

**THE RATCLIFF FOUNDATION**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 5 APRIL 2022**

# **THE RATCLIFF FOUNDATION**

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## **THE RATCLIFF FOUNDATION**

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

**Registered Charity Number 222441**

<b>Founder</b>	Martin Rowlinson Ratcliff
<b>Trustees</b>	David Martin Ratcliff - Chairman Carolyn Margaret Ratcliff Gillian Mary Thorpe Honor Pauline Key Christopher John Gupwell
<b>Secretary</b>	Christopher John Gupwell
<b>Address</b>	Woodlands Earls Common Road, Stock Green Redditch, Worcestershire B96 6TB
<b>Bankers</b>	Lloyds Bank plc PO Box 1000 Birmingham BX1 1LT  CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Solicitors</b>	Shakespeare Martineau LLP No.1 Colmore Square Birmingham B4 6AA
<b>Accountants</b>	Shona Cutler Limited Grove Farm Bungalow Lincomb Nr Stourport-on-Severn Worcestershire DY13 9RB
<b>Investment Managers</b>	Brewin Dolphin Limited 9 Colmore Row Birmingham B3 2BJ
<b>Independent Examiner</b>	N Simkins FCA Simkins Associates The Dower House Bonehill Staffordshire B78 3HX

Day to day management of the Foundation rests with the Secretary. Grant applications should be sent to him at the address above.

## **THE RATCLIFF FOUNDATION**

### **TRUSTEES' REPORT**

The Trustees present their report and the financial statements for the year ended 5 April 2022. Details of the Foundation's operations during the year are set out in the financial statements on pages 7 to 13. The presentation complies with the Charities Act 2011 and the 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 (FRS102)(effective 1 January 2019). The accounting policies adopted by the Foundation are set out in Note 1 on pages 9 and 10.

#### **Structure, Governance and Management**

The Charity is governed by a Deed of Settlement dated 12 August 1959.

The Foundation is registered with the Charity Commission, registration number 222441, and has been accepted as a charity by the Inland Revenue. As such its income is exempt from taxation so long as it continues to be used for charitable purposes.

The Trustees who served during the year are set out on page 2. The power to appoint trustees is vested in the remaining Trustees. All matters of policy and management are determined at the regular meetings of the Trustees, usually held three times a year.

Prospective Trustees are invited to meet existing Trustees and attend at least one of their meetings. They are provided with extracts from the Trust Deed, information relating to the aims of the Trust and copies of the Trust's accounts. They are made aware of the time they should expect to spend on Trust matters and the responsibilities that Trusteeship involves. They become signatories on the bank accounts and when all formalities are complete they are welcomed as fully working Trustees. Trustees are encouraged to make themselves aware of changes in charity law and practice.

#### **Public Benefit**

The Trustees confirm that they have paid due regard to the guidance given by the Charity Commission on public benefit.

#### **Risk Management**

The Trustees keep under review the major strategic and operational risks which the Charity faces and are satisfied that systems have been established in order to minimise the possible effects of such risks on the Charity. The impact of COVID-19 on the day to day operations of the Charity has been minimal with the activities continuing and grants being paid. Future returns on the investment portfolio are expected recover to pre 2019/20 levels.

#### **Settlement Provisions, Objectives, Activities and Grants Policy**

The Foundation's constitution requires that the Trustees should apply its income for the benefit of such charitable institutions and objects as the Trustees may select, but precludes donations to individuals. The Trustees have total discretion over the value of grants made and the recipients thereof and consider that all grants made are for public benefit. Details of the grants made during the year are shown in note 4 to these financial statements. Any distributable income remaining at the end of the year is to be paid to the Coventry Diocese Laymans Appeal Fund.

## **THE RATCLIFF FOUNDATION**

### **TRUSTEES' REPORT** (continued)

#### **Settlement Provisions, Objectives, Activities and Grants Policy** (continued)

The Foundation continues during the lifetime of the survivor of all the lineal descendants living at the date of the Trust Deed of his late Majesty King George V and for twenty one years after the death of such survivor. At the end of the trust period the trust fund will be paid or transferred to the Coventry Diocese Laymans Appeal Fund.

It is the aim of the Trustees, both presently and in the future, to maximize the income, consistent with the wish to maintain the real value of the Trust's Endowed Fund in order to grant as much as possible to charitable institutions.

#### **Achievements, Performance and Going Concern**

53 grants were made in the year totalling £171,000 compared with £169,000 for the 57 grants in the year ended 5 April 2021.

The easing of the COVID-19 pandemic and its effect on markets in general was reflected in the increase in the value of the Foundation's investments. The value of the portfolio at 5 April 2022 was £4,398,684 compared with £4,132,073 twelve months earlier.

A net surplus of £184,956 arose on investments sold during the year.

The Trustees consider that the level and nature of the financial reserves at 5 April 2022 do not impact upon the assumption that the Charity is a Going Concern.

#### **Financial Review**

The financial statements for the year disclose the details of the Charity's financial transactions.

The Foundation's income arises from its investment portfolio, funds held on deposit by the Charity's investment managers and bankers and from the F R Ratcliff Charitable Settlement, whose income is paid to the Foundation each year by way of a grant.

The Foundation's total income for the year amounted to £178,737 compared with £192,441 in the year ended 5 April 2021.

In the Trustees' opinion the Balance Sheet discloses funds adequate for the purpose of fulfilling the obligations of the Charity for the foreseeable future.

#### **Reserves Policy**

The Trust Deed requires the Trustees to distribute fully the Charity's income each year. Income relating to the year but not received by the year-end may remain undistributed at the balance sheet date. At 5 April 2022 £3,333 had been overdistributed, compared to £6,954 retained at 5 April 2022.

## **THE RATCLIFF FOUNDATION**

### **TRUSTEES' REPORT (continued)**

#### **Investment Policy**

There are no restrictions on the Charity's power to invest. The Trustees have appointed Investment Managers on a discretionary basis who report to the Trustees at their regular meetings. The Trustees' aim is to produce an income return to enable them to continue the level of their grant making consistent with maintaining the real value of the capital of the Trust. The investment strategy is set by the Trustees who consider the income requirements, the risk profile and the Investment Managers' view of market prospects in the medium term. The funds may be invested in any type of investment.

#### **Trustees' Responsibilities in relation to the Financial Statements**

The Trustees are responsible for preparing the Trustees' Report and 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 incoming resources and the application of the resources of the Charity for that period. In preparing the financial statements the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that 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 Reports) Regulations 2008 and the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking steps for the prevention and detection of fraud and other irregularities.

**Approved by the Trustees  
and signed on their behalf:**

**D M Ratcliff**

1 December 2022

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE RATCLIFF FOUNDATION**

I report to the Trustees on my examination of the accounts of the Charity for the year ended 5 April 2022, which are set out on pages 7 to 13.

This report is made solely to the Charity's Trustees, as a body, in accordance with Regulation 31 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity's Trustees as a body, for my work, for this report, or for the statement I have made.

### **Responsibilities and basis for Report**

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

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

### **Independent Examiner's Statement**

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of the 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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.

### **Nicholas Simkins FCA**

Simkins Associates  
The Dower House  
Bonehill  
Staffordshire  
B78 3HX

1 December 2022

**THE RATCLIFF FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES**

**for the year ended 5 April 2022**

	----- Income Fund £	2022 Endowed Fund £	----- Total £	----- Income Fund £	2021 Endowed Fund £	----- Total £
<b>Income and Expenditure</b>						
<b>Income:</b>						
Voluntary income						
Grant from FR Ratcliff						
Charitable Settlement	43,457		43,457	61,024		61,024
Investment income						
Listed investments	135,261		135,261	131,403		131,403
Deposit interest	19		19	14		14
	<u>178,737</u>		<u>178,737</u>	<u>192,441</u>		<u>192,441</u>
<b>Expenditure:</b>						
Cost of raising funds						
Investment management fees	-	28,226	28,226	-	26,797	26,797
Charitable activities						
Income Fund Grants (note 4)	171,000	-	171,000	169,000	-	169,000
Other costs (note 5)						
Income Fund	18,024	-	18,024	17,588	-	17,588
Endowed Fund	-	-	-	-	-	-
	<u>189,024</u>		<u>189,024</u>	<u>186,588</u>		<u>186,588</u>
Cost of charitable activities	<u>189,024</u>		<u>189,024</u>	<u>186,588</u>		<u>186,588</u>
Total expenditure	<u>189,024</u>	<u>28,226</u>	<u>217,250</u>	<u>186,588</u>	<u>26,797</u>	<u>213,385</u>
<b>Net Gains/(Losses) on Investments</b>						
Endowed Fund						
Realised		184,956	184,956		(414)	(414)
Unrealised (note 6)		131,010	131,010		754,506	754,506
		<u>315,966</u>	<u>315,966</u>		<u>754,092</u>	<u>754,092</u>
<b>Net movement in funds</b>	<u>(10,287)</u>	<u>287,740</u>	<u>277,453</u>	<u>5,853</u>	<u>727,295</u>	<u>733,148</u>
Total Funds brought forward at 6 April 2021	<u>6,954</u>	<u>4,128,013</u>	<u>4,134,967</u>	<u>1,101</u>	<u>3,400,718</u>	<u>3,401,819</u>
<b>Total Funds carried forward at 5 April 2022</b>	<u>£(3,333)</u>	<u>£4,415,753</u>	<u>£4,412,420</u>	<u>£6,954</u>	<u>£4,128,013</u>	<u>£4,134,967</u>

The notes on pages 9 to 13 form part of these financial statements



**THE RATCLIFF FOUNDATION**

**BALANCE SHEET 5 April 2022**

	<b>Notes</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Fixed Assets</b>			
Investments and uninvested cash	6	4,422,984	4,134,932
<b>Current Assets</b>			
Bank balances		3,786	13,822
<b>Less Liabilities:</b> amounts falling due within one year	7	(14,350)	(13,787)
Net Current Assets		(10,564)	35
<b>Net Assets</b>	8	£4,412,420	£4,134,967
<b>Funds of the Charity</b>			
<b>Endowed Fund</b>			
Restricted	8	4,415,753	4,128,013
<b>Income Fund</b>			
Unrestricted	8	(3,333)	6,954
Total Funds of the Charity		£4,412,420	£4,134,967

The notes on pages 9 to 13 form part of these financial statements

Approved by the Trustees on 1 December 2022 and signed on their behalf:

**D M Ratcliff**

## **THE RATCLIFF FOUNDATION**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2022**

#### **1. Accounting Policies**

These financial statements have been prepared in accordance with the 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) and the Charities Act 2011.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The particular accounting policies adopted are as follows:

##### **(a) Accounting Convention**

The financial statements are prepared on the historical cost basis of accounting modified to include listed investments at market value. Incoming resources and the application of those resources have been accounted for under the accruals basis of accounting.

##### **(b) Listed Investments**

Listed investments held as fixed assets are stated at market value less any provision for a permanent diminution in value since the balance sheet date.

##### **(c) Investment Gains and Losses**

Realised and unrealised gains and losses on investments are accounted for through the Endowed Fund.

##### **(d) Investment Income and Grants**

Income from investments is accounted for in the year in which it is receivable. Interest on deposits is accounted for in the year in which it is received. Grants receivable from the F.R. Ratcliff Charitable Settlement are accounted for in the year to which they relate.

##### **(e) Expenditure**

Charitable grants are accounted for in the year in which they are approved by the Trustees although payment may not be made until a future date.

Costs of generating funds and expenditure on governance, support and administration are accounted for in the year to which they relate.

These costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Such costs include those related to the independent examiner's fees together with accountancy, administration and other support costs. Any apportionments are based on the Trustees' best estimates carried out on a reasonable and consistent basis.

Expenditure includes VAT which cannot be recovered and which is reported as part of the expenditure to which it relates.

# THE RATCLIFF FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 5th April 2022

### 1. Accounting Policies (continued)

#### (f) Fund Accounting

The Income Fund is available to spend on grants to charitable organisations and the governance and administration costs of the Charity. Income of the year not received by the Trustees at 5 April is carried forward for distribution by way of grant in the following year.

The Endowed Fund represents the Charity's endowment. The Trustees have decided to restrict expenditure from this fund to the fees charged by the Charity's Investment Managers which they consider relate to the management of the investment portfolio.

#### (g) Cash Flow Statement

The Charity has taken advantage of the exemption available under the Charities SORP (FRS 102) Update Bulletin 1 not to prepare a Cash Flow Statement.

### 2. Taxation

The Foundation is a registered charity, number 222441, and is exempt from Income Tax, Corporation Tax and Capital Gains Tax provided its income and gains are applied for charitable purposes.

### 3. Staff Costs, Trustees' Remuneration and Other Benefits

There were no full or part time employees during the year or during the previous year.

No remuneration was paid or payable in respect of the year out of the funds of the Foundation either directly or indirectly to any Trustee.

Mrs J J Gupwell, the wife of a Trustee, received £13,338 (2021 £13,262) - for accounting and secretarial services provided to the Foundation.

No expenses were reimbursed to any Trustee during the year.

### 4. Grants

	2022 £	2021 £
Grants to Organisations - 53 (2021 - 57)	£171,000	£169,000

The 2022 figures above include the following material grants:

Adiscombe Hockey Club	2,500
Age UK Solihull	4,000
Bike for the Future	4,000
Birmingham Centre for Arts Therapies	3,000
Black Country Women's Aid	3,000
Bridge to Cross Charitable Trust (7 Corners Centre)	3,300
Forward	19,800

# THE RATCLIFF FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2022 (continued)

4. Grants (continued)		2022 £	2021 £
	forward	19,800	
Bromyard Choral Society		5,000	
Cancer research UK		2,500	
Carers Trust Wales		4,000	
Cardiff Wheelchair Tennis Club		3,000	
Climbing Out		4,000	
Cotheridge Church		5,000	
Dogs for Good		3,000	
Freedom from Torture		3,000	
Garden Organic		3,200	
Gilgal Birmingham		3,000	
Giving Hands Mission		6,000	
Harbury Church		3,500	
Home from Hospital Care		3,000	
Heart of England Forest		4,000	
The House on the Corner Community Project, Walsall		3,000	
Kidney Research UK		5,000	
Kids Cancer Charity		4,000	
Maggs Day Centre		2,500	
The Macular Society		3,000	
The Message Trust		4,000	
The Myriad Centre		5,000	
Myton Hospices		4,000	
Northern Star Community Arts		4,000	
Royal National Lifeboat Institution - Swanage		2,500	
St David's Hospice		6,000	
St Richard's Hospice Foundation		3,000	
Surfers against Sewage		3,000	
Tipping Point North South		5,000	
University Hospitals Birmingham Charity		4,000	
Veterinary Benevolent Fund		3,500	
Warwickshire & Northamptonshire Air Ambulance		4,000	
Warwickshire Wildlife Trust		3,500	
The Wildlife Trusts, Staffordshire		2,500	
The Wildfowl & Wetlands Trust		2,500	
Worcestershire Animal Rescue Centre		5,000	
		<hr/>	
Grants of £2500 and over	41 (2021 - 32)	151,000	127,000
Grants under £2,500	12 2021 - 25)	20,000	42,000
		<hr/>	<hr/>
Total Grants	53 (2021 -57)	£171,000	£169,000
		<hr/> <hr/>	<hr/> <hr/>

Grants to charitable organisations are normally made in early April each year. In cases of exceptional need grants may be made at other times.

# THE RATCLIFF FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2022 (continued)

	2022 £	2021 £
<b>5. Other costs</b>		
Secretarial, administration and accountancy	13,338	13,262
Independent examiner's fees	4,550	4,200
Sundry expenses	136	126
	<u>£18,024</u>	<u>£17,588</u>

## 6. Investments

The portfolio consists of holdings listed on a recognised stock exchange.

	2022 £	2021 £
<b>Listed investments</b>		
<b>Cost</b>		
At 6 April 2021	3,184,615	3,185,789
Additions	617,082	533,602
Cost of sales	(481,481)	(534,776)
	<u>3,320,216</u>	<u>3,184,615</u>
At 5 April 2022	3,320,216	3,184,615
<b>Market Value Adjustment</b>		
At 6 April 2021	947,458	192,952
Adjustment for the year	131,010	754,506
	<u>1,078,468</u>	<u>947,458</u>
At 5 April 2022	1,078,468	947,458
<b>Market Value at 5 April 2022</b>	<u>£4,398,684</u>	<u>£4,132,073</u>
<b>Investments at Market Value comprised:</b>		
Fixed interest	543,153	461,766
Equities	1,990,493	1,668,243
Unit trusts	1,865,038	2,002,064
	<u>4,398,684</u>	<u>4,132,073</u>
Uninvested cash	24,300	2,859
	<u>£4,422,984</u>	<u>£4,134,932</u>

All investment assets were held within the UK. At 5 April 2022 the following investments individually represented in excess of 5% of the total value of the portfolio.

	%	Cost	Market Value
Franklin Templeton Clearbridge Global Income units			
	5.21	£176,170	£229,023
J P Morgan US Equity Income Fund K Income units			
	5.30	£69,571	£233,939
Vanguard US Equity Income Fund Income units			
	10.09	£284,029	£444,001

# THE RATCLIFF FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2022 (continued)

	2022 £	2021 £
<b>7. Liabilities</b>		
Amounts falling due within one year		
Brewin Dolphin Securities Limited	7,150	6,837
Mrs J J Gupwell	2,850	2,750
Simkins Associates	4,350	4,200
	<u>£14,350</u>	<u>£13,787</u>

## 8. Analysis of Assets between Funds

	Income Fund £	Endowed Fund £	Total £
<b>Breakdown of net assets at 5 April 2022</b>			
Listed investments	-	4,398,684	4,398,684
Cash held by investment manager	-	24,300	24,300
Bank balances	3,867	(81)	3,786
	<u>3,867</u>	<u>4,422,903</u>	<u>4,426,770</u>
Liabilities	(7,200)	(7,150)	(14,350)
	<u>£(3,333)</u>	<u>£4,415,753</u>	<u>£4,412,420</u>

## Breakdown of net assets at 5 April 2021

Listed investments	-	4,132,073	4,132,073
Cash held by investment manager	-	2,859	2,859
Bank balances	13,903	(81)	13,822
	<u>13,903</u>	<u>4,134,851</u>	<u>4,148,754</u>
Liabilities	(6,949)	(6,838)	(13,787)
	<u>(6,954)</u>	<u>4,128,013</u>	<u>£4,134,967</u>

The Foundation has two funds, the Income Fund and the Endowed Fund. The Income Fund consists of unrestricted income all of which, if received, must be distributed each year by 5 April. The Endowed Fund forms the Foundation's endowment and is not available for distribution.

## 9. Connected Charity

The F.R. Ratcliff Charitable Settlement is a connected charity. All the Trustees of the Settlement are Trustees of the Foundation. The two organisations have joint Trustees' meetings. In order to minimise administrative costs the Charitable Settlement pays the whole of its income each year to The Ratcliff Foundation by way of grant.

