



**Smales Goldie Group**  
CREATING ADVANTAGE



REGISTERED CHARITY NUMBER: 225356

# **The Sir James Reckitt Charity**

## **Financial Statements**

**31st December 2020**

**Contents of the Financial Statements  
for the year ended 31st December 2020**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 7
<b>Report of the Independent Auditors</b>	8 to 9
<b>Statement of Financial Activities</b>	10
<b>Balance Sheet</b>	11
<b>Cash Flow Statement</b>	12
<b>Notes to the Cash Flow Statement</b>	13
<b>Notes to the Financial Statements</b>	14 to 27

**The Sir James Reckitt Charity**

**Reference and Administrative Details  
for the year ended 31st December 2020**

**TRUSTEES**

Mrs S Craven (Chairman) \*  
Mr J P Atherton \*  
Mr R M Gibson \* (retired 31.12.2020)  
Miss E R Holt \*  
Mr J H Holt \*  
Mr P J H Holt \*  
Mrs C J Jennings  
Mr O J Jennings  
Mr C A Maxsted  
Mr N Butler-Watts (appointed 3.06.2020)  
Mrs M Fisher \*\* (appointed 1.01.2020)  
Mr E T C Upton \*  
Ms O Upton  
Mr R J Upton \*  
Mr S E Upton \*  
Mr S J Upton  
Mr W Upton

(\* member of the Investment Sub-committee)

(\*\* Nominated by the Pickering & Hull Area Meeting of the Religious Society of Friends)

**PRINCIPAL ADDRESS**

7 Derrymore Road  
Willerby  
Hull  
East Yorkshire  
HU10 6ES

**REGISTERED CHARITY NUMBER** 225356

**AUDITORS**

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

**BANKERS**

HSBC  
3-4 Jameson Street  
Hull  
HU1 3JX

**SOLICITORS**

Rollits  
Forsyth House  
Alpha Court  
Monks Cross  
York  
YO32 9WN

**INVESTMENT ADVISORS**

Quilter Cheviot Limited  
Senator House  
85 Queen Victoria Street  
London  
WC2B 6AN

## **The Sir James Reckitt Charity**

### **Report of the Trustees for the year ended 31st December 2020**

The trustees present their report with the financial statements of the Charity for the year ended 31st December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, 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 published in October 2019.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The principal object of the Charity is that its income be applied to such charitable purposes as the trustees think fit and which are for the public benefit. In accordance with the founder's wishes, causes which are considered to be of a warlike character are excluded; and some priority is given to Quaker causes wherever they may be. This emphasis on Quaker causes reflects the fact that the Reckitt family had been members of the Society of Friends almost from the start of the movement. The Charity welcomes appeals from Quaker organisations and seeks to fulfil this priority objective by supporting individual Quakers, Quaker schools, Friends' Meetings and projects initiated by Britain Yearly Meeting.

A high priority is also given to causes aimed at bringing benefit to the people of Hull and East Yorkshire. The founder was responsible for many good works in the local area during his life and his foundation of the Charity in 1921 ensured that these would continue into the future. Consequently, the Charity is able to satisfy this priority objective through its support of a wide range of local community initiatives and projects. The alleviation of poverty; support for agencies tackling homelessness and substance dependency; and the provision of facilities and opportunities for young people, are examples which feature prominently in the Charity's local giving. However, the Charity does not confine its grant making just to social issues of this kind. Viewing their role very widely, the trustees are just as likely to support a residential experience for local school children, a Christmas party at a local community centre, attendance at an international jamboree for local scouts and guides, or the work of the many black and ethnic minority support groups which have been established locally in recent years.

A natural disaster overseas or a humanitarian crisis there might well attract a grant, particularly if an appeal is sponsored by the Society of Friends or an organisation such as Save the Children or the British Red Cross.

In reviewing and re-stating these purposes and aims, reference has been made to the Charity Commission's general guidance on public benefit. Allowing for the Quaker origins of the Charity and its emphasis on good works within Hull and East Yorkshire, it remains true that its grant making is made widely available and, as such, is for the public benefit.

##### **Significant activities**

The trustees are pleased to report that 2020 saw continued success in meeting the main aims of the Charity in spite of difficulties created by the Covid-19 emergency.

Many of the grants which were made during the year supported the trustees' aim of bringing benefit to the people of Hull and East Yorkshire, particularly at the level of local communities. The following few examples illustrate the range of the Charity's local grant making during 2020 and its concern for those in trouble or in need. Trustees gave further support to Emmaus, Hull to support its rough sleeper outreach programme which, in partnership with Hull City Council and other agencies, engages with homeless people on the streets of Hull and Bridlington. The East Hull Foodbank which delivers emergency food along with support and advice for local families in crisis received a grant. The University of Hull was awarded an additional grant to support its work in combatting the Covid-19 pandemic in the local area through the production of face shields for NHS and social care workers and the setting up of a remote training programme in critical care practice for local healthcare workers, retired nurses and doctors and volunteers. A grant was made to Teeth Team, a successful school-based programme established by local dentists. In recognising that tooth decay is the most common chronic illness in children living in areas of social and economic deprivation, the project delivers a programme of supervised tooth brushing, fluoride varnish and education. Grants were made to OCD Support which meets at Hull Quaker Meeting House and provides a safe and supportive environment for those affected by Obsessive Compulsive Disorder, and to the Tuesday Afternoon Social Carers Group in Hull which offers support and friendship for those caring for partners diagnosed with a serious illness.

The Viking FM Cash for Kids scheme gives financial support to local families in need who are referred by social services, children's centres and women's refuges. Trustees recognised the need for its services had increased as a result of the Covid-19 emergency and approved a grant to support its work. Support was given to the work of Railway Children whose safeguarding project in collaboration with British Transport Police is aimed at identifying and helping young people who are escaping from difficult circumstances and might find themselves on the streets. The project was originally launched at Manchester Piccadilly but now extends into Yorkshire including Hull Paragon station.

## **The Sir James Reckitt Charity**

### **Report of the Trustees for the year ended 31st December 2020**

#### **OBJECTIVES AND ACTIVITIES (continued)**

##### **Significant activities (continued)**

The village of Leven, near Beverley, benefitted from two grants in 2020. The Leven Playing Field Association was awarded a grant to help it improve the site and provide better drainage and disabled access. The nature park run by Leven Youth Club received a grant to help it improve safety on the site and provide electricity to the log cabin used for educational purposes. The Hull-based charity SEED (Eating Disorder Support Services) works to ensure that people with a range of eating disorders receive the help they need through monthly support groups and nutritional self-help groups. A grant from the charity helped it cover its annual core costs and maintain its dedicated resource room. The HEY Smile Foundation received the charity's support to help provide much needed respite breaks for ten local needy families through its 'Smile by the Sea' project; whilst Blind Veterans UK was awarded a grant in support of its work in the rehabilitation, training and care of former service men and women trying to adjust to sight loss and aiming for independent living.

The South Bransholme Community Association in Hull, British Red Cross (Hull and East Riding), KIDS Hull Family Centre and Dove House Hospice all received further funding support in 2020, as did Sight Support Hull and East Yorkshire, East Riding Voluntary Action Services (ERVAS), Hull Council of Disabled People and the Home-Start projects in Hull and Goole & District and the Duke of Edinburgh Award Scheme run by Hull City Council. The national charity IPSEA (Independent Panel for Special Education) which works with parents to ensure that children with special educational needs receive the tailored educational programme to which they are entitled, was awarded a grant to support its work in the Hull area.

The Charity's support for the growing number of black and ethnic minority groups in Hull was evidenced in 2020 by a further grant to the Humber All-Nations Alliance which provides a wide range of services for the benefit of members of the Black and Minority Ethnic Communities in the local area, particularly aimed at the relief of poverty and hardship and the promotion of equality of opportunities. Grants were also made to the Hull Open Doors Project and to Bora Shabaa Refugee Community Organisation, both of which provide a range of support services, social events and workshops to help refugees and families settle into their new life and to promote inclusion and participation. The new Welcome House, established with the help of Hull City Council, was awarded a substantial grant to help it develop into a safe point of contact for refugees and asylum seekers, staffed by experienced workers and volunteers and open six days a week.

As these examples demonstrate, a large number of local charitable organisations across a very wide range of worthy causes have continued to benefit from the giving of the Charity during 2020.

The Quaker objectives of the Charity were promoted by a significant number of grants made during the year over and above their regular support of Britain Yearly Meeting with an increased grant to support its core activities and encourage further project development. The Charity's support for Quaker education was confirmed with grants to Sibford School, Banbury; Sidcot School, North Somerset; Leighton Park, Reading; Ackworth School, Pontefract; and the two Quaker schools in York, Bootham School and The Mount.

Grants were also made to Woodbrooke Quaker Study Centre, Young Friends General Meeting, West Midlands Quaker Peace Education Project and the Ulster Quaker Service Committee. The Charity's support of the Quaker Council for European Affairs was maintained in recognition of the value of its work in promoting peace and human rights and ensuring a Quaker voice is heard in these troubled times. The Charity continued its support of Quaker Social Action which offers a range of services to those who are managing on low incomes and struggling to pay for essentials without getting into financial difficulties.

In addition to their regular support of Hull Quaker Meeting and the Hull and Pickering Quaker Meeting, trustees approved an additional grant to the latter to help pay for a vital repair to the heating system at the Pickering Meeting House. Grants were also made to assist with building improvements at Scarborough Meeting House and at the Rookhow Meeting House in West Yorkshire. Trustees agreed to an earlier than planned grant payment to Quaker Tapestry to help it cover essential expenses as the Covid-19 emergency had drastically affected its income flow. Quaker activities for young people in the UK were supported in 2020 with a further grant to Yorkshire Friends Holiday School.

At their November meeting, trustees received a presentation by two members of the Quaker United Nations Office (Jonathan Woolley, Director and Lindsey Fielder Cook, representative for Climate Change). This was in support of an appeal for funding to support the core activities of QUNO. It was agreed that QUNO would provide detailed financial plans to support the appeal and that a sub-committee of trustees would assess these and make recommendations to the full trustee body.

The willingness of the trustees to support worthwhile overseas causes was evidenced in 2020 by their continued support for Farm Africa which promotes improved farming efficiency so that African farmers can improve their crops and build for the future. Following further enquiries by two of the trustees, it was agreed that International Rescue Committee should be awarded a grant in response to its appeal on behalf of the citizens of Beirut suffering in the wake of the devastating explosion at the port facility there.

## **The Sir James Reckitt Charity**

### **Report of the Trustees for the year ended 31st December 2020**

#### **OBJECTIVES AND ACTIVITIES (continued)**

##### **Significant activities (continued)**

The Charity continues to host monthly meetings of the Hull Grant Makers Consortium which considers cases of individual need presented by many local agencies such as Social Services, the Salvation Army, the Hull Domestic Abuse Project, the Teenage Pregnancy Support Service and many of the local Children's Centres. Around 40 applications are considered at each meeting in collaboration with the Hesslewood Children's Trust which was a co-founder member of the Consortium in 1995.

Consortium grants are generally made in the form of vouchers to be exchanged at local suppliers for an item or furniture or household equipment. This part of the Charity's work clearly satisfies its aim of helping to alleviate poverty locally; and the benefits brought are direct and tangible. Buying basic furniture for a homeless individual being moved into accommodation; replacing a broken washing machine for a harassed single mother living on benefit; or helping a victim of domestic abuse relocate to a safer location, are decisions which make a real difference to the lives of the Charity's beneficiaries. The Charity made 318 such grants to individuals and families in need during 2020 (2019: 386) at a cost of £93,880 (2019: £105,088).

One of the trustees attends each meeting of the Consortium and the trustees are given a full report on the work of the Consortium at their twice-yearly meetings. The trustees regard this contribution to the alleviation of poverty in Hull as being particularly important. It is a clear demonstration of one of the Charity's main purposes being carried forward for the public benefit.

During 2020 trustees continued their programme of enquiries into organisations which are in receipt of grants from the Charity, although the coronavirus emergency meant that these enquiries had to be conducted mostly by telephone rather than by personal visits. Each year around 60 to 70 organisations are the subject of an enquiry by a trustee whose purpose is to check on the well-being and needs of each grant recipient and to confirm their proper use of the Charity's support. In 2020 these enquiries included Church Homeless Trust which provides social housing in Hull and has a large presence in the Bransholme area; Hull Children's Adventure Society which provides holiday breaks for Hull families who might otherwise be unable to afford one; and Candlelighters Trust Fund which is based at Leeds General Hospital and supports families who have a child suffering from cancer.

Other organisations in 2020 which were the subject of a trustee enquiry included Disability Sports Yorkshire which does excellent work in providing sporting opportunities for disabled people through coaching in schools and athletics events; Hull University Union Community Action (HUSSO) which offers opportunities for student voluntary service in the local community especially with vulnerable people and in care homes; and the Club House Community Centre in East Hull which is situated in the Garden Village, built in 1907-1908 and the 'brainchild' of Sir James Reckitt founder of the Charity. All visits and enquiries made by trustees are reported to the full trustees' meetings where recommendations for future action and support are considered.

In November 2019 it had been agreed that the independent consultancy team of John Gray and Rosie Carnall and the trustee working party continue their task of investigating the most effective ways of promoting Quaker values through support of Quaker education begun in 2018. It was decided to explore the possible development of a GCSE-accredited Peace Education course which might be initially developed and piloted in collaboration with the Quaker schools. It was agreed that the working party and consultancy team be asked to take this work further, and a budget of £15,000 to support this work was approved. Unfortunately, the coronavirus emergency then intervened, and the committee concluded that it was not reasonable to expect teachers to give much time and thought to a new in-depth curriculum project in the circumstances. Instead, the committee is now proposing an informal student-focussed approach to the project involving interactive online sessions open to students from all the Quaker schools. This will enable students to contribute to the scope and content of future peace education curriculum development and be a good way of keeping the project going.

It has long been a wish of the trustees to establish stronger links with Reckitt Benckiser Group plc (now rebranded as Reckitt) which is the successor company to the family firm from which the Charity emanated. Good progress had been made in 2019 with a joint meeting of trustees and key Reckitt personnel and a guided tour of the impressive new facilities built at the factory site in advance of the official opening. Unfortunately, once again progress was disrupted in 2020 by the coronavirus emergency. Plans for the November trustees meeting to be hosted by Reckitt had to be cancelled and the monthly Consortium meetings, again hosted by Reckitt, have not been held there since March.

The Charity's policy documents with regard to investments, financial procedures and grant making were reviewed in November 2020 and several small alterations made to take account of changing circumstances and practices.

## **The Sir James Reckitt Charity**

### **Report of the Trustees for the year ended 31st December 2020**

#### **OBJECTIVES AND ACTIVITIES (continued)**

##### **Significant activities (continued)**

The frequent references to Covid-19 so far in this report confirm the inevitable impact it has had on the work of the Charity during 2020. The two full meetings of trustees in April and November had to be held remotely. Similar arrangements had to be made for the two meetings of the Investment Committee and most meetings of the Consortium. Whilst enabling the work of the Charity to continue in a reasonably efficient manner, the loss of direct personal interaction is a source of regret.

In the early days of the pandemic, the Charity's investment managers (Quilter Cheviot) were asked to conduct a thorough review of the Charity's portfolio and the implications of the emergency for market values and income streams. Acting on the advice from Quilter Cheviot that some reduction of income was inevitable, it was decided to exercise some caution when estimating the Charity's income over the next year and when considering the award of grants.

The on-going emergency also raised questions about how to deal with new appeals other than on the normal six-monthly meeting pattern. It was becoming clear at that point, that coronavirus-related appeals were starting to be presented from charities whose own work and income was being threatened. It was, therefore, decided to establish a sub-committee of trustees, with a budget of £150,000, to consider such appeals. This sub-committee met online in June 2020 and approved seven grants at a total spend of £50,500. A further meeting planned for September 2020 was cancelled because, for whatever reason, the number of coronavirus-related appeals had significantly reduced in number.

##### **Grantmaking**

The Charity's grant guidelines are available on request and on-line and give practical advice to grant seekers to help them match their funding appeal to the expectations of the Charity. The Charity receives many applications for the funding of projects during the course of a year. These are assessed to ensure compatibility with the Charity's guidelines and presented in summary form for the decision of trustees at their twice-yearly meetings. Although the trustees prefer to make grants to registered charities, they will make grants to non-registered charities. They will also make grants to individuals, particularly those living in the local area and who are in need since the relief of poverty is an important concern of the trustees.

An analysis of grant payments is shown in note 5 to the financial statements and provides a useful summary of the areas in which the trustees concentrate their support. A more detailed analysis showing organisations receiving support of £2,000 or more is shown in note 17 to the financial statements.

#### **FINANCIAL REVIEW**

##### **Principal funding sources**

At 31st December 2020, the value of the Charity's investment portfolio was £52,145,039 (2019: £49,139,215). The Charity's investment income for the year ended 31st December 2020 was £1,575,521 (2019: £1,541,182). After administrative costs, including support and governance costs, the balance available for distribution was £1,507,931 (2019: £1,457,822) and the Charity distributed grants totalling £1,273,896 (2019: £1,341,717).

##### **Investment policy and objectives**

The investment objective of the trustees is to maintain a continuing increase in the disposable income of the Charity at a rate equal to, or greater than, the rate of inflation (as measured by the Retail Price Index), whilst preserving the real value of their endowment fund in secure investments.

The management of the Charity's portfolio is undertaken by Quilter Cheviot Investment Management Limited (QC). A sub-committee of the trustees – the Investment Committee – supervises the work of QC and meets regularly with them in order to review and adjust the portfolio.

With regard to restriction in investments, the trustees have resolved that "no investment shall be made in the stocks or shares of any company, the aims or products of which, in the trustees' opinion are of a 'significant warlike nature'".

In the year under review, the capital value of the Charity's portfolio rose by 6.2% compared with 12.5% decline in the capital return of the FTSE All Share Index. The income return of 3.0% means that the total return for 2020 was a net increase of 9.3%. This compares to a total return of 2.2% for the MSCI PIMFA Growth and a total decline of -9.8% for the FTSE All Share Index. Reckitt Benckiser Group, which remains the largest single position within the portfolio, delivered a total return of 9.5%, demonstrating the demand for its products driven by the arrival of the pandemic. Elsewhere, strong, market beating returns from North America, Europe and Asia ensured an all-round successful performance. In particular within North America, Amazon and Apple were standout features, delivering total returns in excess of 70%; similar to RB, both proved beneficiaries of consumer behaviour during the pandemic. In the period ahead, the managers expect to see a shift in focus towards opportunities across Asia and the Emerging Markets.

##### **Reserves policy**

Trustees have a reserves policy which aims to maintain unrestricted funds, which are the free reserves of the Charity, at a minimum level. This is to allow sufficient funds to be available for necessary governance and support costs; to honour existing commitments and about three months routine grant making; and to provide for emergency grant applications. The level of reserves at 31st December 2020 stood at a surplus of £2,441,489 (2019: surplus of £2,101,533).

## **The Sir James Reckitt Charity**

### **Report of the Trustees for the year ended 31st December 2020**

#### **FUTURE PLANS**

Over the next twelve months, the trustees will hold two full meetings to discuss grant applications and the management of the Charity. The Investment Committee will meet twice with the Charity's investment managers and consider adjustments to the portfolio. The trustees will continue their programme of enquiries into charities and organisations which are receiving grants in order to review progress and report back to the meeting of trustees. How all of these meetings and enquiries are conducted will be determined by progress made against the coronavirus emergency.

Attention will continue to be paid to any changes in charity legislation and to relevant guidance issued by the Charity Commission which affect the work and status of the Charity.

Further consultancy reports on the Charity's support for Quaker education commissioned by the trustees will be considered at length and is likely to lead to new approaches by the Charity to the whole question of funding of Quaker causes.

It is intended that improved links with Friends House in London and the Reckitt Benckiser company in Hull can be developed further to the benefit of all parties.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Sir James Reckitt Charity ("the Charity") is constituted under a trust deed dated 25th May 1921 and is a registered charity number 225356.

##### **Recruitment and appointment of new trustees**

The appointment of trustees of the Charity is made by the existing trustees and is confirmed by Deed of Appointment. The trust deed gives authority to appoint one new trustee who is a member of the Pickering and Hull Area Meeting of the Religious Society of Friends (Quakers). This appointment is currently held by Mrs M. Fisher.

A sub-committee of trustees which serves as an Appointments Committee is established when needed to identify and encourage potential new trustees to replace those who have left the service of the Charity.

The names of the trustees at 31st December 2020 are set out in page 1 of this Report. All trustees give their time voluntarily and receive no benefits from the Charity. Any trustee expenses reclaimed from the Charity are set out in Note 8 to the financial statements.

##### **Organisational structure and decision making**

The trustees meet twice a year to discuss the Charity's affairs and to allocate grants and can make such regulations as to the general management of the Charity as they think fit.

A sub-committee of trustees serves as an Investment Committee and manages the investments of the Charity with appropriate professional guidance, this being provided currently by Quilter Cheviot Investment Management Limited. The committee meets with the investment managers twice a year.

Further sub-committees are set up from time to time to consider current issues. At the present time there are sub-committees in place to consider coronavirus-related appeals, Quaker education and potential funding of the Quaker United Nations Office.

The routine management of the affairs of the Charity is the responsibility of the two part-time salaried administrators.

##### **Induction and training of new trustees.**

The procedure for introducing new trustees includes information meetings with the Chairman and the administrators and the provision of relevant documents and procedure papers. The first reviews of grant recipients undertaken by new trustees are generally done in combination with an existing trustee.

##### **Key management remuneration**

Key management remuneration is agreed by the trustees and is adjusted annual in respect of inflationary increases.

##### **Risk management**

The trustees have the duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees confirm that systems are in place to mitigate risks which the Charity might face. The policies of the Charity with regard to investments, financial procedures and grant making are clearly set down in policy statements which, in part, address issues of potential risk. These policy statements are all reviewed on a regular basis and amended, where necessary to take account of changing circumstances and practices and made available to all trustees.



**Report of the Trustees  
for the year ended 31st December 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Risk management (continued)**

Organisations which receive regular grants from the Charity are subject to review by trustees by means of an established cycle of visits and enquiries. All grants which are phased over two or three years are made strictly conditional on the receipt of satisfactory progress reports and are subject to the agreement of the trustees at each stage. It is also customary for a number of new appeals to be made the subject of an enquiry by a trustee before a grant is decided, particularly if it is felt there are matters needing closer examination or if the potential grant was large. Every year around 60 to 70 organisations are made the subject of a visit or enquiry by a trustee. This figure represents around 25% of the total number of organisations which received a grant during the year.

The importance of full compliance with all legal requirements is understood and are relevant issues are aired and discussed at meetings. The Charity is a member of the Association of Charitable Foundations and trustees have full access to news and advice provided by the Association. Close working relationships with the Charity's Investment Managers and Accountants are important in ensuring that awareness of areas of potential risk can be maintained and addressed.

**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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing these 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 the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records which 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.

Approved by order of the board of trustees on 26th May 2021 and signed on its behalf by :



Mrs S Craven (Chairman) - Trustee

## **Report of the Independent Auditors to the Trustees of The Sir James Reckitt Charity**

### **Opinion**

We have audited the financial statements of The Sir James Reckitt Charity (the 'charity') for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

### **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

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

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

## **Report of the Independent Auditors to the Trustees of The Sir James Reckitt Charity**

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including The Charity Act 2011, data protection laws and employment laws. An understanding of these laws and regulations was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to: agreeing financial statement disclosures to underlying supporting documentation; reading the minutes of meetings of those charged with governance; enquiring of management as to actual and potential litigation and claims; and reviewing correspondence with HMRC, relevant regulators and the parent company's and group's legal advisors.

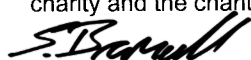
Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Bramall BSc, FCA (Senior Statutory Auditor)

For and on behalf of Smailes Goldie

Chartered Accountants

Statutory Auditor

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

Regent's Court

Princess Street

Hull

East Yorkshire

HU2 8BA

26th May 2021

The Sir James Reckitt Charity

Statement of Financial Activities  
for the year ended 31st December 2020

	Notes	Unrestricted fund £	Endowment fund £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		250	-	250	-
Investment income	2	1,575,521	-	1,575,521	1,541,182
<b>Total income</b>		<b>1,575,771</b>	<b>-</b>	<b>1,575,771</b>	<b>1,541,182</b>
<b>EXPENDITURE ON</b>					
Raising funds	3	-	142,841	142,841	141,699
<b>Charitable activities</b>	4				
Children		54,214	-	54,214	41,597
Education		256,249	-	256,249	301,827
Elderly		18,179	-	18,179	18,332
Environment		9,679	-	9,679	18,332
Medical		105,928	-	105,928	95,994
Religion		136,283	-	136,283	146,445
Social Work		703,567	-	703,567	743,668
Youth		57,637	-	57,637	58,882
<b>Total expenditure</b>		<b>1,341,736</b>	<b>142,841</b>	<b>1,484,577</b>	<b>1,566,776</b>
Net gains/(losses) on investments		85,169	3,061,319	3,146,488	6,701,416
<b>NET INCOME</b>		<b>319,204</b>	<b>2,918,478</b>	<b>3,237,682</b>	<b>6,675,822</b>
Transfers between funds		20,752	(20,752)	-	-
<b>Net movement in funds</b>		<b>339,956</b>	<b>2,897,726</b>	<b>3,237,682</b>	<b>6,675,822</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>2,101,533</b>	<b>47,669,527</b>	<b>49,771,060</b>	<b>43,095,238</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,441,489</b>	<b>50,567,253</b>	<b>53,008,742</b>	<b>49,771,060</b>


The notes form part of these financial statements

**The Sir James Reckitt Charity**

**Balance Sheet  
31st December 2020**

	Notes	Unrestricted fund £	Endowment fund £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Investments	11	1,539,086	50,605,953	52,145,039	49,139,215
<b>CURRENT ASSETS</b>					
Debtors	12	68,950	-	68,950	44,578
Cash at bank		848,707	-	848,707	721,459
		917,657	-	917,657	766,037
<b>CREDITORS</b>					
Amounts falling due within one year	13	(15,254)	(38,700)	(53,954)	(129,192)
<b>NET CURRENT ASSETS</b>		902,403	(38,700)	863,703	636,845
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,441,489	50,567,253	53,008,742	49,776,060
<b>CREDITORS</b>					
Amounts falling due after more than one year	14	-	-	-	(5,000)
<b>NET ASSETS</b>		2,441,489	50,567,253	53,008,742	49,771,060
<b>FUNDS</b>	15				
Unrestricted funds				2,441,489	2,101,533
Endowment funds				50,567,253	47,669,527
<b>TOTAL FUNDS</b>				53,008,742	49,771,060

The financial statements were approved by the Board of Trustees on 26th May 2021 and were signed on its behalf by:



Mrs S Craven (Chairman) - Trustee

**The Sir James Reckitt Charity**

**Cash Flow Statement  
for the year ended 31st December 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(1,448,273)	(1,498,537)
Net cash used in operating activities		<u>(1,448,273)</u>	<u>(1,498,537)</u>
<b>Cash flows from investing activities</b>			
Purchase of fixed asset investments		(5,506,081)	(7,378,128)
Sale of tangible fixed assets		4,997,270	7,440,144
Investment management fees		(140,665)	(181,494)
Interest received		216,033	81,062
Dividends received		<u>1,359,488</u>	<u>1,460,120</u>
Net cash provided by investing activities		<u>926,045</u>	<u>1,421,704</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(522,228)</b>	<b>(76,833)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>1,561,077</u></b>	<b><u>1,637,910</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u><u>1,038,849</u></u></b>	<b><u><u>1,561,077</u></u></b>

The notes form part of these financial statements

**The Sir James Reckitt Charity**

**Notes to the Cash Flow Statement  
for the year ended 31st December 2020**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2020 £	2019 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>3,237,682</b>	<b>6,675,822</b>
<b>Adjustments for:</b>		
Gain on investments	(3,146,488)	(6,701,416)
Dividends received	(1,359,488)	(1,460,120)
Investment management fees	142,841	141,699
Foreign exchange movements	-	(146)
Interest received from investments	(216,033)	(81,062)
(Increase)/Decrease in debtors	(24,372)	7,439
Decrease in creditors	(82,415)	(80,753)
<b>Net cash used in operations</b>	<b><u>(1,448,273)</u></b>	<b><u>(1,498,537)</u></b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.20 £	Cash flow £	At 31.12.20 £
<b>Net cash</b>			
Cash at bank	721,459	127,248	848,707
Cash held by investment managers	<u>839,618</u>	<u>(649,476)</u>	<u>190,142</u>
<b>Total</b>	<b><u>1,561,077</u></b>	<b><u>(522,228)</u></b>	<b><u>1,038,849</u></b>

The cash held by investment managers is not available to the charity for the furtherance of charitable activities, as it is held as part of the charity's endowment fund.

**Notes to the Financial Statements  
for the year ended 31st December 2020**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The Sir James Reckitt Charity is constituted by a deed of trust and registered with the Charity Commission in England / Wales. The principal address is given in the Reference and Administration Details on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Report of the Trustees on pages 2 to 7.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

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 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 issued 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 financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**Income**

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

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants payable are charged in the year when the offer is made except in those cases the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

**Raising funds**

The cost of generating funds consist of investment management and certain legal fees.

**Charitable activities**

Cost of charitable activities include grants made and an apportionment of overhead support costs as shown in note 4.

**Allocation and apportionment of costs**

Overhead and support costs have been allocated first between charitable activities and governance. Overhead and support costs relating to charitable activities have been apportioned based on the value of grants made. The allocation of overhead and support costs is analysed in note 6.



**Notes to the Financial Statements - continued  
for the year ended 31st December 2020**

**1. ACCOUNTING POLICIES - continued**

**Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These expenses include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs. Where costs cannot be directly attributed to either of these two categories, it is estimated, based on activity levels that 85% staffing costs, office support costs, membership fees and office equipment and 90% of the costs of trustees meeting are attributable to charitable expenditure with the balance to governance costs. Governance costs are apportioned based on the value of grants made.

**Taxation**

The Sir James Reckitt Charity is a UK registered charity and all of its income is applied to the achievement of its charitable objectives. The charitable company is therefore exempt under current legislation from most forms of taxation

**Fund accounting**

Restricted funds are funds which are able to be used in accordance with the specific restrictions imposed by the donor.

Endowment funds comprise assets in a permanent endowment fund with no power to convert the capital into income. Gains/(losses) on asset held in the endowment fund, both realised and unrealised, increase/(decrease) the endowment fund.

The income fund is an unrestricted fund and is expendable at the discretion of the trustees in furtherance of the objectives of the Charity. Income is derived from the investment of the Charity's endowment fund.

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

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**Office equipment**

Office equipment costing less than £2,500 per unit is charged against income in the year of purchase and apportioned between charitable expenditure and governance costs.

**Realised gains and losses**

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and the opening carrying value or purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**Financial Instruments**

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 amortised cost with the exception of fixed asset investments which are subsequently measured at fair value as at the balance sheet date using the closing quoted market price.

**Critical accounting estimates and areas of judgement**

Estimates and Judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are the level of investment return and the performance of investment markets (see investment policy and performance risk management section of the trustees annual report for further details).

**Notes to the Financial Statements - continued  
for the year ended 31st December 2020**

**1. ACCOUNTING POLICIES - continued**

**Fixed asset investments**

Fixed asset investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub sectors.

**2. INVESTMENT INCOME**

	2020	2019
	£	£
Interest - fixed interest security	216,033	81,062
Dividends	1,359,488	1,460,120
	<u>1,575,521</u>	<u>1,541,182</u>

**3. RAISING FUNDS**

**Investment management costs**

	2020	2019
	£	£
Portfolio management	142,841	141,699

**4. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (see note 5)	Support costs (see note 6)	Totals
	£	£	£
Children	51,500	2,714	54,214
Education	243,360	12,889	256,249
Elderly	17,500	679	18,179
Environment	9,000	679	9,679
Medical	100,500	5,428	105,928
Religion	129,500	6,783	136,283
Social Work	667,611	35,956	703,567
Youth	54,925	2,712	57,637
	<u>1,273,896</u>	<u>67,840</u>	<u>1,341,736</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

5. GRANTS PAYABLE

	2020 £	2019 £
Children	51,500	39,100
Education	243,360	284,348
Elderly	17,500	17,500
Environment	9,000	17,500
Medical	100,500	91,000
Religion	129,500	138,120
Social Work	667,611	698,599
Youth	54,925	55,550
	<u>1,273,896</u>	<u>1,341,717</u>

The total grants paid to institutions during the year was as follows:

	2020 £	2019 £
Grants to Institutions	<u>1,178,466</u>	<u>1,236,629</u>

The total grants paid to individuals during the year was as follows:

	2020 £	2019 £
Other grants	<u>95,430</u>	<u>105,088</u>

A detailed list of all grants payable during the year is included in note 17.

6. SUPPORT COSTS

Year ended 31 December 2020	Management and staff £	Other office costs £	Trustees meetings £	Bank charges £
Children	1,505	18	134	34
Education	7,150	88	637	160
Elderly	376	5	34	8
Environment	376	5	34	8
Medical	3,010	37	268	68
Religion	3,764	46	335	84
Social	19,945	245	1,776	448
Youth	1,505	18	134	32
	<u>37,631</u>	<u>462</u>	<u>3,352</u>	<u>842</u>

Year ended 31 December 2020	Consultancy £	Membership Costs £	Governance £	Totals £
Children	154	75	794	2,714
Education	732	355	3,767	12,889
Elderly	39	19	198	679
Environment	39	19	198	679
Medical	308	150	1,587	5,428
Religion	385	187	1,982	6,783
Social	2,043	990	10,509	35,956
Youth	154	75	794	2,712
	<u>3,854</u>	<u>1,870</u>	<u>19,829</u>	<u>67,840</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

6. SUPPORT COSTS (continued)

Year ended 31 December 2019	Management and staff £	Other office costs £	Trustees meetings £	Bank charges £
Children	1,089	11	523	12
Education	7,624	80	3,662	81
Elderly	363	4	174	4
Environment	363	4	174	4
Medical	2,178	23	1,046	23
Religion	3,630	37	1,744	39
Social	19,656	208	9,441	212
Youth	1,452	15	698	16
	<u>36,355</u>	<u>382</u>	<u>17,462</u>	<u>391</u>

Year ended 31 December 2019	Consultancy £	Membership Costs £	Governance £	Totals £
Children	178	55	629	2,497
Education	1,244	386	4,402	17,479
Elderly	59	18	210	832
Environment	59	18	210	832
Medical	356	110	1,258	4,994
Religion	593	184	2,098	8,325
Social	3,208	997	11,347	45,069
Youth	237	74	840	3,332
	<u>5,934</u>	<u>1,842</u>	<u>20,994</u>	<u>83,360</u>

Governance costs include the following items of expenditure:

	2020 £	2019 £
Accountancy charges	5,370	5,160
Audit fees	5,184	4,260
Legal and professional fees	2,030	2,271
Staff costs	6,551	6,407
Office costs	173	101
Bank charges	149	69
Trustees' meetings	372	1,938
Training	-	788
	<u>19,829</u>	<u>20,994</u>

7. AUDITORS' REMUNERATION

	2020 £	2019 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	5,184	4,260
Auditors' remuneration for non-audit work	<u>5,371</u>	<u>5,160</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

The trustees neither received nor were entitled to receive any emoluments in the current or previous year.

**Trustees' expenses**

Costs of trustees' meetings includes £447 in respect of the reimbursement of travelling, subsistence and related expenses to two trustees (2019: £12,882 to 16 trustees). The remainder of trustees' meeting costs relate to payments made to third party suppliers in respect of venue, catering and other associated costs.

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

9. STAFF COSTS

	2020 £	2019 £
Wages and salaries	42,010	41,424
Social security costs	981	145
Other pension costs – defined contribution scheme	1,280	1,140
	<u>44,271</u>	<u>42,709</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Support	<u>2</u>	<u>2</u>

The full time equivalent (FTE) number of staff was 1.4 (2019 - 1.4)

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Investment income	1,541,182	-	1,541,182
<b>EXPENDITURE ON</b>			
Raising funds	-	141,699	141,699
<b>Charitable activities</b>			
Children	41,597	-	41,597
Education	301,827	-	301,827
Elderly	18,332	-	18,332
Environment	18,332	-	18,332
Medical	95,994	-	95,994
Religion	146,445	-	146,445
Social Work	743,668	-	743,668
Youth	58,882	-	58,882
<b>Total</b>	<u>1,425,077</u>	<u>141,699</u>	<u>1,566,776</u>
Net gains/(losses) on investments	<u>41,489</u>	<u>6,659,927</u>	<u>6,701,416</u>
<b>Net movement in funds</b>	<u>157,594</u>	<u>6,518,228</u>	<u>6,675,822</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	-	41,151,299	43,095,238
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>2,101,533</u>	<u>47,669,527</u>	<u>49,771,060</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

11. FIXED ASSET INVESTMENTS

	Fixed interest stocks £	Equities £	Cash held by investment managers £	Totals £
<b>MARKET VALUE</b>				
At 1st January 2020	2,386,461	45,913,136	839,618	49,139,215
Additions	290,209	5,215,872	(5,506,081)	-
Disposals	(202,413)	(5,202,402)	4,997,270	(407,545)
Revaluations	(4,075)	3,558,109	-	3,554,034
Investment management charges	-	-	(140,665)	(140,665)
At 31st December 2020	<u>2,470,182</u>	<u>49,484,715</u>	<u>190,142</u>	<u>52,145,039</u>
<b>NET BOOK VALUE</b>				
At 31st December 2020	<u>2,470,182</u>	<u>49,484,715</u>	<u>190,142</u>	<u>52,145,039</u>
At 31st December 2019	<u>2,386,461</u>	<u>45,913,136</u>	<u>839,618</u>	<u>49,139,215</u>

Investments at market value comprise:

	UK £	Overseas £	2020 £	2019 £
Equities	25,474,603	24,010,112	49,484,715	45,913,136
Fixed interest stocks	2,079,582	390,600	2,470,182	2,386,461
Cash held by investment managers	<u>190,142</u>	-	<u>190,142</u>	839,618
Total market value	<u>27,744,327</u>	<u>24,400,712</u>	<u>52,145,039</u>	<u>49,139,215</u>

Valuation

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

Material investments exceeding 5% of the market value portfolio

	2020 £	2019 £
Reckitt Benckiser Group plc 157,650 (2019: 170,950) ordinary shares of 10p	<u>10,313,463</u>	10,477,526
	<u>10,313,463</u>	<u>10,477,526</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Prepayments and accrued income	<u>68,950</u>	<u>44,578</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Grants accrued - Institutional	5,000	83,000
Accrued expenses	<u>48,954</u>	<u>46,192</u>
	<u>53,954</u>	<u>129,192</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Grants accrued - Institutional	<u>-</u>	<u>5,000</u>

Movement in recognised provisions and funding commitments during the year

	Charitable commitments accrued
	£
Grant commitments recognised at the start of the year	88,000
New grant commitments charged to the Statement of financial activities in the year (note 5)	1,273,896
Grants paid during the year	(1,359,596)
Grants refunded during the year	<u>2,700</u>
Amount of grant commitments recognised as at the end of the year	<u>5,000</u>

15. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	Transfers between funds	At 31.12.20
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	1,974,872	319,204	147,413	2,441,489
Designated Funds - Methodist Homes Fund	126,661	-	(126,661)	-
	<u>2,101,533</u>	<u>319,204</u>	<u>20,752</u>	<u>2,441,489</u>
<b>Endowment funds</b>				
Endowment Fund	47,669,527	2,918,478	(20,752)	50,567,253
	<u>49,771,060</u>	<u>3,237,682</u>	<u>-</u>	<u>53,008,742</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	1,575,771	(1,341,736)	85,169	319,204
<b>Endowment funds</b>				
Endowment Fund	-	(142,841)	3,061,319	2,918,478
	<u>1,575,771</u>	<u>(1,484,577)</u>	<u>3,146,488</u>	<u>3,237,682</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
<b>Unrestricted funds</b>				
General fund	1,817,278	157,594	-	1,974,872
Designated Funds - Methodist Homes Fund	126,661	-	-	126,661
	1,943,939	157,594	-	2,101,533
<b>Endowment funds</b>				
Endowment Fund	41,151,299	6,518,228	-	47,669,527
<b>TOTAL FUNDS</b>	<u>43,095,238</u>	<u>6,675,822</u>	<u>-</u>	<u>49,771,060</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,541,182	(1,425,077)	41,489	157,594
<b>Endowment funds</b>				
Endowment Fund	-	(141,699)	6,659,927	6,518,228
<b>TOTAL FUNDS</b>	<u>1,541,182</u>	<u>(1,566,776)</u>	<u>6,701,416</u>	<u>6,675,822</u>

The Methodist Homes Fund was designated by the Trustees to fund a long-term commitment towards solving the issues of social care provision for elderly people in East Yorkshire, partnered with the Methodist Homes Association and other local organisations. Having made various donations over the years, the trustees have decided to redesignate the remaining fund to the General fund and accordingly there is a transfer shown between the funds.

16. RELATED PARTY DISCLOSURES

During the year the Charity made one grant to a related party totalling £2,000 (2019: £4,000). A grant of £2,000 was made to the Hull Preparative Meeting, of which Mrs M Fisher is a member. This grant was awarded in accordance with the Charity's grant making policies.



**The Sir James Reckitt Charity**

**Notes to the Financial Statements - continued  
for the year ended 31st December 2020**

**17. GRANTS (SINGLE GRANTS UNLESS SHOWN OTHERWISE)**

	<b>2020 £</b>
<b>Children</b>	
Scholarships for Street Kids	8,000
Save the Children Fund	8,000
NSPCC	8,000
Barnardo's	5,000
The Principle Trust Children's Charity	4,500
Hull Children's University	3,000
The Sailors' Families Society	3,000
Hull Children's Adventure Society	2,500
The Sick Children's Trust	2,500
Whizz-Kidz	2,500
Viking FM Cash for Kids	2,000
2 payments under £2,000	<u>2,500</u>
<b>Total Children grants paid in year and recognised in Statement of Financial Activities</b>	<b><u>51,500</u></b>
<b>Education</b>	
The University of Hull	30,000
Ackworth School	25,000
Bootham School Trust	25,000
Leighton Park Trust	25,000
The Mount School York Foundation	25,000
Sibford School	25,000
Sidcot School	25,000
Hymers College	13,000
Hull Collegiate Trust	10,660
Frederick Holmes School	8,000
Pre-School Learning Alliance	7,000
Gillamoor Primary School	4,000
Independent Provider of Special Education Advice	4,000
David Ross Education Trust	3,000
Shakespeare Schools Foundation (previously accrued)	3,000
Hull Play Resource Centre Scrapstore	3,000
West Midlands Quaker Peace Education Project	3,000
St James CE Academy School	2,000
Hornsea Nursery School	2,000
5 payments under £2,000	<u>3,700</u>
<b>Total Education grants paid in year</b>	<b>246,360</b>
Less: Previously accrued	<u>(3,000)</u>
<b>Total Education grants recognised in Statement of Financial Activities</b>	<b><u>243,360</u></b>
<b>Elderly</b>	
Age UK (Hull)	10,000
Abbeyfield UK	4,000
Hull & District Live at Home	<u>3,500</u>
<b>Total Elderly grants paid in year and recognised in Statement of Financial Activities</b>	<b><u>17,500</u></b>

**The Sir James Reckitt Charity**

**Notes to the Financial Statements - continued  
for the year ended 31st December 2020**

**17. GRANTS (SINGLE GRANTS UNLESS SHOWN OTHERWISE) (CONTINUED)**

	<b>2020</b>
	<b>£</b>
<b>Environment</b>	
Farm Africa	5,500
Field Studies Council	2,500
1 payment under £2,000	<u>1,000</u>
<b>Total Environment grants paid in year and recognised in Statement of Financial Activities</b>	<b><u>9,000</u></b>
 <b>Medical</b>	
The Retreat York	30,000
Antibiotic Research UK (previously accrued)	25,000
Brain Tumour Charity	10,000
Marie Curie Cancer Care	10,000
University of Hull	7,500
Marie Curie Cancer Care	6,500
Action for ME (2)	8,000
Moghissi Laser Trust (previously accrued)	5,000
Asthma UK	4,000
Cancer Support UK	3,000
Teeth Team	2,500
The Migraine Trust	2,500
Candlelighters Trust Fund	2,500
Blood Cancer UK	2,500
The Virtual Doctors Ltd R/C	2,000
Spinal Injuries Association	2,000
Anthony Nolan	2,000
Huntington's Disease Association	2,000
3 payments under £2,000	<u>3,500</u>
<b>Total Medical grants paid in year</b>	<b>130,500</b>
Less: Previously accrued	(30,000)
<b>Total Medical grants recognised in Statement of Financial Activities</b>	<b><u>100,500</u></b>
 <b>Religion</b>	
Woodbrooke Quaker Study Centre (2)	50,000
Britain Yearly Meeting	30,000
Ulster Quaker Service Committee	12,000
RJ Working (Restorative Justice)	7,500
Pickering Meeting	6,000
Quaker Tapestry Ltd (previously accrued)	5,000
Yorkshire Friends Holiday School	4,000
Pickering & Hull Area Meeting	3,000
Kendal & Sedbergh Area Meeting	2,500
Rookhow Quaker Meeting	2,500
The Friend' Publications	2,500
Friends Housing Bursary Trust	2,500
Hull Preparative Meeting	2,000
St Peters Parish Humbleton	2,000
4 payments under £2,000	<u>5,500</u>
<b>Total Religion grants paid in year</b>	<b>137,000</b>
Less: Previously accrued	(5,000)
Less: Grants repaid	(2,500)
<b>Total Religion grants recognised in Statement of Financial Activities</b>	<b><u>129,500</u></b>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

17. GRANTS (SINGLE GRANTS UNLESS SHOWN OTHERWISE) (CONTINUED)

	2020 £
<b>Social</b>	
Methodist Homes MHA (previously accrued)	40,000
Dove House Hospice (2)	28,000
Hull Community & Voluntary Services (3)	22,500
Doorstep of Hull	17,000
Peace Direct	15,000
Humbercare	15,000
British Red Cross (2)	13,000
Listening Books (2)	12,500
Therapy Services UK (2)	12,000
Quaker Social Action	11,000
Lake District Calvert Trust (3)	10,500
Anti-Slavery International	10,000
Welcome House	10,000
Home-Start, Hull (2)	9,500
Martin House	8,000
Spring Bank Community Association	8,000
Huntington's Disease Association	8,000
Hull Lighthouse Project	8,000
Hull Rape Crisis & Sexual Advice Service	8,000
Sight Support Hull & East Yorkshire	8,000
Disability Sport Yorkshire	7,500
HUSSO Student Community Action	7,500
Hessle Road Network	7,000
Mobility Trust	6,500
Hull Women's Centre	6,000
Alf Marshall Centre	6,000
CatZero Ltd	6,000
Victim Support Humber Ltd	6,000
BLESMA National Appeal	6,000
Cherry Tree Community Association	6,000
Forward Trust	6,000
Hull Samaritans	6,000
Rerun Furniture Service Ltd	6,000
St Leonard's Hospice	5,000
Inspire Communities	5,000
Endike Community Care Association	5,000
Stroke Association	5,000
The Happy Baby Community	5,000
Hope for Justice	5,000
Leonard Cheshire Homes	5,000
Bridlington Samaritans	5,000
The Green Team	5,000
PAMC Open Doors	5,000
Camphill Village Trust	5,000
Church Homeless Trust	5,000
Down's Syndrome Association	5,000
House of Light	5,000
RHM Recovery (previously accrued)	5,000
SEED Eating Disorders Support Services	5,000
HEY Smile Foundation	5,000
East Riding Voluntary Action Services ERVAS	5,000
SSAFA Forces Help	5,000
International Rescue Committee	5,000
Suzy Lamplugh Trust (2)	5,000

**The Sir James Reckitt Charity**

**Notes to the Financial Statements - continued  
for the year ended 31st December 2020**

**17. GRANTS (SINGLE GRANTS UNLESS SHOWN OTHERWISE) (CONTINUED)**

	<b>2020</b>
	<b>£</b>
<b>Social (continued)</b>	
Hull Council of Disabled People	4,000
M S Society	4,000
Designability	4,000
Family Holiday Association	4,000
Humber All-Nations Alliance	4,000
Cruse Bereavement Care Hull & East Riding	4,000
The New Bridge	4,000
Emmaus Hull & East Riding	3,500
Prison Reform Trust	3,500
Motor Neurone Disease Association	3,500
RELATE Hull & East Riding	3,500
The No Way Trust	3,000
Prisoners Abroad	3,000
QCEA British Committee	3,000
Oxford Research Group	3,000
Hull Chamber Music	3,000
Royal National Mission to Deep Sea Fishermen	3,000
Scoliosis Association	3,000
Project Orchid Ltd	3,000
Blind Veterans UK	3,000
Circles UK South West	3,000
Rebuilding Sri Lanka	3,000
The Club House Community Centre	3,000
Coltman Area Community Association	2,500
Carnegie Heritage Centre	2,500
Young Adults Support Services YASS	2,500
CatZero Ltd	2,500
Stroke Association	2,500
Saint Catherine's Hospice	2,500
Eternal Benefits Furniture	2,500
CASE Training Services	2,500
E.Y. Disabled Sports Association	2,500
Home-Start Goole & District	2,000
Wilberfoss, Kexby and Newton PFA	2,000
Yani Zertalis	2,000
Driffeld & District Skate and BMX Park	2,000
East Hull Food Bank	2,000
Hull Community Church	2,000
Humber Community Advice Services	2,000
Spring Bank Community Association	2,000
Yorkshire Air Ambulance	2,000
Ditto	2,000
Hull Animal Welfare Trust	2,000
Hearing Dogs for Deaf People	2,000
Leven Playing Field Association	2,000
Hull Bullnose Heritage Group	2,000
27 payments under £2,000	28,730
318 payments to individuals	93,881
<b>Total Social grants paid in year</b>	<b><u>712,611</u></b>
Less: Previously accrued	<u>(45,000)</u>
<b>Total Social grants recognised in Statement of Financial Activities</b>	<b><u>667,611</u></b>

**Notes to the Financial Statements - continued  
for the year ended 31st December 2020**

**17. GRANTS (SINGLE GRANTS UNLESS SHOWN OTHERWISE) (CONTINUED)**

	<b>2020</b>
	<b>£</b>
<b>Youth</b>	
The Warren of Hull Ltd	10,000
Endeavour Training	7,000
The Pedro Club	5,000
Andrew Marvell Youth Centre	4,500
Tall Ships Youth Trust	4,500
Ocean Youth Trust North	4,500
Hull Sea Cadets	4,000
Cottingham Scout and Guide Trust	3,000
Awards for Young Musicians	3,000
Maximum Life Youth Project	2,500
City of Hull Sport & Community Group	2,000
Leven Youth Club	2,000
3 payments under £2,000	1,575
4 payments to individuals	<u>1,550</u>
<b>Total Youth grants paid in year</b>	<b><u>55,125</u></b>
Less: Grants repaid	<u>(200)</u>
<b>Total Youth grants recognised in Statement of Financial Activities</b>	<b><u>54,925</u></b>
<b>Grand totals</b>	
<b>Total grants paid in year</b>	<b>1,359,596</b>
Less: Previously accrued	(83,000)
Less: Grants repaid	<u>(2,700)</u>
<b>Total grants recognised in Statement of Financial Activities</b>	<b><u>1,273,896</u></b>

**18. FUTURE COMMITMENTS**

The trustees have agreed to make future grants, subject to providing accounts and projections, of £Nil (2019: £750,000).

These future commitments are entirely at the discretion of the trustees and are, therefore, not included within the financial statements as creditors.