

THE ROTHLEY TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

THE ROTHLEY TRUST

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THE ROTHLEY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

| | |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Trustees | Mrs A Galbraith, Chairman Mrs J Brown Mrs A Brunton Mr J Garbutt Mr M Litchfield Mrs D McCarthy (resigned 26 November 2024) Mr G Salvin Mr M Spriggs (appointed 19 May 2025) |
| Charity registered number | 219849 |
| Principal office | PO Box 224 Bedlington NE63 3FJ |
| Secretary | Mrs G Allsopp |
| Independent auditor | Armstrong Watson Audit Limited Statutory Auditors One Strawberry Lane Newcastle upon Tyne NE1 4BX |
| Bankers | Barclays Bank Plc 49-51 Northumberland Street Newcastle upon Tyne NE1 7AF |
| Solicitors | Sintons LLP The Cube Barrack Road Newcastle upon Tyne NE4 6DB |
| Investment Manager | RBC Brewin Dolphin Time Central 32 Gallowgate Newcastle upon Tyne NE1 4SR |
| Website | www.rothleytrust.org.uk |

THE ROTHLEY TRUST

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 April 2024 to 31 March 2025.

Reference and administrative details set out on page 1 form part of this report. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with the charity's Trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland Charities SORP (FRS 102).

Objectives and activities

a. Objectives and activities for the public benefit

Under the Trust deed, the Trustees have power to utilise the property of the charity for any charitable purposes as they shall from time to time determine.

The Trustees currently have a policy of supporting charitable organisations and projects in the North East of England. This is reviewed from time to time. An information sheet has been produced to outline funding priorities and the information is also available on the website.

The Trustees confirm they have been given the general guidance produced by the Charity Commission on public benefit, including the guidance 'public benefit': running a charity (PB2) and are confident that this is achieved through the grants made to charities. Where grants are awarded to voluntary groups which are not registered charities, the public benefit is scrutinised carefully.

b. Grant making policy

The Trustees normally meet quarterly to consider what grants they will make and to review any feedback they have received. Grant applications are not normally solicited and Trustees do not submit appeals, although they do declare an interest in any appeal and usefully provide local knowledge for the benefit of other Trustees. The Trust is well known locally and is featured in local trust directories, websites and information delivered through Council for Voluntary Service Offices. The Rothley Trust has its own website which is maintained by the Trust Secretary. The Trust Secretary attends funding advice days to deliver information and regularly updates the grant information sheet sent out in response to general enquiries.

The Rothley Trust concentrates its grant making activities almost exclusively on smaller charities in the North East of England. Grants to national charities can only be made when there is clear evidence of grants being used for projects in the North East. The awards made at the Trustees' quarterly meetings are to help with specific project costs, such as the purchase of equipment or repairs to premises. Charities in receipt of annual grants are asked to provide a written report every year with a more detailed report at the end of 3 years, enabling the Trustees to review the allocation of grants and make revisions as appropriate. If the Trustees require further information, the Trust Secretary will arrange a visit to the charity.

The Rothley Trust grant criteria now includes properly constituted voluntary groups with charitable aims and Community Interest Companies. The Trustees still consider it appropriate to make grants through registered charities and use grant handlers for unregistered charities.

Grants are made towards the costs of students in their gap years between A-levels and higher education on approved overseas projects organised by registered charities, provided that the project concerned has a significant element of education or community service in it. The Trustees also assist a small number of local students with grants towards medical electives. Medical students studying at Newcastle University can apply for a bursary towards the cost of carrying out an elective. The stipulation being that they should have been educated in the North East and their parents should still live in the region (The Borders down to Cleveland). The Trustees made a decision in February 2024 to include medical students studying at Sunderland University in this scheme.

The Trustees are aware of the ageing population and will now consider appeals from older age groups so long as they come within the existing grant criteria and grant categories.

THE ROTHLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

The Trustees have a policy, which is communicated to all beneficiaries, that they make one off grants with no guarantees of future funding. The Trustees always seek feedback on the actual use of the grants given, the achievements made and benefits obtained. Photographs provide some useful evidence. The explanations and feedback received are sufficient for monitoring the quality of the grants made. The Trustees now request that charities inform individual beneficiaries that The Rothley Trust has given assistance.

Achievements and performance

a. Achievements and performance of the Trust

During the year, the Trust awarded 203 grants totalling £224,418 (2024: 153 grants totalling £182,750). A summary is found in the notes to the financial statements. Beneficiaries of the energy saving grants continue to report reduction in their energy costs.

The administrative work by the Trust is carried out by home working. The Chair and Trust Secretary keep in touch on a regular basis between formal meetings throughout the year.

Meetings of the Trust are now held at cost effective venues, suiting the Trustees and their professional advisers.

Throughout the year, the Chair maintained a dialogue with the Chair of The MEA Trust, relating to their plan to sell MEA House, and to dispose of any remaining funds in an appropriate way. The MEA Trust undertook an exercise to evaluate a number of options and in the event, determined that they wished to give any remaining funds after disbursement of all liabilities to the Rothley Trust. The funds were expected to be in the region of £750,000. In light of this arrangement, the Rothley Trustees were minded to ask the Chair of The MEA Trust to become a Rothley Trustee, and are pleased that he was appointed as Trustee on 19 May 2025.

On 31 March 2025 a deed of gift from The MEA Trust was executed leading to the receipt of funds of £772,006 on 16 April 2025.

In 2012 the Rothley Trustees passed a resolution which allows the Trust to carry out administrative work for other registered charities, Community Interest Companies and voluntary organisations with charitable objectives. No new work has yet been received but this continues to be an avenue the Trustees wish to pursue.

The decision to appoint Armstrong Watson to carry out the majority of the accountancy work has been reviewed by the Trustees and they are happy to continue with this arrangement.

Grants are now made by bank transfer. Procedures have been put in place to ensure dual authorisation of payments is carried out.

Feedback forms are sent to all grantees with a deadline date for return. These are reviewed regularly by the Trust Secretary who reports back to the Trustees, if appropriate, and they give a good indication of how the Trust's grant making policy is working.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity 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.

THE ROTHLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

b. Reserves policy

It is the policy of the charity to maintain unrestricted income funds not invested in fixed assets (the free reserves). The target level of reserves has been set at £100,000 to cover governance costs and to provide sufficient working capital. The Trustees review both the policy and the reserves position annually. At the end of the financial year the reserves amounted to £962,373 (2024: £186,054), including the donation of £772,006 from The MEA Trust.

c. Financial review

The income from investments for the year was £269,816 (2024: £263,387). A donation of £772,006 was received from The MEA Trust. The net increase in funds for the year for the unrestricted income fund was £776,195 (2024: £44,426).

d. Investment policy and performance

The Trust deed permits the charity's monies to be invested in any investments in any location as the Trustees shall in their absolute discretion think fit.

The investment strategy, including the asset mix, the target income level and the acceptable level of risk is agreed with the investment manager, who reports quarterly to the Trustees on the portfolio. From November 2004 onwards, the portfolio has been managed on a discretionary basis.

In August 2014, and acting on the advice of our investment advisers, the Trustees agreed to move UK equity investments to collective funds. Around the beginning of the pandemic, a rebalancing to increase the overseas holding with a commensurate reduction in the proportion of UK investments proved to be a sound decision.

The investment objectives of the Trustees are to maintain, and over the longer term to seek to increase, the real value of capital invested by inflation plus 3% and the income derived from it. The Trustees' policy is to seek to achieve these objectives through investing in a suitable mixture of real and monetary assets. The investment policy is formally reviewed annually and investment changes are monitored and reported at every quarterly meeting.

During the year, the total return of the portfolio was 3.2% (2024: 12.3%) against a benchmark of 6.5% (2024: 13.4%). The Trustees also monitor the performance of the investment managers and that of the portfolio at the quarterly meetings.

The Trustees are mindful of the impact of the investment performance due to Global geo-political events e.g. ongoing war in Ukraine, conflict in Middle East. They meet their investment manager each quarter to monitor and review their investment portfolio.

As the Trustees are given power under the Trust deed to distribute capital as well as income, investment performance is measured by total return on a rolling three-year basis. The Trustees also agree annually with the investment managers an income requirement from the Trust's investment portfolio, upon which the Trustees will base their budget for that year. Representatives from our investment advisers are required to attend each quarterly meeting with a full opportunity for the Trustees to question them, then subsequently for the Trustees to discuss amongst themselves any change of emphasis or direction which may be needed.

Income generation from the investments has remained stable throughout the last financial year and although the investment managers are aiming to deliver a balance between income and capital growth, returns from dividends and interest more than covered the Trustee annual grant making.

The Trustees feel that they meet all the requirements of the Charity Commission guidance.

THE ROTHLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

a. Constitution

The Rothley Trust is a registered charity, number 219849, and is constituted under a Trust deed dated 26 November 1959 and a Scheme of 29 January 1974.

The Trustees who have served during the year and since the year end are set out on page one. The Board of Trustees is responsible for the appointment of Trustees, their tenure of office and the election of the Chairman. The charity is managed by the Trustees who normally meet formally four times a year, in addition to regular informal contact on Trust matters throughout the year. The investment portfolio is reviewed with the investment managers prior to the main board meeting. The Trust deed does not make any requirement for Trustee numbers.

b. Methods of appointment or election of Trustees

New Trustee appointments are made by consensus of the Board and the Chairman oversees the induction of any new Trustee which is then organised by the Trust Secretary. This involves a meeting with the Chair and covers the following essential items: awareness of a Trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the charity. A new Trustee would receive copies of the previous year's annual report and accounts and would be referred to the Charity Commission's useful publications on good practice. Very often the Trustees have experience of serving on other Trust boards and therefore their induction is adapted to meet their needs. The existing Trustees bring to the Board a good cross section of professional expertise, interests and local knowledge with a deliberate mix of age and location. During the last recruitment the Trustees adopted the method of approaching a number of people and organisations for suggestions of suitable persons to fill the Trustee vacancy. The Chair and Vice Chair meet with prospective Trustees and appointments to the Board are then approved by all the Trustees. Mrs Donna McCarthy retired as Trustee in November 2024.

c. Risk management

The Trustees annually review the major strategic, business and operational risks which the charity faces. To date these have mainly related to investment management and the income likely to be derived given the anticipated grant giving level for the coming year and these have been ameliorated by diversified portfolio management. There are also areas of risk relating to employing staff which are covered by the adoption of proper procedures. The Trust is satisfied that their written procedures are satisfactory and the risks are contained at the right level. There is a Fraud Policy and Fraud Response Plan based on the model produced by the Association of Charitable Foundations.

The appointment of consultants is reviewed every three years. This review was carried out in August 2023. The full governance checklist is reviewed every three years.

Plans for future periods

The Trustees intend to continue providing grants in a similar way with small grants for capital costs made to a wide range of organisations in the North East. They will continue to award larger grants for key appeals which come to their attention in order to provide greater impact.

The Trustees remain conscious of administration costs and will continue to seek more efficient and cost-effective ways of working as well as continuing to explore the possibility of working with other small local charitable Trusts for mutual financial benefit.

THE ROTHLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Statement of Trustees' responsibilities

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 charity 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 judgments 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the 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.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Armstrong Watson Audit Limited, has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

Mrs A Galbraith
(Chairman)
Date:

THE ROTHLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROTHLEY TRUST

Opinion

We have audited the financial statements of The Rothley Trust (the 'charity') for the year ended 31 March 2025 which comprise the Statement of financial activities, the Balance sheet 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 charity's affairs as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' 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.

THE ROTHLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROTHLEY TRUST (CONTINUED)

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 Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records 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 Trustees' responsibilities statement, 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.

THE ROTHLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROTHLEY TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 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:

Based on our understanding of the Trust, discussions with the trustees and those charged with governance, we considered that the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Charities SORP (FRS 102), the Charities Act 2011, the Charities (Account and Reports) Regulations 2008 and UK tax legislation.

As part of the engagement team discussion about the susceptibility of the Trust's financial statements to material misstatement due to fraud, we did not identify any areas with an increased risk.

Our audit procedures were designed to respond to identified risks, including non-compliance with laws and regulations and fraud, which may have a material effect on the financial statements. Our audit procedures included but were not limited to:

- enquiry of the Trustees and review of any relevant correspondence with legal advisers regarding any instances of non-compliance with laws and regulations and any actual, suspected or alleged fraud;
- communicating identified laws and regulations and the risks of fraud with our engagement team and remaining alert to any indications of non-compliance or fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the minutes of the Board of Trustees;
- review of accounting estimates for management override and bias;
- analytical procedures to identify any unusual transactions;
- identifying and testing journal entries.

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).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance.

THE ROTHLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROTHLEY TRUST (CONTINUED)

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 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited

Statutory Auditors
Newcastle upon Tyne

Date:

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ROTHLEY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

| | Note | Unrestricted funds 2025 £ | Endowment funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|------------------------------------|------|------------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | | |
| Donations | 3 | 773,011 | - | 773,011 | 100 |
| Investments | 4 | 269,816 | - | 269,816 | 263,387 |
| Charitable activities | 5 | - | - | - | 1,500 |
| Total income and endowments | | 1,042,827 | - | 1,042,827 | 264,987 |
| Expenditure on: | | | | | |
| Raising funds | 5 | - | 41,885 | 41,885 | 38,380 |
| Charitable activities | 9 | 266,632 | - | 266,632 | 220,561 |
| Total expenditure | | 266,632 | 41,885 | 308,517 | 258,941 |
| Net gains on investments | | - | 39,211 | 39,211 | 770,178 |
| Net income/(expenditure) | | 776,195 | (2,674) | 773,521 | 776,224 |
| Net movement in funds | | 776,195 | (2,674) | 773,521 | 776,224 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 186,594 | 9,351,562 | 9,538,156 | 8,761,932 |
| Net movement in funds | | 776,195 | (2,674) | 773,521 | 776,224 |
| Total funds carried forward | | 962,789 | 9,348,888 | 10,311,677 | 9,538,156 |

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

The notes on pages 14 to 25 form part of these financial statements.

THE ROTHLEY TRUST

**BALANCE SHEET
AS AT 31 MARCH 2025**

| | Note | 2025 £ | 2024 £ |
|------------------------------------------------|------|-------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 416 | 540 |
| Investments | 14 | 9,407,316 | 9,393,265 |
| | | <u>9,407,732</u> | <u>9,393,805</u> |
| Current assets | | | |
| Debtors | 15 | 811,094 | 43,807 |
| Cash at bank and in hand | | 113,964 | 117,356 |
| | | <u>925,058</u> | <u>161,163</u> |
| Creditors: amounts falling due within one year | 16 | (21,113) | (16,812) |
| Net current assets | | <u>903,945</u> | <u>144,351</u> |
| Total assets less current liabilities | | <u>10,311,677</u> | <u>9,538,156</u> |
| Charity funds | | | |
| Endowment funds | 17 | 9,348,888 | 9,351,562 |
| Unrestricted funds | 17 | 962,789 | 186,594 |
| Total funds | | <u>10,311,677</u> | <u>9,538,156</u> |

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

Mrs A Galbraith
(Chairman)
Date:

The notes on pages 14 to 25 form part of these financial statements.

THE ROTHLEY TRUST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

| | 2025 £ | 2024 £ |
|------------------------------------------------------------|----------------|------------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities (Note 19) | (298,368) | (254,573) |
| Cash flows from investing activities | | |
| Dividends and interest from investments | 269,816 | 263,387 |
| Proceeds from sale of investments | 2,149,674 | 423,671 |
| Purchase of investments | (2,111,216) | (755,007) |
| Net cash provided by/(used in) investing activities | 308,274 | (67,949) |
| Change in cash and cash equivalents in the year | 9,906 | (322,522) |
| Cash and cash equivalents at the beginning of the year | 166,521 | 489,043 |
| Cash and cash equivalents at the end of the year | 176,427 | 166,521 |

The notes on pages 14 to 25 form part of these financial statements

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. General information

The Rothley Trust is an unincorporated charity registered in England and Wales, charity number 219849. The principal office of the charity is PO Box 224, Bedlington, NE63 3FJ. The principal activity of the charity is grant giving from investment income.

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 Rothley 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.

The financial statements are prepared in sterling which is the functional and presentational currency of the charity.

2.2 Going concern

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

2.3 Income

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

Investment income such as dividends and interest are included when receivable.

Grants or donations are included in full in the statement of financial activities when receivable. Such income is only deferred when the donor specifies that the grant or donation must be used in future accounting periods, or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Legacy income is recognised when it is probable that it will be received which is when there has been grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and any conditions attached to the legacy are either within the control of the charity or have been met.

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. All expenditure is inclusive of irrecoverable VAT. All expenditure has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds includes all expenditure incurred by the charity relating to managing and maintaining the investments.

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 Expenditure (continued)

Investment management costs are charged against investment capital. Any costs associated with the sale or purchase of investments are accounted for as part of the sale or purchase price of the investments.

Charitable activities are costs incurred on the charity's grant making operations, including support costs and costs relating to the governance of the charity.

Grants payable are payments made to third parties in furtherance of the charitable activities of the charity. Grants payable are recorded once the charity has made an unconditional commitment to pay the grant which is communicated to the beneficiary or the grant has been paid, whichever is the earlier.

Support costs are those costs incurred directly in support of expenditure on the activities of the charity.

Governance costs are costs incurred in ensuring the charity meets its constituted and statutory requirements.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

| | | |
|------------------|---|----------------------------|
| Office furniture | - | 15% reducing balance basis |
| Office equipment | - | 25% reducing balance basis |

2.6 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 using the bid price. Investment gains and losses, whether realised or unrealised, are combined and presented as 'gains/(losses) on investments' in the statement of financial activities.

2.7 Cash at bank and in hand

Cash at bank and in hand includes a current account, a business premium account and a short term deposit account.

2.8 Liabilities

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. Creditors are normally recognised at their settlement amount.

Liabilities are recognised at the amount that the charity 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.

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.9 Financial instruments

With the exception of investments described above, the charity 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.

2.10 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.11 Fund accounting

The unrestricted income fund is credited with the investment income arising from the Trust's investments and is charged with charitable distributions made by the Trust, costs of raising funds and support and governance costs. Any surplus on the income fund is carried forward and is available for future distribution.

The endowment fund represents the balance of the original expendable endowed funds of the charity, together with a legacy from the Mungo Campbell Deceased Will Trust received on 25 May 2008 together with the accumulated surpluses arising from the active management of the investments. The Trust deed allows this fund to be spent as income or retained as capital at the Trustees' discretion. The income arising from the expendable endowment is unrestricted.

3. Income from donations

| | Unrestricted funds 2025 £ | Total funds 2025 £ | <i>Total funds 2024 £</i> |
|-------------------|----------------------------------------------|---------------------------------------|---------------------------------------|
| Donations | 773,011 | 773,011 | 100 |
| | <hr/> | <hr/> | <hr/> |
| <i>Total 2024</i> | <hr/> 100 <hr/> | <hr/> 100 <hr/> | |

On 31 March 2025 a deed of gift from The MEA Trust was executed leading to the receipt of funds of £772,006 on 16 April 2025.

4. Investment income

| | Unrestricted funds 2025 £ | Total funds 2025 £ | <i>Total funds 2024 £</i> |
|--------------------------------------|----------------------------------------------|---------------------------------------|---------------------------------------|
| Income from listed investments | 266,449 | 266,449 | 260,293 |
| Interest receivable on cash deposits | 3,367 | 3,367 | 3,094 |
| | <hr/> | <hr/> | <hr/> |
| | <hr/> 269,816 <hr/> | <hr/> 269,816 <hr/> | <hr/> 263,387 <hr/> |

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

5. Charitable activities

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|-----------------|------------------------------------|-----------------------------|-----------------------------|
| Uncashed grants | - | - | 1,500 |

6. Investment management costs

| | Endowment funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|-----------------------------|---------------------------------|-----------------------------|-----------------------------|
| Investment management costs | 41,885 | 41,885 | 38,380 |

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

7. Grants

| | 2025 £ | 2024 £ |
|-------------------------------------------------|----------------|----------------|
| Institutional grants (of £2,000 or more) | | |
| Army Cadet Force Association | 2,000 | 2,000 |
| Citizens Advice County Durham | 5,000 | 5,000 |
| Citizens Advice Newcastle | 3,000 | 3,000 |
| Citizens Advice Northumberland | 5,000 | 5,000 |
| Cleveland Housing and Advice Centre | 2,000 | 2,000 |
| Combat Stress | 4,000 | 4,000 |
| Community Action Northumberland | 2,000 | 2,000 |
| Consett Churches Detached Youth Project | 3,500 | 3,500 |
| Durham Association of Boys & Girls Clubs | 6,000 | 6,000 |
| Fighting All Cancers Together | 2,000 | - |
| Greggs Hardship Fund | 3,000 | 3,000 |
| Houghton Boxing Club | - | 2,000 |
| Percy Hedley Foundation | 3,000 | 3,000 |
| Springwell Village Community | - | 2,000 |
| St Cuthbert's Hospice | - | 2,500 |
| St Vincent De Paul Society | 3,000 | - |
| Institutional grants of less than £2,000 | 147,168 | 134,450 |
| Total institutional grants | 190,668 | 179,450 |
| Grants awarded to individuals | 33,750 | 3,300 |
| Total | 224,418 | 182,750 |

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

8. Analysis of grants by charitable purpose

| | | 2025 £ | 2024 £ |
|-------------------------|-----|-----------------------|-----------------------|
| | No. | | |
| Children & Young People | 42 | 47,200 | 29,750 |
| Community | 57 | 70,768 | 71,700 |
| Disability | 35 | 34,550 | 30,150 |
| Education | 30 | 33,750 | 3,300 |
| Elderly | 1 | 800 | 1,650 |
| Energy | 3 | 2,600 | 4,550 |
| Ex-service | 4 | 6,600 | 15,650 |
| Medical | 27 | 23,700 | 23,800 |
| World in Need | 4 | 4,450 | 2,200 |
| | | <u>224,418</u> | <u>182,750</u> |
| | 203 | <u><u>224,418</u></u> | <u><u>182,750</u></u> |

9. Analysis of expenditure by activities

| | Grant funding of activities 2025 £ | Support costs 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|-----------------------|------------------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Charitable activities | <u>224,418</u> | <u>42,214</u> | <u>266,632</u> | <u>220,561</u> |

Analysis of support costs

| | Total funds 2025 £ | Total funds 2024 £ |
|--------------------------|-----------------------------|-----------------------------|
| Staff costs | 21,890 | 21,209 |
| Depreciation | 124 | 163 |
| Office and meeting costs | 2,856 | 3,797 |
| Accountancy | 6,424 | 5,730 |
| Auditor's fees | 10,920 | 6,912 |
| | <u>42,214</u> | <u>37,811</u> |

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

10. Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £7,428 (2024 - £3,960) and accountancy of £3,492 (2024 - £2,952).

11. Staff costs

| | 2025 £ | 2024 £ |
|--------------------|---------------|---------------|
| Wages and salaries | 21,434 | 20,784 |
| Employer pension | 456 | 425 |
| | <u>21,890</u> | <u>21,209</u> |

The average number of persons employed by the charity during the year was as follows:

| | 2025 No. | 2024 No. |
|---------|-------------|-------------|
| Support | <u>1</u> | <u>1</u> |

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

The Trustees consider the Board of Trustees and the Trust Secretary as comprising the key management personnel of the charity in charge of directing and controlling the charity and running the charity on a day to day basis.

The total employment benefits of the key management personnel were £21,890 (2024: £21,209).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Tangible fixed assets

| | Furniture and equipment £ |
|--------------------------|------------------------------------|
| Cost or valuation | |
| At 1 April 2024 | 3,190 |
| At 31 March 2025 | 3,190 |
| Depreciation | |
| At 1 April 2024 | 2,650 |
| Charge for the year | 124 |
| At 31 March 2025 | 2,774 |
| Net book value | |
| At 31 March 2025 | 416 |
| At 31 March 2024 | 540 |

14. Fixed asset investments

| | Listed investments £ | Cash at bank awaiting investment £ | Total £ |
|--------------------------|----------------------------|------------------------------------------------|-------------|
| Cost or valuation | | | |
| At 1 April 2024 | 9,344,100 | 49,165 | 9,393,265 |
| Additions | 2,111,216 | 2,422,317 | 4,533,533 |
| Disposals | (2,045,760) | (2,409,019) | (4,454,779) |
| Revaluations | (64,703) | - | (64,703) |
| At 31 March 2025 | 9,344,853 | 62,463 | 9,407,316 |
| Net book value | | | |
| At 31 March 2025 | 9,344,853 | 62,463 | 9,407,316 |
| At 31 March 2024 | 9,344,100 | 49,165 | 9,393,265 |

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

14. Fixed asset investments (continued)

Historical cost as at 31 March 2025 £8,565,866 (2024: £7,939,702).

All investment are carried at their fair value. Investments in collective funds are all traded in quoted public markets. The basis of the fair value for quoted investments is equivalent to market value, using the bid price.

15. Debtors

| | 2025 £ | 2024 £ |
|-----------------------------------|----------------|---------------|
| Due within one year | | |
| Dividends and interest receivable | 39,088 | 43,807 |
| Other debtors | 772,006 | - |
| | <u>811,094</u> | <u>43,807</u> |

16. Creditors: Amounts falling due within one year

| | 2025 £ | 2024 £ |
|------------------------------|---------------|---------------|
| Other creditors | 90 | 87 |
| Accruals and deferred income | 21,023 | 16,725 |
| | <u>21,113</u> | <u>16,812</u> |

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2024 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2025 £ |
|---------------------------|---------------------------------|------------------|------------------|-------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| Unrestricted funds | 186,594 | 1,042,827 | (266,632) | - | 962,789 |
| Endowment funds | | | | | |
| Endowment fund | 9,351,562 | - | (41,885) | 39,211 | 9,348,888 |
| Total of funds | 9,538,156 | 1,042,827 | (308,517) | 39,211 | 10,311,677 |

Statement of funds - prior year

| | Balance at 1 April 2023 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2024 £ |
|---------------------------|---------------------------------|----------------|------------------|-------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| Unrestricted funds | 142,168 | 264,987 | (220,561) | - | 186,594 |
| Endowment funds | | | | | |
| Endowment fund | 8,619,764 | - | (38,380) | 770,178 | 9,351,562 |
| Total of funds | 8,761,932 | 264,987 | (258,941) | 770,178 | 9,538,156 |

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2025 £ | Endowment funds 2025 £ | Total funds 2025 £ |
|----------------------------------|------------------------------------|---------------------------------|-----------------------------|
| Tangible fixed assets | 416 | - | 416 |
| Fixed asset investments | 49,607 | 9,295,246 | 9,344,853 |
| Cash at bank awaiting investment | - | 62,463 | 62,463 |
| Current assets | 925,058 | - | 925,058 |
| Creditors due within one year | (12,292) | (8,821) | (21,113) |
| Total | 962,789 | 9,348,888 | 10,311,677 |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ |
|----------------------------------|------------------------------------|---------------------------------|-----------------------------|
| Tangible fixed assets | 540 | - | 540 |
| Fixed asset investments | 33,438 | 9,310,662 | 9,344,100 |
| Cash at bank awaiting investment | - | 49,165 | 49,165 |
| Current assets | 161,163 | - | 161,163 |
| Creditors due within one year | (8,547) | (8,265) | (16,812) |
| Total | 186,594 | 9,351,562 | 9,538,156 |

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

| | 2025 £ | 2024 £ |
|--------------------------------------------------------------------|------------------|------------------|
| Net income for the year (as per Statement of Financial Activities) | 773,521 | 776,224 |
| Adjustments for: | | |
| Depreciation charges | 124 | 163 |
| (Gains) on investments | (39,211) | (770,178) |
| Dividends and interest from investments | (269,816) | (263,387) |
| (Increase)/decrease in debtors | (767,287) | 4,107 |
| Increase/(decrease) in creditors | 4,301 | (1,502) |
| Net cash used in operating activities | (298,368) | (254,573) |

THE ROTHLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

20. Analysis of cash and cash equivalents

| | 2025 £ | 2024 £ |
|-------------------------------------------|----------------|----------------|
| Cash at bank | 113,920 | 117,294 |
| Cash in hand | 44 | 62 |
| Cash held by investment adviser (Note 14) | 62,463 | 49,165 |
| Total cash and cash equivalents | 176,427 | 166,521 |

21. Analysis of changes in net debt

| | At 1 April 2024 £ | Cash flows £ | At 31 March 2025 £ |
|---------------------------------|-------------------------|-----------------|--------------------------|
| Cash at bank and in hand | 117,356 | (3,392) | 113,964 |
| Cash held by investment adviser | 49,165 | 13,298 | 62,463 |
| | 166,521 | 9,906 | 176,427 |

22. Pension commitments

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. The pension cost charge represents contributions payable by the Trust. At the balance sheet date £90 (2024: £87) was owed by the Trust included in creditors.

23. Related party transactions

The charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charity at 31 March 2025.