



# **ROWLAND HILL MEMORIAL AND BENEVOLENT FUND**

## **ANNUAL REPORT**

For the year ending: 31 March 2023

Registered Charity Number: 207479

## Trustees' Report

### Mission Statement

To provide practical financial support to past and present employees of Royal Mail Group Ltd and Post Office Ltd in their time of greatest need.

### Key staff

<b>Fund Manager</b>	Grace Owen
<b>Fund Coordinator</b>	Dawn Moir
<b>Communications Manager</b>	Shan Lawrence
<b>Accountant</b>	John Elson

### Contact information

Rowland Hill Fund, Royal Mail, 185 Farringdon Road, London, EC1A 1AA  
0800 232 1762  
[www.rowlandhillfund.org](http://www.rowlandhillfund.org)

## Rowland Hill Memorial and Benevolent Fund

### **Board of Trustees**

Dale Haddon (**Chair**)

Dr Shaun Davis (**Deputy Chair**)

David Blake

Ernie Dudley

Helen Bradshaw (invited to join in October 2023; to formalise in November 2023)

Ian McKnight

Kate Martin (joined May 2023)

Louise Alexander

Mel Tomlin

Richard Poole

Rodney Jagelman

### **Auditors**

Knox Cropper LLP, 65, Leadenhall Street, London EC3A 2AD

## Chair's Report

The Fund received a record-breaking 1500 inquiries to its helpline during FY22/23. Following its introduction in 2022, the online application form has allowed many more applicants to reach us. We made key logistical updates to the process and continue to see high demand for our services.

Alongside this, we maintain our telephone application service to ensure those without computer access can still apply.

Applicants continue to face complicated financial challenges, which often include not only health and economical challenges, but consequential impact on mental health too. This was exacerbated by the global cost-of-living and energy crises.

The number of awards granted was 368, and hardship grants stood at over £309,000. Both figures dropped slightly from the previous year, but remain steady.

I would like to give a special thanks to Royal Mail Group for their continued support of the Fund, particularly around donated services. These include support from departments including Building Services, Pensions, Accounts Payable and HR Services.

I would also like to thank to the Post Office Remembrance Fellowship (PORF), Civil Service Insurance Society (CSIS) Charity Fund and Commsave for their generous donations over the year. These organisation form part of our Corporate Sponsorship initiative, details of which can be found on our website.

We are grateful for the continued support of our Patron, HRH The Princess Royal, particularly in such challenging personal circumstances.

Thank you to all our fundraisers and ambassadors across the year, without whom we could not do the work we do. A special mention to the 18-strong group of cyclists from the RMG Midlands Super Hub project team. A mixture of developers, consultants, contractors spent three days pedalling across the UK and Europe. *"The Rowland Hill Fund was the obvious choice"* said Jonathan Howard, property programme manager. They raised an incredible £33,784.

We also saw fundraising from across the country from various cake sales, jumper days and Christmas Advent Calendar initiatives. A huge thank you to everyone who has supported the Fund during the financial year. ***Dale Haddon, Chair***

## **Structure, governance and management**

The Fund is a registered charity founded as a permanent memorial to the great postal reformer Sir Rowland Hill, who retired as Secretary to the Post Office in 1864.

Established in 1882, the work of the Fund is governed by its Trust Deed. The objects, as defined by its Trust Deed, are “the relief of need among employees and former employees of the Post Office and their widows and widowers and other dependants throughout the United Kingdom suffering hardship as a result of poverty, age or infirmity”. The Fund assesses each application’s needs against its standard criteria, as laid down in its grant making policy documentation.

The policies of the Fund, as administered in line with the Trust Deed, are determined by a body of trustees. These volunteer trustees offer a variety of experience and skills to steer the Fund, and include a lawyer, present and past senior Royal Mail managers and external directors.

The day-to-day running of the Fund is carried out by a full-time Fund Manager, a part-time Fund Coordinator, a part-time Communications Manager and a part-time Accountant. The employees of the Fund prepare and review the cases, a selection of which are audited by the Trustees at fortnightly meetings.

The trustees have adopted the provisions of 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).

## **Recruitment and appointment method**

The Nominations Committee, formed of the Chair and two other trustees, is responsible for the recruitment and appointment of Trustees and the Fund Manager. The Committee ensures recruitment is carried out in an open and inclusive way, valuing and promoting diversity, and enabling appointments to be made in line with the skills required.

### **Induction and training of Trustees**

New trustees are given an in-person induction from the Fund team, alongside external training if appropriate. They are presented with the latest Annual Report and minutes of the most recent Trustee Meeting to acquaint themselves with the types of cases the Fund handles and other work in which the Fund is involved.

### **The charity's objectives**

- To award one-off grants for specific needs
- To secure regular donations to the Fund from external supporters and serving Royal Mail Group employees and pensioners
- To review the efficacy of current arrangements and plan their improvement

### **Significant activities contributing to achievement**

- Publicising the Fund by means of communications and fundraising events, both with a view to (i) attracting regular contributors and donations, and (ii) seeking out and assisting those in need
- Careful recording, monitoring and reviewing of all cases

### **Types of applications**

The Fund continues to fulfil its mission: to help postal people in their time of greatest need.

The nature of cases continues to be complex, with significant connection between financial and mental health. Applicants are signposted to additional resources via our website. We have introduced a new partnership with Citizens Advice, and continue to promote our relationships with StepChange, SSAFA and Christians Against Poverty.

Other requests included support for utility bills, rent, mortgage and council tax. We received a number of applications from those navigating long-term sickness and/or unexpected health challenges. We have also awarded grants towards disability aids such as Electrically Powered Vehicles, home and heating repairs, funeral expenses, white goods and travel to/from hospital treatments.

## **Beneficiary Case Studies**

- **Royal Mail employee Gary – mortgage and Council Tax support following a life-changing traffic accident**

Gary was hit by a car whilst cycling to work. He had emergency surgery to avoid losing his leg. The operation was successful, and he returned to work six months later. However, following a long rehabilitation process, he required further surgery. Walking is still challenging, and he experiences significant hip and lower back pain.

Gary lives with his wife Anna and two children, Liam age 6 and Lucy age 2. His ability to work was significantly affected, and he was moved to half-pay. Due to the reduction in household income, the Fund awarded a grant for his mortgage and council tax, totalling £1280.

- **Pensioner Jackie – covering the cost of a Personal Alarm**

Jackie is a Royal Mail pensioner. She lives alone and relies on a personal alarm to live independently knowing she can call for help 24/7. However, she contacted the Fund after not being able to afford the annual rental for the equipment. She receives a small income made up of State Pension and DLA.

The Fund awarded £272.60 to pay for the annual invoice.

## **Additional acknowledgements**

We would like to acknowledge Ruffer LLP and Ninety-One who manage our financial assets and Knox Cropper LLP who acted as our auditors for 22/23.

We work closely with the Postal Family Fund (PFF) to refer cases where appropriate. They now manage their payments of their awards and administration in-house.

## **Review of the activities and plans for future periods**

The Trustees meet quarterly to review the activities and performance of the Fund. They consider current trends in contributions and donations and how best to meet the needs of beneficiaries. Ongoing plans are prepared to take account of changing contribution levels and communication channels, and the current investment climate, technological requirements and the relationship with the employers.

## **Reserves policy**

The reserves of the Fund were originally established by Deed of Trust to be invested in furtherance of the aims of the Charity. These funds include the capital reserves of the Rowland Hill Fund, the Sir James Whitehead Fund, the Second Post Office Relief Fund, and the Insurance Society of Post Office employees. The Trustees are conscious that regular staff and pensioner donations are reducing, and, in the future, more reliance may be placed on financing from investments.

Since April 2019, our funds have been handled by two investment managers: Ninety-One and Ruffer. We believe that their performance over the four years has fully justified their appointment; and at 31 March 2023 our portfolio was valued at £5,305,646. This is a small reduction from last year's figure of £5,308,726, although achieved in a very difficult period for the markets. We feel confident that we have funds to sustain our work into the foreseeable future for both grant distribution and administration.

The current level of free reserves stands at £5,822,362 (2022 – £5,772,466).

## **Investment policy**

The Fund policy, set by the Trustees, is to maximise the return on investment with minimum risk. The Trustees are confident that the performance of the current investment managers meets this policy.

## **Funding sources**

The principal funding sources during the year were:

- RMG employee and pensioner contributions
- Donations from our Corporate Sponsors: Civil Service Insurance Society Charity Fund, Commsave, Post Office Remembrance Fellowship and private donors
- Investments
- Legacies – we received notification of a legacy which has been brought to account in 2022/23.
- Wider population donations and fundraising



## **Achievements and performance**

The Fund has in place the following performance measures, which are reviewed bi-annually:

- Time from initial referral to granting awards
- Ratio of contributors to serving employees/pensioners.
- Investment achievement
- Ratio of internal costs to awards given (costs are defined as all internal costs apart from accommodation and welfare; i.e. salaries, marketing and administration costs)
- Measurement of customer satisfaction judged by correspondence received.
- Longer term targets covering contributor levels

## **Risk**

The trustees have produced a Risk Register which details the principal risks affecting the Fund. It includes the current actions and – where relevant - actions to minimise the risks. The Risk Register is reviewed annually.

The key risks identified, and the action taken to mitigate these are:

- Loss of Royal Mail Support. This is the risk that Royal Mail may withdraw benefits including the Helpline service, payment processes and accommodation. We work closely with Royal Mail throughout and are highly regarded by many senior executives in the business.
- A continued reduction in RM employee numbers, and hence potential subscribers, leading to reduced income. The Fund continues to undertake regular fundraising initiatives to increase donations.
- Insufficient reserves caused by increased awards and falling stock markets. We have recently appointed new investment managers, and reports are given at quarterly Trustee meeting by the investment sub-committee.
- Sudden increases in applications. We continue our fundraising efforts and develop contingency plans. We may consider additional budgeting methods in the future, to mitigate unexpected demand.
- Loss or reduction in donations from the employers. Donations from Royal Mail and Post Office Ltd vary from year to year and we take that into consideration.
- Loss of Corporate Sponsorship donations. We continue to liaise with our partners to maintain good working relationships.

- Unplanned loss of key staff. This is mitigated by better sharing of knowledge between staff members.

### **Grant making policy**

The Fund assists current Royal Mail Group Ltd and Post Office Ltd employees, pensioners and their dependants. Beneficiaries must be experiencing financial hardship and satisfy criteria regarding their own financial resources. Generally, help will be in the form of a one-off grant based on the applicants' circumstances and what is required.

Applications for financial assistance are received direct from employees and pensioners through the Helpline as well as from other charities and public sector agencies. They are coordinated by the Rowland Hill Fund team by reference to agreed guidelines and are determined in such a way as to ensure that the Fund supports those most in need.

## **Financial review**

### **Summary of the overall financial position**

The Fund finished the year with a net deficit of £373 (2022 – a deficit of £113,532).

We received no legacies during the year although we were notified that we are due to receive a portion of a property when a house sale was complete. The sale was completed in October 2023 and the legacy of £57,334 has been brought into the 2022-23 accounts. We received £17,448 Gift Aid tax relief which this year was boosted by some exceptional fundraising efforts. We also received two very generous personal donations, a generous donation of £50,000 from the Post Office Fellowship, £25,000 from CommSave and £20,000 from the Civil Service Insurance Society Charity Fund. During the year our regular income from employee and pensioner donations fell by 7.9%. This year the reduction was not as great as in previous years but we need to stem this trend. During the year we gave £309,457 in grants which is a reduction from the previous year. Our one-off donations and fundraising raised a record £252,519, (2022 – 179,017)

## Resources

The table below shows the position over the last three years.

Comparison of Accounts	2022/23 (£)	2021/22 (£)	2020/21 (£)
Employee Contributions	56,147	58,948	63,612
Pensioner Contributions	110,510	122,002	133,872
Other Contributions	257,144	144,372	128,422
<b>Total Donations from Royal Mail Group Staff and the Public</b>	<b>423,801</b>	<b>325,322</b>	<b>325,906</b>
Royal Mail Group Ltd Donation	-	-	750,000
CSIS Charity Fund Donation	20,000	40,020	50,000
Donated services from RMG Ltd	60,000	60,100	60,100
Legacies	57,334	96,506	162,906
Gift Aid Tax Relief	17,448	20,110	14,725
Investment Income	-	-	-
Interest Income	1,739	48	398
Sundry Income	9,500	17,725	15,890
<b>Total Incoming Resources</b>	<b>589,822</b>	<b>559,831</b>	<b>1,379,925</b>
Regular Grants	(900)	(3,750)	(7,736)
One Off Grants	(308,557)	(398,175)	(812,615)
<b>Total Grants Paid Out</b>	<b>(309,457)</b>	<b>(401,925)</b>	<b>(820,351)</b>
Costs of generating funds	(108,050)	(107,552)	(180,351)
Support Costs (inc Royal Mail Group	(122,436)	(115,975)	(114,097)
Management and Administration	(50,252)	(47,911)	(45,698)
<b>Total Resources Expended</b>	<b>(590,195)</b>	<b>(673,363)</b>	<b>(1,160,497)</b>
<b>Surplus/(Deficit)</b>	<b>(373)</b>	<b>(113,532)</b>	<b>219,428</b>

## **Investment performance**

Performance of the investment managers was monitored monthly throughout the year. The Fund's investments are now held in accumulation funds with Ninety-One and Ruffer. Income generated by the underlying investments within those funds is reflected in the value of the units held. At 31 March 2022, the value of the investments was £5,308,726. At 31 March 2023 our portfolio stood at £5,305,646, a slight decrease in value over the year of £3,080, but in a year of volatile markets. We remain satisfied with the performance of Ninety-One and Ruffer and we are pleased at the result achieved during a difficult year.

## **Public Benefit clause**

The Trustees have taken account of the Charity Commission's guidelines regarding the public benefit that arises in meeting the Charity's aims.

We will support colleagues, pensioners and dependants irrespective of whether they contribute to the Fund. The Trustees consider that this represents a significant size of population eligible for help.

## **Statement of Trustees' responsibilities in respect of the Trustees' Report and the financial statements**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;


## Rowland Hill Memorial and Benevolent Fund

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved on behalf of the Trustees

Name: Dale Haddon

Signature: 

Date: 12 / 12 / 2023

## **Independent auditor's report to the Officers and Trustees of the Charity for the year ended 31 March 2023**

### **Opinion**

We have audited the financial statements of Rowland Hill Memorial and Benevolent Fund (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Our responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations



included the risk of management override and the assessment procedures to validate beneficiaries.

- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

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

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Knox Cropper LLP

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

65 Leadenhall Street

London

EC3A 2AD

18/12 2023

## Statement of Financial Activities

### For the year ended 31 March 2023

		2023	2022
		<i>Unrestricted</i>	<i>Unrestricted</i>
		<i>Funds</i>	<i>Funds</i>
	Notes	£	£
<b>Income and endowments from:</b>			
<b>Donations and legacies:</b>			
Donations from Royal Mail Group Ltd staff and the public		423,801	325,322
Donations from Royal Mail Group		-	-
Donations from Civil Service Insurance Society Charity Fund		20,000	40,020
Value of donated services from Royal Mail Group Ltd	8	60,000	60,100
Legacies	2	57,334	96,506
Gift Aid Tax Relief		17,448	20,110
<b>Other:</b>			
Interest income	3	1,739	48
Sundry income		9,500	17,725
<b>Total</b>		<b>589,822</b>	<b>559,831</b>
<b>Expenditure on:</b>			
Raising funds			
Investment management fees	10	(53,349)	(52,971)
Costs of generating voluntary income	5,7	(104,953)	(102,492)
Charitable activities:			
Grants payable in furtherance of the Fund's objects	4	(309,457)	(401,925)
Support costs relating to grants and loans payable	6	(122,436)	(115,975)
<b>Total</b>		<b>(590,195)</b>	<b>(673,363)</b>
Gains / (Losses) on investment assets	10	50,269	230,573
<b>Net movement in funds</b>		<b>49,896</b>	<b>117,041</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		5,772,466	5,655,425
<b>Total funds carried forward</b>		<b>5,822,362</b>	<b>5,772,466</b>

The accompanying notes form part of the financial statements

## Balance Sheet at 31 March 2023

		2023	2022
		<i>Unrestricted</i>	<i>Unrestricted</i>
		<i>Funds</i>	<i>Funds</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
<b><i>Fixed assets</i></b>			
Investments	10	5,305,646	5,308,726
		<hr/>	<hr/>
<b><i>Current assets</i></b>			
Debtors: amounts falling due within one year	12	69,618	96,901
Debtors: amounts falling due after more than one year	12	12,543	12,543
Cash at bank and in hand held in a deposit account		476,112	527,426
		<hr/>	<hr/>
		<b>558,273</b>	<b>636,870</b>
<b><i>Liabilities</i></b>			
Creditors: amount falling due within one year	13	(41,557)	(173,130)
		<hr/>	<hr/>
<b><i>Net current assets</i></b>		516,716	463,740
		<hr/>	<hr/>
<b><i>Total net assets</i></b>		5,822,362	5,772,466
		<hr/>	<hr/>
<b><i>The funds of the Charity</i></b>			
Unrestricted funds	14	5,822,362	5,772,466
		<hr/>	<hr/>
Total Charity funds		<b>5,822,362</b>	<b>5,772,466</b>
		<hr/>	<hr/>

The financial statements were approved by the Board of Trustees and authorised for issue on 2023 and were signed on its behalf by,

***Trustee***

Trustee Name Dale Haddon


***Date***

12 / 12 / 2023

The accompanying notes form part of the financial statements

**Notes to the financial statements**  
**at 31 March 2023**

**Statement of Cash Flows for the year ending 31 March 2023**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by/(used in) operating activities</b>	<u>(106,402)</u>	<u>(182,215)</u>
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	1,739	48
Net disinvestment/(investment) in portfolios	53,349	52,971
<b>Net cash provided by/(used in) investing activities</b>	<u>55,088</u>	<u>53,019</u>
<b>Change in cash and cash equivalents in the reporting period</b>	(51,314)	(129,196)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	527,426	656,622
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>476,112</u>	<u>527,426</u>
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities:</b>		
	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Net income/(expenditure) for the reporting period	(373)	(113,532)
Dividends and interest from investments	(1,739)	(48)
(Increase)/Decrease in debtors	27,283	(73,777)
Increase/(Decrease) in creditors	(131,573)	5,142
<b>Net cash provided by/(used in) operating activities</b>	<u>(106,402)</u>	<u>(182,215)</u>

## **Notes to the financial statements at 31 March 2023**

### **1. Accounting policies**

#### **Basis of preparation**

The financial statements of the charity, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets. The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The financial statements are presented in pound sterling.

#### **Incoming resources**

Donations, legacies and donated services are recognised when entitlement, probable and measurable criteria have all been met. All incoming resources are stated gross of expenditure.

#### **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation to incur the expenditure. Commitments represent the grants and loans authorised by the Trustees but not paid at that date. Costs of generating grants and loans are accounted for in the period in which they are authorised by the Trustees. Support costs comprise processing grants and applications, including assistance to actual and potential applicants. Management and administration comprises costs for the running of the Fund itself as an organisation. Where costs cannot be directly attributed to either of these two categories it is estimated based on activity levels that 75% of non-staff costs are attributable to support costs with the balance attributable to management and administration. For staff, the costs of those working on case-work are regarded as support costs and the accountant as management and administration. In the case of the manager it has been decided to apportion her costs as one third to management and administration, one third to support and one third to generating funds.

#### **Investments**

Investments are included at market value. Realised and unrealised gains and losses on investments are included in the statement of financial activities (SOFA).

#### **Loans receivable in excess of one year**

Loans to beneficiaries are backed by an agreement to remit the balance to the Fund on death or sale of the beneficiary's property or on leaving the service. Irrecoverable amounts are written off against the loan balances in the year in which they become irrecoverable. For the year ended 31 March 2023 no loans were written off (2022 – loans to the value of £5,040 were written off).

## Notes to the financial statements (Continued) at 31 March 2023

### Funds

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

#### 2. Legacies

We were notified of a legacy during the year of £57,334. (2022 - £96,506).

#### 3. Interest income

	2023 £	2022 £
Deposit Accounts	1,739	48
	<b>1,739</b>	<b>48</b>

#### 4. Grants payable

	2023 £	2022 £
The amounts payable in the year comprise:		
Cost of living grants to relieve financial hardship	900	3,750
Lump sum grant payments	308,557	398,175
Total grants payable	<b>309,457</b>	<b>401,925</b>
	2023 £	2022 £
Reconciliation of grants payable		
Commitments at 1 April	900	661
Commitments made during the year	309,457	401,925
Grants paid during the year	(315,357)	(401,686)
Commitments at 31 March (Note 13)	<b>5,000</b>	<b>900</b>

All commitments as at 31 March are due within one year.

## Notes to the financial statements (Continued) at 31 March 2023

<b>5. Costs of generating voluntary income</b>	<b>2023</b>	<b>2022</b>
	£	£
Salaries (Note 9)	48,116	46,658
Advertising	4,175	3,729
Sundries	2,410	4,194
Governance costs (Note 7)	50,252	47,911
	<u>104,953</u>	<u>102,492</u>
<b>6. Support costs</b>	<b>2023</b>	<b>2022</b>
	£	£
Salaries (Note 9)	55,247	61,932
Accommodation costs	16,875	22,200
Welfare costs	37,500	30,500
Other costs	12,814	1,343
	<u>122,436</u>	<u>115,975</u>
<b>7. Governance costs</b> (Included in Note 5)	<b>2023</b>	<b>2022</b>
	£	£
Salaries (Note 9)	34,219	32,873
Accommodation costs	5,625	7,400
Insurance	2,546	2,141
Audit fees	5,500	5,370
Other costs	2,362	127
	<u>50,252</u>	<u>47,911</u>

## 8. Related party transactions

The Fund received the following donated services:-

Accommodation valued at £22,500 (2022 – £29,600) based on current accommodation costs, and the provision of welfare services at £37,500 (2022 – £30,500). This amount has been included in the SOFA under incoming resources in “Donated services from Royal Mail Group Ltd” and in resources expended under “Support costs relating to grants and loans payable”, in line with the Charities SORP (FRS 102). In addition, the Rowland Hill Benevolent Fund benefits from the use of a number of services provided by Royal Mail Group Ltd which are not material to the accounts. These relate to the issuing of cheques to beneficiaries, the collection of donations via the Royal Mail Group Ltd pay units, and the provision of postage and telephones. The accommodation costs were re-visited during the year and based on the area of the office and rentable values in that area of London. It is accepted that the previous costs were based upon a larger office. Welfare costs have increased due to salary levels.

## Notes to the financial statements (Continued)

### at 31 March 2023

#### 9. Staff costs

	2023	2022
	£	£
Gross wages and salaries	118,905	123,608
Employer's national insurance costs	11,556	10,956
Employer's pension contributions	7,121	6,898
	<u>137,582</u>	<u>141,462</u>
	<i>Number</i>	<i>Number</i>
The average number of employees during the year, calculated on a full-time equivalent basis, was:	<u>3.1</u>	<u>3.3</u>

No employee received remuneration of more than £60,000 in either year. No Trustee claimed travelling expenses during the year.

#### 10 Investments

The investment performance of the funds during 2022/23 is set out below.

	2023	2022
	£	£
<b>Ninety-One</b>		
Market Value at 31 March 2022 / Sum invested in April	2,229,951	2,249,216
Increase/(Decrease) in Investment value	(16,514)	(1,991)
Net Reinvestments / (Cash withdrawals) during year	-	-
Management fees	(16,267)	(17,274)
Market Value as at 31st March 2023	<u>2,197,169</u>	<u>2,229,951</u>
<b>Ruffer</b>		
Market Value at 31 March 2022 / Sum invested in April	3,078,775	2,881,908
Increase/(Decrease) in Investment value	66,783	232,564
Net Reinvestments / (Cash withdrawals) during year	-	-
Management fees	(37,082)	(35,697)
Market Value as at 31st March 2023	<u>3,108,476</u>	<u>3,078,775</u>



## Notes to the financial statements (Continued)

### at 31 March 2023

#### 11. Indemnity insurance

The insurance premium of £2,546 covers the cost of personal accident and the travel for the staff and Trustees, Trustees liability indemnity and employers' liability insurance (2022 – £2,141).

#### 12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Loans outstanding	-	2,050
Accrued income:		
Donations due & fees paid	69,618	94,851
	<u>69,618</u>	<u>96,901</u>
	2023 £	2022 £
Amounts falling due after more than one year:		
Individual loans granted	12,543	12,543
	<u>12,543</u>	<u>12,543</u>

#### 13. Creditors

	2023 £	2022 £
Grants and loans authorised but not paid	-	900
Amount due to Royal Mail Group Ltd	30,960	161,767
Bank Charges	13	9
Sundry creditors	10,584	10,454
	<u>41,557</u>	<u>173,130</u>

#### 14. Funds

Funds comprise the capital reserves of the Rowland Hill Fund, which were established in the Trust Deed of 1882 together with the funds from the Second Post Office Relief Fund, the Sir James Whitehead Fund and the Insurance Society of Post Office Employees. The Second Post Office Relief Fund was established to assist widows of those killed in the Second World War. However, the funds, which were incorporated in 1999, were more than sufficient to provide this help. All of these widows have now passed away. The Trustees have designated all the funds as unrestricted.

**Notes to the financial statements (Continued)  
at 31 March 2023**

**15. COVID-19 Pandemic**

Since 31st March 2020, the COVID-19 pandemic has affected the Fund. We assisted, and continue to assist, many Royal Mail staff who have been impacted and in 2020 the Fund received a generous donation from Royal Mail to enable us to meet these extra commitments. Since 2020/21 the pandemic has receded and the Fund has returned to normality. The industrial climate precluded our usual fundraising events during the year. We were also unable to conduct many of our usual fundraising events during the year, but we were very pleased to receive two large donations amounting to £90,000. A postponed gala is scheduled for November 2023.

**16. Post Balance Sheet**

We have been notified of a legacy whereby we would receive a proportion of a property when sold. The sale was completed in October 2023 and we have been notified that our proportion will be £57,334

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