore future distribution, due to volatility of markets, are regularly reviewed by the Joint Finance & Investment Committee (JFIC).

The Trustees conclude that there are sufficient controls in place across the organisation. Processes and procedures continue to be reviewed to ensure that risks are mitigated as far as possible. The comprehensive risk register is reviewed annually by the JFIC covering the three Rayne charities. This covers a range of issues which include loss of key staff (employed by The Foundation), governance, fraud, and reduction in capital and operational risks. Specific examples of risk management include keeping a watching brief on market volatility and portfolio diversification to mitigate loss of capital; reviewing governance and good practice from applicants before grants are awarded; maintaining up to date knowledge of policy or statutory changes/requirements in the sector and setting financial and reporting obligations for grant recipients to monitor multi-year grants before any subsequent payment is released.

Covid-19 and its global impact affected the day-to-day operations of the Trust in terms of moving to remote working, assessing projects and organisations via zoom or equivalent, but grant making continued uninterrupted, alongside managing the additional funds made available. In addition to the significant implication for millions of individuals, investment portfolios sharply fell but have since improved post year end. The Trust

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

holds high cash reserves, which cover all current grant commitments and operating costs and more, so no funding commitments will be cancelled for lack of funds and Trustees can draw upon capital to meet the additional needs of Covid. It will continue to operate as a going concern.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Rayne Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

AUDITOR

Crowe U.K. LLP will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees of The Rayne Trust on 13 December 2022 and signed on its behalf by:



The Hon. Robert A Rayne
Chairman

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RAYNE TRUST

Opinion

We have audited the financial statements of The Rayne Trust (the 'trust') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006.

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 charitable company 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 charitable company'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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RAYNE TRUST (CONTINUED)

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 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company 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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RAYNE TRUST (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation and health and safety legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

In accordance with International Auditing Standards, we planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records including any material misstatements resulting from fraud, error or non-compliance with law or regulations.

However, owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected even though the audit is properly planned and performed in accordance with the ISAs (UK). No internal control structure, no matter how effective, can eliminate

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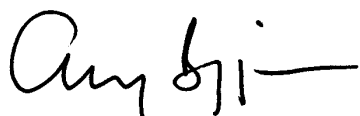
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RAYNE TRUST (CONTINUED)

the possibility that errors or irregularities may occur and remain undetected. In addition, because we use selective testing in our audit, we cannot guarantee that errors or irregularities, if present, will be detected. Accordingly, our audit should not be relied upon to disclose all such misstatements or frauds, errors or instances of non-compliance as may exist.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Biggin (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

4th Floor

St James House

St James Square

Cheltenham

GL50 3PR

Date: 19 December 2022

THE RAYNE TRUST
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Investments	4	648,492	-	648,492	675,521
Total income		648,492	-	648,492	675,521
Expenditure on:					
Raising funds:	5				
Investment manager's fees		943	31,612	32,555	23,938
Charitable activities	6	805,381	-	805,381	884,328
Total expenditure		806,324	31,612	837,936	908,266
Net expenditure before net (losses)/gains on investments		(157,832)	(31,612)	(189,444)	(232,745)
Net (losses) / gains on investments		(11,522)	(6,413)	(17,935)	462,660
Net movement in funds		(169,354)	(38,025)	(207,379)	229,915
Reconciliation of funds:					
Total funds brought forward		1,515,012	31,974,207	33,489,219	33,259,304
Net movement in funds		(169,354)	(38,025)	(207,379)	229,915
Total funds carried forward		1,345,658	31,936,182	33,281,840	33,489,219

The notes on pages 15 to 29 form part of these financial statements.

THE RAYNE TRUST
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REGISTERED NUMBER: 00607648

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	12	30,919,592	31,475,286
Current assets			
Debtors	13	3,752	7,088
Investments	14	1,829	2,243
Cash at bank and in hand		2,979,629	2,937,290
		<u>2,985,210</u>	<u>2,946,621</u>
Creditors: amounts falling due within one year	15	(532,962)	(742,688)
Net current assets		<u>2,452,248</u>	<u>2,203,933</u>
Total assets less current liabilities		<u>33,371,840</u>	<u>33,679,219</u>
Creditors: amounts falling due after more than one year	16	(90,000)	(190,000)
Total net assets		<u><u>33,281,840</u></u>	<u><u>33,489,219</u></u>
Charity funds			
Endowment funds	18	31,936,182	31,974,207
Unrestricted funds	18	1,345,658	1,515,012
Total funds		<u><u>33,281,840</u></u>	<u><u>33,489,219</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

The Hon. Robert A Rayne



Date: 13 December 2022

The notes on pages 15 to 29 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	20	(1,144,326)	(690,408)
Cash flows from investing activities			
Dividends and interest from investments		648,492	675,521
Proceeds from sale of investments		3,883,947	4,460,282
Purchase of investments		(2,568,468)	(1,729,238)
Transfer (to) cash held for investment		(777,306)	(720,673)
Net cash provided by investing activities		1,186,665	2,685,892
Change in cash and cash equivalents in the year		42,339	1,995,484
Cash and cash equivalents at the beginning of the year		2,937,290	941,806
Cash and cash equivalents at the end of the year	21	2,979,629	2,937,290

The notes on pages 15 to 29 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Rayne Trust was incorporated in the United Kingdom as a private company limited by guarantee (registered number 00607648). The Rayne Trust is also registered with the Charity Commission for England and Wales (registered number 207392). Its registered address and principal office is 3 Bromley Place, London, W1T 6DB.

The liability of members in the event of winding up is limited to an amount not exceeding £1 per member; the number of members as at 31 March 2022 was four.

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), the Charities Act 2011 and the Companies Act 2006.

The Rayne 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 Trust has cash resources and no requirement for external funding during the year. The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

Income from investments is included in the Statement of Financial Activities only if received, or declared and receivable.

THE RAYNE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable. Grants and donations expenditure is recognised in full when constructive obligation arises which results in the payment being unavoidable.

Charitable activities include expenditure associated with grants and donations payable and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements and are included within support costs.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

2.5 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.

2.6 Investments

Listed investments are valued at market value as at the Balance sheet date.

Non-listed investments are measured at historic cost and are reviewed annually for impairment.

Gains or losses arising on the revaluation of investments are credited or charged to the Statement of financial activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

2.7 Debtors

Other debtors and accrued income are recognised at the settlement amount due.

2.8 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Creditors

Creditors are recognised when the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

2.10 Taxation

As a recognised charity, the Trust is exempt from corporation tax so far as it relates to its charitable objects.

2.11 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.

2.12 Fund accounting

The unrestricted income fund consists of funds to be used for the purposes of the Trust's objectives at the discretion of its Trustees, and to meet overheads.

The Trust's expendable endowment fund is attributable to the original amount settled on the Trust, subsequent settlements and accumulated capital gains and losses thereon. The endowment is expendable at the discretion of the Trustees on expenditure which meets the charitable objectives of the Trust.

3. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to make judgements and estimates. The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income from listed investments	648,119	648,119	669,916
Interest receivable	373	373	5,605
	<u>648,492</u>	<u>648,492</u>	<u>675,521</u>
<i>Total 2021</i>	<u>675,521</u>	<u>675,521</u>	

5. Investment management costs

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment management fees	943	31,612	32,555	23,938
	<u>8,542</u>	<u>15,396</u>	<u>23,938</u>	
<i>Total 2021</i>	<u>8,542</u>	<u>15,396</u>	<u>23,938</u>	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grant and donation funding	606,131	606,131	691,521
Support costs (note 8)	199,250	199,250	192,807
	<u>805,381</u>	<u>805,381</u>	<u>884,328</u>
<i>Total 2021</i>	<u>884,328</u>	<u>884,328</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Grants and donations awarded during the year

Name of organisation		Awarded (£)
Adam Institute for Democracy and Peace	Equipping Desert Stars staff with Democratic tools for social change.	£ 20,000
American Jewish Joint Distribution Committee-Israel	Towards ensuring that all individuals and families evacuated from Ukraine due to the war who arrive in Israel for temporary shelter will receive immediate aid.	£ 50,000
Elifelet - Citizens for Refugee Children	Towards developing and implementing a comprehensive in-house training, guidance and emotional support programme for Elifelet's staff and volunteers working with refugee children.	£ 45,000
Enosh- The Israeli Mental Health Association	Towards eHeadspace - a walk-in online clinic with digital support, consultation and treatment services, providing online professional therapy (at home) to Israeli youth aged 15-25 (pilot programme).	£ 60,000
GVAT HAVIVA	Towards establishing Mediation and Dialogue Centres and training 25 community members as mediators to serve in each of 5 Arab municipalities to curb violence in Arab sectors.	£ 40,000
Grief Encounter	Towards the expansion of Griefftalk, a free, national and confidential helpline that provides immediate relief and support to bereaved children and young people, parents, and professionals.	£ 10,000
Hagar Association:Jewish-Arab Education for Equality	Towards Scout Troop Adam, the first, integrated, bilingual Arab Jewish Scout Troop offering an innovative model for informal education in co-operation with the Israel Scouts Movement in Beer Sheva.	£ 10,000
Hand in Hand Center for Jewish-Arab Education in Israel	Towards creating a student village for 12 Jewish and Arab graduates studying at the Hebrew University in Jerusalem (a pilot programme).	£ 20,000
International Health Partners UK	Towards the Haiti earthquake appeal.	£ 10,000
Israel Social TV	Towards The Collective (previously 'Hope Hub'): Revolutionizing Jewish/Arab Partnership in Israel's Mixed Cities Through Media	£ 20,000
Jerusalem African Community Center	Towards psychosocial support programme for refugees and asylum seekers in Jerusalem (RAS) - continued funding of social worker.	£ 40,000
Jewish Museum London	Towards core costs.	£ 10,000
Jewish Music Institute	Towards the development of JMI's music therapy programme for older people and individuals living with disabilities.	£ 5,000
JW3 - Jewish Community Centre for London	Towards the salary of Career Coach to support students with career choices and job seeking.	£ 21,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

Grants and donations awarded (continued)

Name of organisation		Awarded (£)
Lifting Limits CIO	Towards the core costs of a charity which challenges gender stereotyping and promotes gender equality, in and through education using a 'whole school' programme.	£ 10,000
Mahapach-Taghir	Towards empowering 30 Arab women (ages 30-60) from Jaffa through higher education.	£ 60,000
Mesila -Treatment for families of Asylum Seekers and other u	Towards empowering a group of young asylum seekers to exercise their communities' rights – creating agents of change.	£ 20,000
Migration Museum Project	Towards an innovative online and out of home public engagement campaign about how migrants have shaped our everyday lives.	£ 10,000
Nip in the Bud	Towards developing Nip in the Bud's website.	£ 10,000
Royal Opera House Covent Garden Foundation	Towards Annual Membership renewal - donation part only.	£ 5,250
Shatil, The New Israel Fund Initiative for Social Change	Towards years 2 and 3 for empowering Arab-Israeli civil society.	£ 100,000
Supporters of Laniado Hospital	Towards Covid-19 Care.	£ 5,000
The Boys Clubhouse	Towards gym participation for 14-17 year olds suffering from mental health/anxiety due to Covid-19 to improve behaviour and mental health.	£ 10,000
The Springboard Charity	Towards new approaches to supporting young people who are experiencing, or at risk of, mental health issues into employment.	£ 20,000
UK Homes 4 Heroes Ltd	Towards a general donation.	£ 5,000
Vision Foundation for London	Towards research on Domestic Violence in the Visually Impaired Community.	£ 30,000
Total value of other donations less than £5,000		£ 24,881
Total donations in the year		£ 671,131

THE RAYNE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of Support Costs

	2022 £	2021 £
Staff costs	79,741	85,143
Staff related costs	5,622	5,008
Israel manager consultancy	63,637	62,148
Premises costs	7,530	9,905
Travel and subsistence	-	(718)
Office costs	20,377	26,232
Governance costs (analysed below)	22,343	22,395
Foreign exchange (gain)/loss	-	(17,306)
	199,250	192,807

Governance costs

	2022 £	2021 £
Professional fees	14,357	14,565
Auditor's remuneration	7,986	7,830
	22,343	22,395

9. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	5,430	5,325
Fees payable to the Trust's auditor in respect of:		
Non-audit services	1,225	1,200

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. Staff costs

	2022	<i>2021</i>
	£	£
Wages and salaries	64,077	68,396
Social security costs	6,726	7,267
Contribution to defined contribution pension schemes	8,938	9,480
	<u>79,741</u>	<u>85,143</u>

All staff, including key management personnel, are employed by the Rayne Foundation, a related charity, and the relevant staff costs as noted above are included in the recharge from the Rayne Foundation of £125,551 (2020: £134,684) as per note 25 to these financial statements.

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

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Fixed asset investments

	Quoted investments £	George Capital £	Total £
Cost or valuation			
At 1 April 2021	30,793,536	681,750	31,475,286
Additions	2,570,797	-	2,570,797
Disposals	(3,883,947)	-	(3,883,947)
Revaluations	(17,935)	-	(17,935)
Movements in cash held as investments	775,391	-	775,391
At 31 March 2022	<u>30,237,842</u>	<u>681,750</u>	<u>30,919,592</u>

The following investments comprise more than 5% of the portfolio:

	Market value	
Derwent London plc	£22,638,340	74.9%

13. Debtors

	2022 £	2021 £
Other debtors	1,738	6,647
Prepayments and accrued income	2,014	441
	<u>3,752</u>	<u>7,088</u>

14. Current asset investments

	2022 £	2021 £
Cash held with Investment Manager	<u>1,829</u>	<u>2,243</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed to related charity	125,551	133,593
Accruals	21,411	19,695
Grants payable	386,000	589,400
	<u>532,962</u>	<u>742,688</u>

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

	2022 £	2021 £
Grants payable	<u>90,000</u>	<u>190,000</u>

Reconciliation of grants payable

	2022 £	2021 £
Commitments at 1 April 2021	779,400	1,535,552
Grants and donations made in the year	671,131	1,091,521
Grants and donations paid in the year	(909,531)	(1,430,367)
Grants withdrawn in the year	(65,000)	(400,000)
Year end exchange rate movement	-	(17,306)
Commitments at 31 March 2022	<u>476,000</u>	<u>779,400</u>

Commitments at 31 March 2022 are payable as follows:

	2022 £	2021 £
Within one year	386,000	589,400
After more than one year	90,000	190,000
	<u>476,000</u>	<u>779,400</u>

THE RAYNE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17. Financial instruments

	2022	<i>2021</i>
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>30,237,842</u>	<u>30,793,536</u>

Financial assets measured at fair value through income and expenditure comprise assets held as investments.

THE RAYNE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
Unrestricted funds	<u>1,515,012</u>	<u>648,492</u>	<u>(806,324)</u>	<u>(11,522)</u>	<u>1,345,658</u>
Endowment funds					
Endowment Funds - all funds	<u>31,974,207</u>	<u>-</u>	<u>(31,612)</u>	<u>(6,413)</u>	<u>31,936,182</u>
Total of funds	<u><u>33,489,219</u></u>	<u><u>648,492</u></u>	<u><u>(837,936)</u></u>	<u><u>(17,935)</u></u>	<u><u>33,281,840</u></u>

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds					
Unrestricted funds	<u>1,742,913</u>	<u>675,521</u>	<u>(892,870)</u>	<u>(10,552)</u>	<u>1,515,012</u>
Endowment funds					
Endowment Funds - all funds	<u>31,516,391</u>	<u>-</u>	<u>(15,396)</u>	<u>473,212</u>	<u>31,974,207</u>
Total of funds	<u><u>33,259,304</u></u>	<u><u>675,521</u></u>	<u><u>(908,266)</u></u>	<u><u>462,660</u></u>	<u><u>33,489,219</u></u>

The Rayne Trust holds an expendable endowment fund, which can be drawn upon either to maintain similar levels of grant making or to support increased grant making/donations as needed.

THE RAYNE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Fixed asset investments	1,475,587	29,444,005	30,919,592
Current assets	485,022	2,500,188	2,985,210
Creditors due within one year	(524,951)	(8,011)	(532,962)
Creditors due in more than one year	(90,000)	-	(90,000)
Total	1,345,658	31,936,182	33,281,840

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Endowment funds 2021 £</i>	<i>Total funds 2021 £</i>
Fixed asset investments	1,488,246	29,987,040	31,475,286
Current assets	952,911	1,993,710	2,946,621
Creditors due within one year	(736,145)	(6,543)	(742,688)
Creditors due in more than one year	(190,000)	-	(190,000)
Total	1,515,012	31,974,207	33,489,219

THE RAYNE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(207,379)	229,915
Adjustments for:		
Losses/(Gains) on investments	17,935	(462,660)
Dividends and interest from investments	(648,492)	(675,521)
Decrease in debtors	3,336	960,683
(Decrease) in creditors	(309,726)	(742,825)
Net cash used in operating activities	(1,144,326)	(690,408)

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	2,979,629	2,937,290
Total cash and cash equivalents	2,979,629	2,937,290

22. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	Cash withdrawn from Investments £	At 31 March 2022 £
Cash at bank and in hand	2,937,290	467,582	(425,243)	2,979,629
Liquid investments	2,243	(414)	-	1,829
	2,939,533	467,168	(425,243)	2,981,458

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

23. Grant commitments

At the year end the charity continued to hold a conditional grant commitment amounting to £150,000 to The Old Vic Theatre (2021: £150,000). This has not been recognised within grant commitments within liabilities.

24. Related party transactions

The Rayne Trust holds 3.02% (2021: 3.02%) of shares in LMS Capital plc and 0.63% (2021: 0.69%) of shares in Derwent London plc.

The Rayne Trust holds an investment of £236,257.33 (£0.49 of capital commitment and £236,256.84 of Loan commitments) in George Capital Real Estate Fund LLP (the "Fund 1"). The commitments invested represent 2.175% of the total commitments in Fund 1 (2021: 2.175%). Other limited partners include The Rayne Foundation Chairman the Hon. Robert A Rayne (SQP Ltd), holding 11.25% of total commitments in Fund 1 (2021: 11.25%).

The Rayne Trust also holds an investment of £445,493.16 (£0.50 of capital commitment and £445,492.66 of Loan commitments) in George Capital Real Estate Fund 2 LLP (the "Fund 2"). The commitments invested represent 2.02% of the total commitments in Fund 2 (2021: 2.02%). Other limited partners include The Rayne Foundation Chairman, The Hon. Robert A Rayne (SQP Ltd), holding 7.19% total commitments in Fund 2 (2021: 7.19%).

No other partners included in Fund 1 and 2 have any connections with The Rayne Trust.

Lady Jane Rayne, The Hon. Robert A Rayne and Natasha Rayne also serve as Trustees of The Rayne Foundation (TRF), a company limited by guarantee and a registered charity.

During the year The Rayne Foundation (TRF) recharged expenses to TRT totalling £125,551 (2021: £134,684). At the year end the balance within TRF debtors due from TRT is £125,551 (2021: £133,593).

Damian Rayne is a Trustee of The Mark Elie Dance Foundation, a registered charity. During the year a donation of £Nil was made to this charity (2021: £5,000).