

The Lord Austin Trust

Trustees' Report and Financial Statements

For the Year Ended 31 March 2024

The Lord Austin Trust

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**Reference and Administrative Details of the Trust, its Trustees and Advisers
For the Year Ended 31 March 2024**

Trustees	A N Andrews, Chairman R S Kettel (Retired 16 November 2023) K M Dudley (deceased 15 October 2024) R J Hunt S E Wood
Charity registered number	208394
Principal office	Shakespeare Martineau No 1 Colmore Square Birmingham B4 6AA
Principal operating office	The Estate Office Wharf Cottage Broombank Tenbury Wells Worcestershire WR15 8NY
Accountants	Dains Audit Limited 2 Chamberlain Square Paradise Circus Birmingham B3 3AX
Bankers	HSBC Bank PLC PO Box 68 130 New Street Birmingham B2 4JU
Solicitors	Shakespeare Martineau No 1 Colmore Square Birmingham B4 6AA
Investment Advisers	Rathbone Investment Management Limited 1 Curzon Street London W1J 5FB

**Trustees' Report
For the Year Ended 31 March 2024**

The Trustees present their annual report together with the financial statements of the Trust for the year 1 April 2023 to 31 March 2024.

Objectives and activities

a. Policies and objectives

The Charity provides financial assistance for strictly charitable purposes with the desire that preference should be given to:

- a) Hospitals and Clinics.
- b) Institutions whose objects are:
 - Medical and/or surgical research and similar and/or allied objects.
 - The care, maintenance, education and upbringing of poor children. In particular the Testator desired that the Trustees should consider Barnardo's and similar institutions
 - The care of destitute old people.
 - Projects that the Trustees consider would benefit the local community.

The Charity has the general aim of contributing to the quality of life of people.

There have been no changes in the objectives and aims since the last annual report.

The Trustees ensure that the Charity's investment portfolio generates income to provide funds for them to make grants to a wide range of causes to fulfil its objectives.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Grant-making policies

The Trustees normally meet biannually to consider which grants they will award, in line with the preferences listed above, and to review any feedback they have received.

Achievements and performance

a. Review of activities

The Trust's financial statements are set out on pages 8 to 18.

The testator gave the Trustees absolute discretion in the appointment of the income and capital available amongst such institutions as they may determine from time to time.

The Charity received investment income during the year of £137,633 (2023 - £137,646). The Trustees made donations amounting to £123,500 (2023 - £118,700) to a wide range of causes. The net decrease in resources for the year amounted to £2,965 (2023 - net increase of £3,084) before taking into account net gains on investments for the year of £231,004 (2023 - net losses of £336,886). Total funds have increased from £4,044,073 to £4,272,112 (2023 - decreased from £4,377,875 to £4,044,073).

The value of the Trust's investments stand at £4,161,206 at the year end (2023 - £3,930,202).

The Trustees are of the opinion that the balance sheet discloses funds adequate for the purpose of fulfilling the obligations of the Trust.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The free reserves of the Charity as at 31 March 2024 were £4,272,112 (2023: £4,044,073) as represented by unrestricted funds. The Charity will aim to hold sufficient reserves are held to ensure that the Charity can continue its grant making activities in the future.

c. Investment policy

The Charity's investments are managed by Rathbone Investment Management Limited. The investment manager provides quarterly reports and meets with the Trustees twice a year to review the Charity's investments. The investment objectives are to seek to produce optimum total return in order to maintain the capital value of the portfolio in line with inflation and produce an annual income of at least £120,000. The Trustees wish to adopt a medium risk investment strategy, which should be achieved through a diversified portfolio of marketable investments.

The Trust Deed does not impose any specific restrictions on the way the Charity can operate. It is the policy of the Trustees that assets are invested in the widest range of investments as permitted by the Trustee Act 2000.

Trustees' Report (continued)
For the Year Ended 31 March 2024

Structure, governance and management

a. Constitution

The Lord Austin Trust is a registered charity, number 208394, and is governed and constituted by the Will and Codicil of the late Right Honourable Herbert Baron Austin of Longbridge KBE and varied in an order of the High Court of Justice (Chancery Division) dated 22 February 1962 and a scheme dated 6 March 2007 and is registered with the Charity Commission.

b. Methods of appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Deed.

The Trustees who served during the year were:

- A N Andrews
- R S Kettel (resigned 16 November 2023)
- K M Dudley (deceased 15 October 2024)
- R J Hunt
- S E Wood

c. Organisational structure and decision-making policies

Overall responsibility for the Charity's activities is vested in the Trustees, who are appointed under the terms of the Trust Deed.

All matters of policy and management are determined by the Trustees who meet bi-annually and at such other times as circumstances require. The Chairman is authorised to sanction emergency grants which are reported to the Trustees at their next meeting.

d. Policies adopted for the induction and training of Trustees

A new Trustee would receive a copy of the governing document, a copy of the previous year's financial statements and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know'.

e. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems are in place to mitigate our exposure to major risks. The major risk continues to be a long-term decline in asset values which reduces the amount available for charitable grants. This is mitigated by ensuring that sufficient headroom is maintained in asset values and grants committed.

Trustees' Report (continued)
For the Year Ended 31 March 2024

Plans for future periods

The Trustees, with the assistance of the investment manager, continue to monitor stock market performance to ensure that the Charity's income and capital are maintained as well as possible. The Trustees intend to continue providing grants and donations for charitable purposes in accordance with the procedures and policies stated above.

Approved by order of the members of the board of Trustees on 14 November 2024 and signed on their behalf by:

A N Andrews
Trustee

**Statement of Trustees' responsibilities
For the Year Ended 31 March 2024**

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity Commission Scheme. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 14 November 2024 and signed on its behalf by:

A N Andrews
Trustee

The Lord Austin Trust

Independent Examiner's Report For the Year Ended 31 March 2024

Independent Examiner's Report to the Trustees of The Lord Austin Trust ('the Trust')

I report to the charity Trustees on my examination of the accounts of the Trust for the year ended 31 March 2024.

Responsibilities and Basis of Report

As the Trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Your attention is drawn to the fact that the Trust has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Dated: 14 November 2024

Andrew Morris FCA

Dains Audit Limited

Birmingham

The Lord Austin Trust

Statement of financial activities
For the Year Ended 31 March 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Investments	3	137,633	137,633	137,646
Total income		137,633	137,633	137,646
Expenditure on:				
Raising funds	4	7,987	7,987	8,017
Charitable activities	6	132,611	132,611	126,545
Total expenditure		140,598	140,598	134,562
Net (expenditure)/income before net gains/(losses) on investments		(2,965)	(2,965)	3,084
Net gains/(losses) on investments		231,004	231,004	(336,886)
Net income/(expenditure)		228,039	228,039	(333,802)
Net movement in funds	12	228,039	228,039	(333,802)
Reconciliation of funds:				
Total funds brought forward		4,044,073	4,044,073	4,377,875
Net movement in funds		228,039	228,039	(333,802)
Total funds carried forward	12	4,272,112	4,272,112	4,044,073

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 10 to 18 form part of these financial statements.

The Lord Austin Trust
Registered number:

Balance Sheet
As at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	9	4,161,206	3,930,202
Current assets			
Debtors	10	35,399	33,049
Cash at bank and in hand		80,219	86,272
		<u>115,618</u>	<u>119,321</u>
Creditors: amounts falling due within one year	11	(4,712)	(5,450)
Net current assets		110,906	113,871
Total assets less current liabilities		4,272,112	4,044,073
Total net assets		4,272,112	4,044,073
Charity funds			
	12		
Unrestricted funds	12	4,272,112	4,044,073
Total funds		4,272,112	4,044,073

The financial statements were approved and authorised for issue by the Trustees on 14 November 2024 and signed on their behalf by:

A N Andrews
Trustee

The notes on pages 10 to 18 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

1. General information

The Lord Austin Trust is a charitable Trust registered with the Charity Commission for England and Wales. The address of the principal office is given in the reference and administration section. The nature of the charitable Trust's activities are detailed in the Trustees' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Lord Austin Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have considered the going concern concept and any associated material uncertainties, the basis of any significant judgements and the matters to consider when confirming the preparation of the financial statements on a going concern basis, and the Trustees are comfortable that there are not any adjustments required. The Trustees expect the Charity to continue in operation for at least 12 months from the date of signing the financial statements.

2.3 Income

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

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Trust and include project management.

Governance costs are those incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Trust to raise funds for its charitable purposes.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Trust's objectives, as well as any associated support costs.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Charity has agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the Charity.

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

2. Accounting policies (continued)

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Fund accounting

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Dividends and interest receivable	137,633	137,633	137,646
Total 2023	137,646	137,646	

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

4. Raising funds

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment management fees	7,987	7,987	8,017
Total 2023	8,017	8,017	

5. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £	Total funds 2023 £
Grants	123,500	123,500	118,700
Total 2023	118,700	118,700	

The Trust has made the following material grants to institutions during the year:

Name of institution	2024 £	2023 £
CBSO	6,500	6,500
Acorns Children's Hospice	7,000	7,000
Birmingham PHAB Camps	5,000	-
Herbert Austin Legacy Awards Trust	5,000	-
St Mary's Hospice (The Hospice Charity Partnership)	6,000	6,000
Other donations below £5,000	94,000	99,200
	123,500	118,700

The total number of charitable donations paid to institutions within the above categories was 60 (2023: 63).

Notes to the Financial Statements
For the Year Ended 31 March 2024

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Support costs	9,111	9,111	7,845
Grants	123,500	123,500	118,700
	<u>132,611</u>	<u>132,611</u>	<u>126,545</u>
Total 2023	<u>126,545</u>	<u>126,545</u>	

7. Analysis of expenditure by activities

	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Administrative costs	-	9,111	9,111	7,845
Grants	123,500	-	123,500	118,700
	<u>123,500</u>	<u>9,111</u>	<u>132,611</u>	<u>126,545</u>

Notes to the Financial Statements
For the Year Ended 31 March 2024

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Independent examiner's fees	4,324	4,324	4,015
Charity management fees	4,701	4,701	3,830
Bank charges	86	86	-
	<u>9,111</u>	<u>9,111</u>	<u>7,845</u>

8. Staff costs, Trustees' remuneration and expenses

The Trust has no employees other than the Trustees, who did not receive any remuneration or other benefits (2023 - £NIL). No employee received remuneration amounting to more than £60,000 in either year.

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

Notes to the Financial Statements
For the Year Ended 31 March 2024

9. Fixed asset investments

	Listed investments £
Valuation	
At 1 April 2023	3,930,202
Fair value movements	231,004
At 31 March 2024	<u>4,161,206</u>
Net book value	
At 31 March 2024	4,161,206
At 31 March 2023	<u>3,930,202</u>

The total listed investments of £4,161,206 are made up of the following:

- Global investment - Rathbone unit trust management fund £4,031,224 (2023 - £3,791,361)
- Property funds - Mayfair capital investment management fund £129,982 (2023 - £138,841)

The historical cost of the above investments is £3,020,800 (2023 - £3,020,800).

10. Debtors

	2024 £	2023 £
Due within one year		
Prepayments and accrued income	<u>35,399</u>	<u>33,049</u>

11. Creditors: Amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	<u>4,712</u>	<u>5,450</u>

Notes to the Financial Statements
For the Year Ended 31 March 2024

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds					
Unrestricted funds	4,044,073	137,633	(140,598)	231,004	4,272,112

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
Unrestricted funds	4,377,875	137,646	(134,562)	(336,886)	4,044,073

Notes to the Financial Statements
For the Year Ended 31 March 2024

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2024 £	Total funds 2024 £
Fixed asset investments	4,161,206	4,161,206
Current assets	115,618	115,618
Creditors due within one year	(4,712)	(4,712)
Total	4,272,112	4,272,112

Analysis of net assets between funds - prior year

	Unrestricted funds 2023 £	Total funds 2023 £
Fixed asset investments	3,930,202	3,930,202
Current assets	119,321	119,321
Creditors due within one year	(5,450)	(5,450)
Total	4,044,073	4,044,073

14. Related party transactions

The Trust made a grant of £3,000 (2023: £2,500) to the Foundation for Conductive Education, a Charity which K M Dudley is also a Trustee of.

There are no outstanding balances owing between related parties and the Trust at 31 March 2024.