

THE FRANCIS W RECKITT ARTS TRUST

England & Wales · Charity number 230928

Details

Other names	MOUNT PLEASANT, THE MOUNT PLEASANT ARTISTS REST HOME
Status	Registered
Legal form	Other
Registered	1963-10-30
Register	View on the Charity Commission register

Contact

Address
Hawkwood College
Painswick Old Road
Stroud
Gloucestershire
GL6 7QW

Phone 01453759034

Email office@reckittarts.org

Website reckittarts.org

Activities

Objects: THE OBJECT OF THE CHARITY IS, FOR THE PUBLIC BENEFIT, THE RELIEF OF FINANCIAL HARDSHIP, POVERTY AND SICKNESS AMONG ARTISTS BY:(1) THE PROVISION OF GRANTS TO ENABLE ARTISTS WHO ARE IN NEED OF SUCH ASSISTANCE TO ACCESS FACILITIES AND/OR SUITABLE ACCOMMODATION TO ENABLE THEM TO PRACTICE THEIR PROFESSION SO AS TO BRING THEMSELVES OUT OF FINANCIAL HARDSHIP AND/OR POVERTY; (2) THE PROVISION OF GRANTS TO ENABLE TEMPORARY ACCOMMODATION TO BE SECURED FOR ARTISTS IN NEED OF SUCH ASSISTANCE WHO ARE RECOVERING FROM ILLNESS.

Activities: To provide grants towards board and accommodation costs for men and women professionally engaged in literature, music or the fine arts, where those in need would be able to work or rest in peaceful surroundings for short periods.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Arts/culture/heritage/science
- **Who:** Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£131,028	£149,104	-	-
2024-09-30	£112,440	£172,391	-	-
2023-09-30	£115,557	£158,697	-	-
2022-09-30	£93,818	£126,335	-	-
2021-09-30	£109,922	£150,336	-	-

Trustees

Name	Role	Appointed
MR CHRIS GREEN	Chair	2015-10-06
Chris Cook		2018-03-14
Ian Archer		2023-04-12
MS MARCELLE BERNSTEIN		2014-02-18
Mark Roland Fishlock		2025-05-14

THE FRANCIS W RECKITT ARTS TRUST

England & Wales - Charity number 230928

Accounts

The Francis W Reckitt Arts Trust
Unaudited Financial Statements
30 September 2025

COVENEY NICHOLLS PARTNERSHIP LLP

Chartered accountants
The Old Wheel House
31/37 Church Street
Reigate
Surrey
UK
RH2 0AD

The Francis W Reckitt Arts Trust

Financial Statements

Year ended 30 September 2025

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The Francis W Reckitt Arts Trust

Trustees' Annual Report

Year ended 30 September 2025

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 September 2025.

Reference and administrative details

Registered charity name The Francis W Reckitt Arts Trust

Charity registration number 230928

Principal office Hawkwood College
Painswick Old Road
Stroud
Gloucestershire
GL6 7QW
United Kingdom

The trustees

Mrs M Clark
Mr C Green (Chairman)
Mr C Cook
Mr I Archer
Mr M Fishlock (Appointed 14 May 2025)

Company secretary Mr D Stoll

Independent examiner Gareth Turner ACA
The Old Wheel House
31/37 Church Street
Reigate
Surrey
UK
RH2 0AD

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2025

Structure, governance and management

Governing Document

The charity is controlled by its governing document, a deed of trust established by Francis William Reckitt in 1929, and constitutes an unincorporated charity.

A scheme, modifying the original deed, was issued by the Charity Commission on 10 March 2016, allowing the Charity to use its funds for revised objects, compared to the original ones. These aims are to support artists with temporary board and accommodation, principally at Hawkwood College in the Hawkwood Artist Residency Programme but also elsewhere. The Charity also works with other relevant charities in supporting temporary board and lodging costs for artists needing holidays or places for convalescence.

Trustees

During this year, the Charity's Board was composed of four Trustees, who represent branches of the Arts and/or have specialised knowledge of such practical matters as Law, Administration etc. A new Trustee was appointed during the year, for a total of five.

There were four Trustee Meetings held during the year, two of which were conducted via conference call, at which the Trustees discussed the Charity's broad strategy and areas of activity.

Day to day management is always delegated to the Director, who remains in regular communication with the Chairman, with the Director of Hawkwood College, and also with various professional advisors and services during the year.

Risk Management

The Trustees are aware of the major strategic, business and operational risks which the Charity faces and confirm that systems continue to ensure that any necessary steps can be taken to lessen these risks.

Furthermore, the unrestricted funds available to the Trust are at a sufficient level to cover all administration and support costs, and to respond to emergencies should they arise.

Finance

The Charity is supported by investment income from the Trust Fund established by the benefactor. The Trustees hold annual meetings with Rathbones, as investment managers for the charity, to discuss and decide ongoing investment policy. There are regular discussions regarding the best policies under changing circumstances, and Rathbones monitor the situation regularly and inform the Trust of any important matters arising.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2025

Objectives and activities

Objectives and Aims

The Trust has continued its activity in providing and allocating Grant finance to allow for the temporary accommodation of Artists, alone or in groups, for rest, recreation, convalescence, study, research or quiet work. Generally, the Trust has a policy of supporting Artist Residencies at Hawkwood College as its major beneficence - the Hawkwood Artists Residency Programme (HARP) - and funding the bed and board costs of Artists working or resting away from home through other established specialist Charities or paid directly to places of residence chosen by individual artists.

The strict guidelines regarding 1] professional status and 2] any particular artist's need for assistance remained in place throughout the year. There are regular checks to ensure that all grants are used properly, and that all beneficiaries are eligible.

Achievements and performance

Charitable Activities

A total of £96,850 was paid out as Grants over this financial year. During the year, Hawkwood College was allocated £93,250 for the HARP programme and improvements in the accommodation. £3,000 was paid to other Charities which the Trust supports in furtherance of its Aims. One individual Artist received a grant of £600 during this period.

Following last year, when the Trust elected to distribute more than its Income for the year (drawing upon unrestricted funds), this year the Trustees decided to keep within the level of income and thus to grow the Fund further. Administration costs represented about 20% of the money drawn over the year; 74% of the money drawn was given in Grants. (The discrepancy in the totals is related to money held in the Savings Account to enable smooth cash flow.)

Since beginning its Grant giving activities in 2016, the Trust has given a total of approximately £766,700 in Grants of various kinds, all in line with its declared aims.

Restricted and Unrestricted Funds

The Trustees determined that, from the next financial year (25-26), the situation relating to its Trust Fund would be more clearly shown in all subsequent Financial Statements - specifically as to how much is represented as the unrestricted portion which is available for use.

Investment performance

Over the year to 30th September 2025, the total Income from the Fund was £125,925, supplemented by bank interest of £353 from the Savings Account. Regarding the Fund, the return for the Trust after fees was 12.0%, measured against the Rathbones Risk Level 5 Total Return Benchmark, which increased by 15.9%; this is primarily due to the focus on income-producing UK investments. However, returns did exceed the ARC Charity Equity Risk peer group index of 11.5%.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2025

Financial review

Reserves policy

The unrestricted funds are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise. The level of drawdown during the year covered all the administrative costs of the Charity, the balance being used for giving grants in accordance with the Trust's aims.

Investment policy and objectives

The Trustees have no restriction on Investment and the administration of the portfolio is delegated on a day to day basis to Rathbones in a discretionary management capacity. The Fund manager, on behalf of the Trustees, regularly monitors movements in the markets and makes necessary adjustments to the portfolio.

The Trustees, having carefully considered the figures and the situation, have decided to remain at Risk Level 5. Their principal general requirement is that the value of the Fund should rise at least to match inflation, while continuing to give Grants at as high a level as possible.

Plans for future periods

There are currently no major plans for changing the investment pattern over the coming year, though the situation of the markets will be watched carefully by Rathbones and adjustments made as necessary.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Mr D Stoll
Charity Secretary

The Francis W Reckitt Arts Trust

Independent Examiner's Report to the Trustees of The Francis W Reckitt Arts Trust

Year ended 30 September 2025

I report to the trustees on my examination of the financial statements of The Francis W Reckitt Arts Trust ('the charity') for the year ended 30 September 2025.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 that in any material respect:

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

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

Gareth Turner ACA

Independent Examiner

The Old Wheel House
31/37 Church Street
Reigate
Surrey
UK
RH2 0AD

The Francis W Reckitt Arts Trust

Statement of Financial Activities

Year ended 30 September 2025

		2025		2024
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Other trading activities	4	4,750	4,750	–
Investment income	5	126,278	126,278	112,440
Total income		<u>131,028</u>	<u>131,028</u>	<u>112,440</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	6	(20,346)	(20,346)	(19,531)
Expenditure on charitable activities	7,8	(128,758)	(128,758)	(152,860)
Total expenditure		<u>(149,104)</u>	<u>(149,104)</u>	<u>(172,391)</u>
Net gains on investments	9	504,017	504,017	402,196
Net income and net movement in funds		<u>485,941</u>	<u>485,941</u>	<u>342,245</u>
Reconciliation of funds				
Total funds brought forward		5,182,105	5,182,105	4,839,860
Total funds carried forward		<u>5,668,046</u>	<u>5,668,046</u>	<u>5,182,105</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 15 form part of these financial statements.

The Francis W Reckitt Arts Trust

Statement of Financial Position

30 September 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	14	94	181
Investments	15	5,585,743	5,053,441
		<u>5,585,837</u>	<u>5,053,622</u>
Current assets			
Debtors	16	33,243	38,275
Cash at bank and in hand		51,466	92,708
		<u>84,709</u>	<u>130,983</u>
Creditors: amounts falling due within one year	17	2,500	2,500
Net current assets		<u>82,209</u>	<u>128,483</u>
Total assets less current liabilities		<u>5,668,046</u>	<u>5,182,105</u>
Net assets		<u>5,668,046</u>	<u>5,182,105</u>
Funds of the charity			
Unrestricted funds		5,668,046	5,182,105
Total charity funds	18	<u>5,668,046</u>	<u>5,182,105</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Mr C Green (Chairman)
Trustee

The notes on pages 8 to 15 form part of these financial statements.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements

Year ended 30 September 2025

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Hawkwood College, Painswick Old Road, Stroud, Gloucestershire, GL6 7QW, UK.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

Management has not made any significant judgements in the process of applying the entity's accounting policies that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The only key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to the entity's investments which are recorded at fair value. These are publicly traded investments and are held at their market value at the period end.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2025

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impracticable to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- investment income from interest and dividends is recognised when received.

Resources expended

Costs of generating funds consist of the management costs relating to the investment portfolio. The direct costs of providing services to guests are categorised as charitable activities. Governance costs comprise the expenditure associated with strategic management and compliance with statutory requirements.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2025

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 10% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2025

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Other trading activities

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Auction proceeds	4,750	4,750	—	—

5. Investment income

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Income from listed investments	112,341	112,341	97,991	97,991
Bank interest receivable from deposit account	353	353	195	195
Other interest receivable	13,584	13,584	14,254	14,254
	<u>126,278</u>	<u>126,278</u>	<u>112,440</u>	<u>112,440</u>

6. Investment management costs

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Portfolio Management	20,346	20,346	19,531	19,531

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2025

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Grants given	96,850	96,850	120,230	120,230
Wages and social security	18,329	18,329	17,883	17,883
Computer expenses	481	481	499	499
Bank charges	50	50	60	60
Insurance	921	921	840	840
Travel costs	3,807	3,807	5,089	5,089
Support costs	8,320	8,320	8,259	8,259
	<u>128,758</u>	<u>128,758</u>	<u>152,860</u>	<u>152,860</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2025 £	Total fund 2024 £
Grants given	96,850	–	96,850	120,230
Wages and social security	18,329	–	18,329	17,883
Computer expenses	481	–	481	499
Bank charges	50	–	50	60
Insurance	921	–	921	840
Travel costs	3,807	–	3,807	5,089
Governance costs	–	8,320	8,320	8,259
	<u>120,438</u>	<u>8,320</u>	<u>128,758</u>	<u>152,860</u>

9. Net gains on investments

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Gains/(losses) on other investment assets	504,017	504,017	402,196	402,196

10. Net income

Net income is stated after charging/(crediting):

	2025 £	2024 £
Depreciation of tangible fixed assets	<u>87</u>	<u>193</u>

11. Independent examination fees

	2025 £	2024 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,100</u>	<u>2,000</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2025

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	<u>18,329</u>	<u>17,883</u>

The average head count of employees during the year was 1 (2024: 1).

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

One or more trustees has claimed expenses or had their expenses met by the charity. A total of £222 (2024 - £476) was reimbursed to 1 (2024 - 1) trustee in respect of travel expenses and a total of £nil (2024 - £575) in consultancy fees was paid to 1 trustee.

14. Tangible fixed assets

	Fixtures and fittings
	£
Cost	
At 1 October 2024 and 30 September 2025	<u>2,804</u>
Depreciation	
At 1 October 2024	2,623
Charge for the year	87
At 30 September 2025	<u>2,710</u>
Carrying amount	
At 30 September 2025	<u>94</u>
At 30 September 2024	<u>181</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2025

15. Investments

	Listed investments £	Other investments £	Total £
Cost or valuation			
At 1 October 2024	5,053,341	100	5,053,441
Acquisitions at cost	986,354	–	986,354
Disposals at opening book value	(942,851)	–	(942,851)
Net gains/(losses) on revaluations in the year.	488,799	–	488,799
At 30 September 2025	<u>5,585,643</u>	<u>100</u>	<u>5,585,743</u>
Impairment			
At 1 October 2024 and 30 September 2025		–	–
Carrying amount			
At 30 September 2025	<u>5,585,643</u>	<u>100</u>	<u>5,585,743</u>
At 30 September 2024	<u>5,053,341</u>	<u>100</u>	<u>5,053,441</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Of the listed investments held, £3,744,351 (2024 - £3,712,069) related to investment assets in the UK and £1,841,292 (2024 - £1,341,272) related to investment assets outside the UK.

16. Debtors

	2025 £	2024 £
Prepayments and accrued income	<u>33,243</u>	<u>38,275</u>

17. Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals and deferred income	<u>2,500</u>	<u>2,500</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2025

18. Analysis of charitable funds

Unrestricted funds

	At 1 October 20 24	Income £	Expenditure £	Gains and losses £	At 30 September 2025 £
General funds	5,182,105	131,028	(149,104)	504,017	5,668,046

	At 1 October 20 23	Income £	Expenditure £	Gains and losses £	At 30 September 2024 £
General funds	4,839,860	112,440	(172,391)	402,196	5,182,105

19. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2025 £
Tangible fixed assets	94	94
Investments	5,585,743	5,585,743
Current assets	84,709	84,709
Creditors less than 1 year	(2,500)	(2,500)
Net assets	5,668,046	5,668,046

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	181	181
Investments	5,053,441	5,053,441
Current assets	130,983	130,983
Creditors less than 1 year	(2,500)	(2,500)
Net assets	5,182,105	5,182,105

20. Related parties

There were no related party transactions during the reporting period that are required to be disclosed under FRS 102.

THE FRANCIS W RECKITT ARTS TRUST

England & Wales - Charity number 230928

Accounts

CHARITY REGISTRATION NUMBER: 230928

The Francis W Reckitt Arts Trust
Unaudited Financial Statements
30 September 2024

COVENEY NICHOLLS

Chartered accountants
The Old Wheelhouse
31/37 Church Street
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The Francis W Reckitt Arts Trust

Financial Statements

Year ended 30 September 2024

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The Francis W Reckitt Arts Trust

Trustees' Annual Report

Year ended 30 September 2024

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 September 2024.

Reference and administrative details

Registered charity name The Francis W Reckitt Arts Trust

Charity registration number 230928

Principal office Hawkwood College
Painswick Old Road
Stroud
Gloucestershire
GL6 7QW
United Kingdom

The trustees

Mrs M Clark
Mr C Green (Chairman)
Mr C Cook
Mr I Archer

Company secretary Mr D Stoll

Independent examiner Jeffrey Kelly FCA
The Old Wheelhouse
31/37 Church Street
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Surrey
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The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2024

Structure, governance and management

Governing Document

The charity is controlled by its governing document, a deed of trust established by Francis William Reckitt in 1929, and constitutes an unincorporated charity.

A scheme, modifying the original deed, was issued by the Charity Commission on 10 March 2016, allowing the Charity to use its funds for revised objects, cy-près to the original ones, in supporting artists with temporary board and accommodation either at Hawkwood College or in other places of their choice.

Trustees

During this year, the Charity's Board was composed of four Trustees, who represent branches of the Arts and/or have specialised knowledge of such practical matters as Law, Administration etc. A new potential Trustee has been approached and has agreed to be appointed during the next year.

There were four Trustee Meetings held during the year, two of which were conducted via conference call. This is permitted in our system and all meetings were quorate. The Trustees discussed the Charity's broad strategy and areas of activity; day to day management is always delegated to the Secretary. He remained in regular communication with the Chairman, and also with the Director of Hawkwood College and various professional advisors through the year.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems continue to ensure that any necessary steps can be taken to lessen these risks.

Furthermore, the unrestricted funds available to the Trust are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise.

Finance

The Charity is supported by investment income from the Trust Fund established by the benefactor. The Trustees hold annual meetings with Rathbones, as investment managers for the charity, to discuss and decide ongoing investment policy. There are regular discussions regarding the best policies under changing circumstances, and Rathbones monitor the situation regularly and inform the Trust of any important matters arising.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2024

Objectives and activities

Objectives and Aims

The Trust has continued its activity in providing and allocating Grant finance to allow for the temporary accommodation of Artists, alone or in groups, for rest, recreation, convalescence, study, research or quiet work. Generally, the Trust has a policy of supporting Artist Residencies at Hawkwood College as its major beneficence - the Hawkwood Artists Residency Programme (HARP) - and funding the bed and board costs of Artists working or resting away from home through other established specialist Charities or paid directly to places of residence chosen by individual artists.

The strict guidelines regarding 1] professional status and 2] need for assistance remained in place throughout the changing circumstances of the year.

Achievements and performance

Charitable Activities

A total of £120,230.00 was paid out as Grants over this financial year. During the year, Hawkwood College was allocated £112,500 for the HARP programme, and £4,900 was paid to other Charities which the Trust supports in furtherance of its Aims. Individual Artists received grants totalling £2,830 during this period

As predicted in last year's Report, the Trust distributed more than its Income this year, drawing from previously re-invested Income to ensure solid support for relevant beneficiaries at this difficult time for Artists. Disregarding money put aside in Savings for unexpected expenses in the coming year and investment management fees, the Trust's administration costs represented about 10% of the money drawn during the year.

Since beginning its Grant giving activities in 2016, the Trust has given a total of approximately £673,480 in Grants of various kinds, all in line with its declared aims.

Investment performance

Over the year to 30th September 2024, the total Income from the Fund was £112,244, supplemented by bank interest of £195 from the Savings Account. Regarding the Fund, the return of the Trust after fees was 11.5%, measured against the Rathbones Risk Level 5 Total Return Benchmark, which increased by 16.6%, and the ARC Charity Equity Risk peer group index of 13.8%. While the return in absolute terms is satisfactory, there is underperformance with respect to the benchmarks. Rathbones explains this as being due to 1] the focus on income-producing UK investments which have underperformed generally; and 2] a lower share of investment in the US technology sector, which, while being the market leaders, do not tend to pay dividends.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2024

Financial review

Reserves policy

The unrestricted funds are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise. The level of drawdown during the year covered all the administrative costs of the Charity, the balance being used for giving grants in accordance with the Trust's aims.

Investment policy and objectives

The Trustees have no restriction on Investment and the administration of the portfolio is delegated on a day to day basis to Rathbones in a dealing and advisory capacity. The Fund manager, on behalf of the Trustees, regularly monitors movements in the markets and makes necessary adjustments to the portfolio.

Plans for future periods

There are currently no major plans for changing the investment pattern over the coming year, though the situation of the markets will be watched carefully by Rathbones and adjustments made as necessary.

The Trustees, having carefully considered the figures and the situation, have decided to remain at Risk Level 5. They are keeping open, for the present, the possibility of changing the balance of investments later in the coming year to attract a slightly higher income, within the general requirement of at least matching inflation in raising the value of the Fund.

The trustees' annual report was approved on 13 Feb '25 and signed on behalf of the board of trustees by:



Mr D Stoll
Charity Secretary

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2024

Financial review

Reserves policy

The unrestricted funds are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise. The level of drawdown during the year covered all the administrative costs of the Charity, the balance being used for giving grants in accordance with the Trust's aims.

Investment policy and objectives

The Trustees have no restriction on Investment and the administration of the portfolio is delegated on a day to day basis to Rathbones in a dealing and advisory capacity. The Fund manager, on behalf of the Trustees, regularly monitors movements in the markets and makes necessary adjustments to the portfolio.

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There are currently no major plans for changing the investment pattern over the coming year, though the situation of the markets will be watched carefully by Rathbones and adjustments made as necessary.

The Trustees, having carefully considered the figures and the situation, have decided to remain at Risk Level 5. They are keeping open, for the present, the possibility of changing the balance of investments later in the coming year to attract a slightly higher income, within the general requirement of at least matching inflation in raising the value of the Fund.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Mr D Stoll
Charity Secretary

The Francis W Reckitt Arts Trust

Independent Examiner's Report to the Trustees of The Francis W Reckitt Arts Trust

Year ended 30 September 2024

I report to the trustees on my examination of the financial statements of The Francis W Reckitt Arts Trust ('the charity') for the year ended 30 September 2024.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 that in any material respect:

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

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

Jeffrey Kelly FCA

Independent Examiner

The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Statement of Financial Activities

Year ended 30 September 2024

		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	112,440	112,440	115,557
Total income		<u>112,440</u>	<u>112,440</u>	<u>115,557</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	5	19,531	19,531	18,279
Expenditure on charitable activities	6,7	<u>152,860</u>	<u>152,860</u>	<u>140,418</u>
Total expenditure		<u>172,391</u>	<u>172,391</u>	<u>158,697</u>
Net gains on investments	8	(402,196)	(402,196)	(282,095)
Net income and net movement in funds		<u>342,245</u>	<u>342,245</u>	<u>238,955</u>
Reconciliation of funds				
Total funds brought forward		4,839,860	4,839,860	4,600,905
Total funds carried forward		<u>5,182,105</u>	<u>5,182,105</u>	<u>4,839,860</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 13 form part of these financial statements.

The Francis W Reckitt Arts Trust

Statement of Financial Position

30 September 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	12	181	374
Investments	13	5,053,441	4,763,044
		<u>5,053,622</u>	<u>4,763,418</u>
Current assets			
Debtors	14	38,275	43,286
Cash at bank and in hand		92,708	37,956
		<u>130,983</u>	<u>81,242</u>
Creditors: amounts falling due within one year	15	<u>2,500</u>	<u>4,800</u>
Net current assets		<u>128,483</u>	<u>76,442</u>
Total assets less current liabilities		<u>5,182,105</u>	<u>4,839,860</u>
Net assets		<u>5,182,105</u>	<u>4,839,860</u>
Funds of the charity			
Unrestricted funds		5,182,105	4,839,860
Total charity funds	16	<u>5,182,105</u>	<u>4,839,860</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Mr C Green (Chairman)
Trustee

The notes on pages 8 to 13 form part of these financial statements.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements

Year ended 30 September 2024

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Hawkwood College, Painswick Old Road, Stroud, Gloucestershire, GL6 7QW, UK.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

3. Accounting policies *(continued)*

Incoming resources *(continued)*

- income from donated goods is measured at the fair value of the goods unless this is impracticable to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- investment income from interest and dividends is recognised when received.

Resources expended

Costs of generating funds consist of the management costs relating to the investment portfolio. The direct costs of providing services to guests are categorised as charitable activities. Governance costs comprise the expenditure associated with strategic management and compliance with statutory requirements.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 10% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Income from listed investments	97,991	97,991	100,660	100,660
Bank interest receivable from deposit account	195	195	125	125
Other interest receivable	14,254	14,254	14,772	14,772
	<u>112,440</u>	<u>112,440</u>	<u>115,557</u>	<u>115,557</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

5. Investment management costs

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Portfolio Management	<u>19,531</u>	<u>19,531</u>	<u>18,279</u>	<u>18,279</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Charitable Activities	144,601	144,601	131,808	131,808
Support costs	<u>8,259</u>	<u>8,259</u>	<u>8,610</u>	<u>8,610</u>
	<u>152,860</u>	<u>152,860</u>	<u>140,418</u>	<u>140,418</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Charitable Activities	144,601	–	144,601	131,808
Governance costs	–	<u>8,259</u>	<u>8,259</u>	<u>8,610</u>
	<u>144,601</u>	<u>8,259</u>	<u>152,860</u>	<u>140,418</u>

8. Net gains on investments

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Gains/(losses) on other investment assets	<u>402,196</u>	<u>402,196</u>	<u>282,095</u>	<u>282,095</u>

9. Net income

Net income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	<u>193</u>	<u>193</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024 £	2023 £
Wages and salaries	<u>17,883</u>	<u>16,918</u>

The average head count of employees during the year was 1 (2023: 1).

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

10. Staff costs *(continued)*

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

One or more trustees has claimed expenses or had their expenses met by the charity. A total of £476 (2023 - £286) was reimbursed to 1 (2023 - 1) trustee in respect of travel expenses and a total of £nil (2023 - £575) in consultancy fees was paid to 1 trustee.

12. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 October 2023 and 30 September 2024	<u>2,804</u>
Depreciation	
At 1 October 2023	2,430
Charge for the year	193
At 30 September 2024	<u>2,623</u>
Carrying amount	
At 30 September 2024	<u>181</u>
At 30 September 2023	<u>374</u>

13. Investments

	Listed investments £	Other investments £	Total £
Cost or valuation			
At 1 October 2023	4,762,944	100	4,763,044
Acquisitions at cost	588,196	–	588,196
Disposals at opening book value	(643,396)	–	(643,396)
Net gains/(losses) on revaluations in the year.	345,597	–	345,597
At 30 September 2024	<u>5,053,341</u>	<u>100</u>	<u>5,053,441</u>
Impairment			
At 1 October 2023 and 30 September 2024		–	–
Carrying amount			
At 30 September 2024	<u>5,053,341</u>	<u>100</u>	<u>5,053,441</u>
At 30 September 2023	<u>4,762,944</u>	<u>100</u>	<u>4,763,044</u>

All investments shown above are held at valuation.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

13. Investments *(continued)*

Financial assets held at fair value

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Of the listed investments held, £3,712,069 (2023 - £2,832,455) related to investment assets in the UK and £1,341,272 (2023 - £1,930,489) related to investment assets outside the UK.

14. Debtors

	2024	2023
	£	£
Prepayments and accrued income	<u>38,275</u>	<u>43,286</u>

15. Creditors: amounts falling due within one year

	2024	2023
	£	£
Accruals and deferred income	<u>2,500</u>	<u>4,800</u>

16. Analysis of charitable funds

Unrestricted funds

	At 1 October 20 23	Income £	Expenditure £	Gains and losses £	At 30 September r 2024 £
General funds	<u>4,839,860</u>	<u>112,440</u>	<u>(172,391)</u>	<u>402,196</u>	<u>5,182,105</u>

	At 1 October 20 22	Income £	Expenditure £	Gains and losses £	At 30 September 2023 £
General funds	<u>4,600,905</u>	<u>115,557</u>	<u>(158,697)</u>	<u>282,095</u>	<u>4,839,860</u>

17. Related parties

There were no related party transactions during the reporting period that are required to be disclosed under FRS 102.

THE FRANCIS W RECKITT ARTS TRUST

England & Wales - Charity number 230928

Accounts

CHARITY REGISTRATION NUMBER: 230928

The Francis W Reckitt Arts Trust
Unaudited Financial Statements
30 September 2023

COVENEY NICHOLLS

Chartered accountants
The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Financial Statements

Year ended 30 September 2023

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The Francis W Reckitt Arts Trust

Trustees' Annual Report

Year ended 30 September 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 September 2023.

Reference and administrative details

Registered charity name The Francis W Reckitt Arts Trust

Charity registration number 230928

Principal office Hawkwood College
Painswick Old Road
Stroud
Gloucestershire
GL6 7QW
United Kingdom

The trustees

Mrs M Clark
Mr C Green (Chairman)
Mr C Cook
Mr I Archer (Appointed 13 April 2023)

Company secretary Mr D Stoll

Independent examiner Jeffrey Kelly FCA
The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2023

Structure, governance and management

Governing Document

The charity is controlled by its governing document, a deed of trust established by Francis William Reckitt in 1929, and constitutes an unincorporated charity.

A scheme, modifying the original deed, was issued by the Charity Commission on 10 March 2016, allowing the Charity to use its funds for revised objects, cy-pres to the original ones, in supporting artists with temporary board and accommodation either at Hawkwood College or in other places of their choice.

Trustees

During this year, the Charity's Board was composed of three Trustees, who represent branches of the Arts and/or have specialised knowledge of such practical matters as Law, Administration etc. A new Trustee was appointed, Mr Ian Archer, in April 2023.

There were three Trustee Meetings held during the year, two of which were conducted via conference call. This is permitted in our system and all meetings were quorate. The Trustees discussed the Charity's broad strategy and areas of activity; day to day management is always delegated to the Secretary. He remained in regular communication with the Chairman, and also with the Director of Hawkwood College and various professional advisors through the year.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems continue to ensure that any necessary steps can be taken to lessen these risks. The Chairman and Secretary made a full investigation of procedures in the spring and summer of 2023 and the results were written up in a new Administration Handbook for reference.

Furthermore, the unrestricted funds available to the Trust are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise.

Finance

The Charity is supported by investment income from the Trust Fund established by the benefactor. The Trustees hold annual meetings with Rathbones, as investment managers for the charity, to discuss and decide ongoing investment policy. During the current crisis, there has been regular discussion regarding the best policies under changing circumstances, and Rathbones monitor the situation regularly and inform the Trust of any important matters arising.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2023

Objectives and activities

Objectives and Aims

The Trust has continued, as far as possible, its activity in providing and allocating Grant finance to allow for the temporary accommodation of Artists, alone or in groups, for rest, recreation, convalescence, study, research or quiet work. Generally, the Trust has a policy of supporting Artist Residencies at Hawkwood College as its major beneficence - the Hawkwood Artists Residency Programme (HARP) - and funding the bed and board costs of Artists working or resting away from home through other established specialist Charities or paid directly to places of residence chosen by individual artists.

The strict guidelines regarding 1] professional status and 2] need for assistance remained in place throughout the changing circumstances of the year.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2023

Achievements and performance

Charitable Activities

A total of £108,000 was paid out as Grants over this financial year. During the year, Hawkwood College was allocated £105,000 for the HARP programme, and £3,000 was paid to another Charity which the Trust supports in furtherance of its Aims. No individual Artists were given Grants during this period, though some Grants were awarded at Meetings for allocation in the next year.

Based on the Income achieved from the Fund, the Trust distributed about 93.5% as Grants during the year 2022-23, much of the cost of administration being otherwise covered by the surplus carried forward in the Trust's Bank Savings Account.

Since beginning its Grant giving activities in 2016, the Trust has given a total of over £560,000 in Grants of various kinds, all in line with its declared aims.

Investment performance

Over the year to 30th September 2023, the total return of the Trust after fees was +7.9%, measured against the Rathbones Risk Level 5 Total Return Benchmark, which increased by +11.2%. However, the ARC Charity Equity Risk Index, which represents the average return of similar charity accounts across various investment managers, returned +6.0% over the same period. Considering a generally difficult economic and geopolitical environment, the Trust performed well in absolute terms over the year.

There are three main reasons behind the Trust's relative underperformance: 1] the requirement to generate Income inclines Rathbones to invest in UK companies with higher dividends, and the UK market was lagging in performance relative to these international holdings; 2] a significant proportion of the gains in the benchmark holdings were in higher risk technology firms, which Rathbones doesn't consider suitable within the Trust's remit; and 3] Rathbones has positioned the Trust's holdings rather more cautiously in order to shield it in the event of the market's weakening again as the current uncertainties continue.

The Trustees, having carefully considered the figures and the situation, elected in August 2023 to increase the monthly drawdown from £9,000 to £9,500. During the reporting period, the fund yielded an annual income of £115,432. This was sufficient to cover the total drawdowns of £109,000.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2023

Financial review

Reserves policy

The unrestricted funds are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise. The level of drawdown during the year covered all the administrative costs of the Charity, the balance being used for giving grants in accordance with the Trust's aims.

Investment policy and objectives

The Trustees have no restriction on Investment and the administration of the portfolio is delegated on a day to day basis to Rathbones in a dealing and advisory capacity. The Fund manager, on behalf of the Trustees, regularly monitors movements in the markets and makes necessary adjustments to the portfolio.

Plans for future periods

There are currently no major plans for changing the investment pattern over the coming year, though the situation of the markets will be watched carefully by Rathbones and adjustments made as necessary.

The Trustees are planning to use a small portion of unrestricted funds to cover drawdowns at slightly over the rate of estimated Income for a few months. This is in order to help support its charitable aims at this particularly difficult time for Artists. The policy will be reviewed towards the end of the 2023-24 period.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Mr D Stoll
Charity Secretary

The Francis W Reckitt Arts Trust

Independent Examiner's Report to the Trustees of The Francis W Reckitt Arts Trust

Year ended 30 September 2023

I report to the trustees on my examination of the financial statements of The Francis W Reckitt Arts Trust ('the charity') for the year ended 30 September 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 that in any material respect:

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

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

Jeffrey Kelly FCA

Independent Examiner

The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Statement of Financial Activities

Year ended 30 September 2023

		2023		2022
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	115,557	115,557	93,818
Total income		<u>115,557</u>	<u>115,557</u>	<u>93,818</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	5	18,279	18,279	19,788
Expenditure on charitable activities	6,7	140,418	140,418	106,547
Total expenditure		<u>158,697</u>	<u>158,697</u>	<u>126,335</u>
Net gains/(losses) on investments	8	(282,095)	(282,095)	506,250
Net income/(expenditure) and net movement in funds		<u>238,955</u>	<u>238,955</u>	<u>(538,767)</u>
Reconciliation of funds				
Total funds brought forward		4,600,905	4,600,905	5,139,672
Total funds carried forward		<u>4,839,860</u>	<u>4,839,860</u>	<u>4,600,905</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 9 to 15 form part of these financial statements.

The Francis W Reckitt Arts Trust

Statement of Financial Position

30 September 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	12	374	567
Investments	13	4,763,044	4,507,784
		<u>4,763,418</u>	<u>4,508,351</u>
Current assets			
Debtors	14	43,286	48,320
Cash at bank and in hand		37,956	46,734
		<u>81,242</u>	<u>95,054</u>
Creditors: amounts falling due within one year	15	<u>4,800</u>	<u>2,500</u>
Net current assets		<u>76,442</u>	<u>92,554</u>
Total assets less current liabilities		<u>4,839,860</u>	<u>4,600,905</u>
Net assets		<u>4,839,860</u>	<u>4,600,905</u>
Funds of the charity			
Unrestricted funds		<u>4,839,860</u>	<u>4,600,905</u>
Total charity funds	16	<u>4,839,860</u>	<u>4,600,905</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Mr C Green (Chairman)
Trustee

The notes on pages 9 to 15 form part of these financial statements.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements

Year ended 30 September 2023

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Hawkwood College, Painswick Old Road, Stroud, Gloucestershire, GL6 7QW, UK.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Incoming resources *(continued)*

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impracticable to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- investment income from interest and dividends is recognised when received.

Resources expended

Costs of generating funds consist of the management costs relating to the investment portfolio. The direct costs of providing services to guests are categorised as charitable activities. Governance costs comprise the expenditure associated with strategic management and compliance with statutory requirements.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 10% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

The Francis W Reckitt Arts Trust
Notes to the Financial Statements *(continued)*
Year ended 30 September 2023

3. Accounting policies *(continued)*

Investments *(continued)*

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

4. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from listed investments	100,660	100,660	92,866	92,866
Bank interest receivable from deposit account	125	125	4	4
Other interest receivable	14,772	14,772	948	948
	<u>115,557</u>	<u>115,557</u>	<u>93,818</u>	<u>93,818</u>

5. Investment management costs

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Portfolio Management	18,279	18,279	19,788	19,788

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable Activities	131,808	131,808	98,834	98,834
Support costs	8,610	8,610	7,713	7,713
	<u>140,418</u>	<u>140,418</u>	<u>106,547</u>	<u>106,547</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable Activities	131,808	–	131,808	98,834
Governance costs	–	8,610	8,610	7,713
	<u>131,808</u>	<u>8,610</u>	<u>140,418</u>	<u>106,547</u>

8. Net gains/(losses) on investments

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Gains/(losses) on other investment assets	282,095	282,095	(506,250)	(506,250)

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	193	280
Foreign exchange differences	—	(758)
	<u> </u>	<u> </u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	<u>16,918</u>	<u>15,888</u>

The average head count of employees during the year was 1 (2022: 1).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

One or more trustees has claimed expenses or had their expenses met by the charity. A total of £286 (2022 - £200) was reimbursed to 1 (2022 - 1) trustee in respect of travel expenses and a total of £575 in consultancy fees was paid to 1 trustee.

12. Tangible fixed assets

	Fixtures and fittings
	£
Cost	
At 1 October 2022 and 30 September 2023	<u>2,804</u>
Depreciation	
At 1 October 2022	2,237
Charge for the year	193
At 30 September 2023	<u>2,430</u>
Carrying amount	
At 30 September 2023	<u>374</u>
At 30 September 2022	<u>567</u>

The Francis W Reckitt Arts Trust
Notes to the Financial Statements *(continued)*
Year ended 30 September 2023

13. Investments

	Listed investments £	Other investments £	Total £
Cost or valuation			
At 1 October 2022	4,507,684	100	4,507,784
Acquisitions at cost	1,047,128	–	1,047,128
Disposals at opening book value	(735,178)	–	(735,178)
Net gains/(losses) on revaluations in the year.	(56,690)	–	(56,690)
At 30 September 2023	<u>4,762,944</u>	<u>100</u>	<u>4,763,044</u>
Impairment			
At 1 October 2022 and 30 September 2023		–	–
Carrying amount			
At 30 September 2023	<u>4,762,944</u>	<u>100</u>	<u>4,763,044</u>
At 30 September 2022	<u>4,507,684</u>	<u>100</u>	<u>4,507,784</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Of the listed investments held, £2,832,455 (2022 - £3,263,079) related to investment assets in the UK and £1,930,489 (2022 - £1,244,605) related to investment assets outside the UK.

14. Debtors

	2023	2022
	£	£
Prepayments and accrued income	<u>43,286</u>	<u>48,320</u>

15. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	<u>4,800</u>	<u>2,500</u>

The Francis W Reckitt Arts Trust
Notes to the Financial Statements *(continued)*
Year ended 30 September 2023

16. Analysis of charitable funds

Unrestricted funds

	At 1 October 20 22	Income £	Expenditure £	Gains and losses £	At 30 September r 2023 £
General funds	<u>4,600,905</u>	<u>115,557</u>	<u>(158,697)</u>	<u>282,095</u>	<u>4,839,860</u>

	At 1 October 20 21	Income £	Expenditure £	Gains and losses £	At 30 September 2022 £
General funds	<u>5,139,672</u>	<u>93,818</u>	<u>(126,335)</u>	<u>(506,250)</u>	<u>4,600,905</u>

17. Related parties

There were no related party transactions during the reporting period that are required to be disclosed under FRS 102.

THE FRANCIS W RECKITT ARTS TRUST

England & Wales - Charity number 230928

Accounts

CHARITY REGISTRATION NUMBER: 230928

The Francis W Reckitt Arts Trust
Unaudited Financial Statements
30 September 2022

COVENEY NICHOLLS

Chartered accountants
The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Financial Statements

Year ended 30 September 2022

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Statement of financial position	8
Notes to the financial statements	9

The Francis W Reckitt Arts Trust

Trustees' Annual Report

Year ended 30 September 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 September 2022.

Reference and administrative details

Registered charity name The Francis W Reckitt Arts Trust

Charity registration number 230928

Principal office Hawkwood College
Painswick Old Road
Stroud
Gloucestershire
GL6 7QW
United Kingdom

The trustees

Mrs M Clark
Mr C Green (Chairman)
Mr C Cook

Secretary Mr D Stoll

Independent examiner Jeffrey Kelly FCA
The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2022

Structure, governance and management

Governing Document

The charity is controlled by its governing document, a deed of trust established by Francis William Reckitt in 1929, and constitutes an unincorporated charity.

A scheme, modifying the original deed, was issued by the Charity Commission on 10 March 2016, allowing the Charity to use its funds for revised objects, cy-pres to the original ones, in supporting artists with temporary board and accommodation either at Hawkwood College or in other places of their choice.

Trustees

During this year, the Charity's Board was composed of three Trustees, who represent branches of the Arts and/or have specialised knowledge of such practical matters as Law, Administration etc.

There were three Trustee Meetings held during the year, and - as the consequences of the pandemic continued - at times one or more Trustees attended via conference call. This is permitted in our system and all meetings were quorate. The Trustees discussed the Charity's broad strategy and areas of activity; day to day management is always delegated to the Secretary. He remained in regular communication with the Chairman, and also with the Director of Hawkwood College and various professional advisors through the year.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Furthermore, the unrestricted funds available to the Trust are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise.

Finance

The Charity is supported by investment income from the Trust Fund established by the benefactor. The Trustees hold annual meetings with Rathbones, as investment managers for the charity, to discuss and decide ongoing investment policy. During the current crisis, there has been regular discussion regarding the best policies under changing circumstances, and Rathbones monitor the situation regularly and inform the Trust of any important matters arising.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2022

Objectives and activities

Objectives and Aims

The Trust has continued, as far as possible, its activity in providing and allocating Grant finance to allow for the temporary accommodation of Artists, alone or in groups, for rest, recreation, convalescence, study, research or quiet work. Generally, the Trust has a policy of supporting Artist Residencies at Hawkwood College as its major beneficence - the Hawkwood Artists Residency Programme (HARP) - and funding the bed and board costs of Artists working or resting away from home through other established specialist Charities or paid directly to places of residence chosen by individual artists.

The strict guidelines regarding 1] professional status and 2] need for assistance remained in place throughout the changing circumstances of the year.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2022

Achievements and performance

Charitable Activities

A total of £80,500 was paid out as Grants over this financial year. During the year, Hawkwood College was allocated £72,000 for the HARP programme, and £8,500 was granted to other Charities which the Trust supports in furtherance of its Aims. No individual Artists were given Grants during this period.

Since beginning its Grant giving activities in 2016, the Trust has given a total of £304,725 up to the end of September 2022. Based on the Income achieved from the Fund, the Trust distributed about 85% as Grants during this particular year.

Investment performance

Over the year to 30th September 2022 the total return after fees was -8.9%. This was rather worse than the Trust's benchmark which was 4.8% for the period, due in large part to the weakness of markets during the first part of the year.

It should be noted that much of this underperformance was driven during the first half of the financial year, where relative performance was particularly challenging. This was because lower quality areas of the market such as energy, mining and financials performed relatively strongly over this period as such companies benefited from higher interest rates and rising commodity prices, whereas high quality growth stocks were negatively impacted by such an environment. We have a bias towards the latter group of stocks due to their attractive long term growth profiles, whereas the former group of stocks are a large component of the Rathbone benchmark to which we are compared against, making it difficult to outperform the Rathbone benchmark. The numbers over the last 6 months of the period, whilst down in absolute terms, are closer to the benchmark, as a result of various changes we have made to asset allocation and stock selection.

The Trustees, having considered carefully the figures and the situation, the Trustees elected from January 2022 to increase the monthly drawdown, knowing that there is sufficient accrued income in the Fund to allow for higher levels of giving than the actual Income provides at this time. On average, the amount drawn above actual Income during the year was about 10%.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2022

Financial review

Reserves policy

The unrestricted funds are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise. The current level of drawdown covers all the administrative costs of the Charity, the balance being used for giving grants in accordance with the Trust's aims.

Investment policy and objectives

The Trustees have no restriction on Investment and the administration of the portfolio is delegated on a day to day basis to Rathbones in a dealing and advisory capacity. The Fund manager, on behalf of the Trustees, regularly monitors movements in the markets and makes necessary adjustments to the portfolio.

Plans for future periods

There are currently no major plans for changing the investment pattern or the level of drawdown, though the situation of the markets over the coming months will be watched carefully by Rathbones and adjustments made as necessary.

The Trustees made provision by a special drawdown, taken during this year but for use in the next, to fund a special project in the light of the needs arising for artist accommodation, and to cover special applications of merit by individual artists.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Mr D Stoll
Secretary

The Francis W Reckitt Arts Trust

Independent Examiner's Report to the Trustees of The Francis W Reckitt Arts Trust

Year ended 30 September 2022

I report to the trustees on my examination of the financial statements of The Francis W Reckitt Arts Trust ('the charity') for the year ended 30 September 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 that in any material respect:

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

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

Jeffrey Kelly FCA

Independent Examiner

The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Statement of Financial Activities

Year ended 30 September 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	93,818	93,818	109,922
Total income		<u>93,818</u>	<u>93,818</u>	<u>109,922</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	5	19,788	19,788	19,220
Expenditure on charitable activities	6,7	106,547	106,547	131,116
Total expenditure		<u>126,335</u>	<u>126,335</u>	<u>150,336</u>
Net losses/(gains) on investments	8	506,250	506,250	(780,208)
Net (expenditure)/income and net movement in funds		<u>(538,767)</u>	<u>(538,767)</u>	<u>739,794</u>
Reconciliation of funds				
Total funds brought forward		5,139,672	5,139,672	4,399,878
Total funds carried forward		<u>4,600,905</u>	<u>4,600,905</u>	<u>5,139,672</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 9 to 15 form part of these financial statements.

The Francis W Reckitt Arts Trust

Statement of Financial Position

30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	13	567	847
Investments	14	4,507,784	4,986,007
		<u>4,508,351</u>	<u>4,986,854</u>
Current assets			
Debtors	15	48,320	53,650
Cash at bank and in hand		46,734	102,168
		<u>95,054</u>	<u>155,818</u>
Creditors: amounts falling due within one year	16	2,500	3,000
Net current assets		<u>92,554</u>	<u>152,818</u>
Total assets less current liabilities		<u>4,600,905</u>	<u>5,139,672</u>
Net assets		<u>4,600,905</u>	<u>5,139,672</u>
Funds of the charity			
Unrestricted funds		4,600,905	5,139,672
Total charity funds	17	<u>4,600,905</u>	<u>5,139,672</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Mr C Green (Chairman)
Trustee

The notes on pages 9 to 15 form part of these financial statements.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements

Year ended 30 September 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Hawkwood College, Painswick Old Road, Stroud, Gloucestershire, GL6 7QW, UK.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

3. Accounting policies *(continued)*

Incoming resources *(continued)*

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impracticable to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- investment income from interest and dividends is recognised when received.

Resources expended

Costs of generating funds consist of the management costs relating to the investment portfolio. The direct costs of providing services to guests are categorised as charitable activities. Governance costs comprise the expenditure associated with strategic management and compliance with statutory requirements.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 10% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

3. Accounting policies *(continued)*

Investments *(continued)*

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

4. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from listed investments	92,866	92,866	108,109	108,109
Bank interest receivable from deposit account	4	4	1	1
Other interest receivable	948	948	1,812	1,812
	<u>93,818</u>	<u>93,818</u>	<u>109,922</u>	<u>109,922</u>

5. Investment management costs

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Portfolio Management	19,788	19,788	19,220	19,220
	<u>19,788</u>	<u>19,788</u>	<u>19,220</u>	<u>19,220</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Charitable Activities	98,834	98,834	107,119	107,119
Support costs	7,713	7,713	23,997	23,997
	<u>106,547</u>	<u>106,547</u>	<u>131,116</u>	<u>131,116</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Charitable Activities	98,834	–	98,834	107,119
Governance costs	–	7,713	7,713	23,997
	<u>98,834</u>	<u>7,713</u>	<u>106,547</u>	<u>131,116</u>

8. Net (losses)/gains on investments

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Gains/(losses) on other investment assets	(506,250)	(506,250)	780,208	780,208
	<u>(506,250)</u>	<u>(506,250)</u>	<u>780,208</u>	<u>780,208</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

9. Net expenditure/(income)

Net expenditure/(income) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	280	280
Foreign exchange differences	(758)	–
	<u> </u>	<u> </u>

10. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	2,400	2,400
	<u> </u>	<u> </u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	15,888	16,705
	<u> </u>	<u> </u>

The average head count of employees during the year was 1 (2021: 1).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

One or more trustees has claimed expenses or had their expenses met by the charity. A total of £200 (2021 - £79) was reimbursed to 1 (2021 - 1) trustee in respect of travel expenses.

13. Tangible fixed assets

	Fixtures and fittings
	£
Cost	
At 1 October 2021 and 30 September 2022	2,804
	<u> </u>
Depreciation	
At 1 October 2021	1,957
Charge for the year	280
	<u> </u>
At 30 September 2022	2,237
	<u> </u>
Carrying amount	
At 30 September 2022	567
	<u> </u>
At 30 September 2021	847
	<u> </u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

14. Investments

	Listed investments £	Other investments £	Total £
Cost or valuation			
At 1 October 2021	4,985,907	100	4,986,007
Acquisitions at cost	1,378,838	–	1,378,838
Disposals at opening book value	(1,050,284)	–	(1,050,284)
Net gains/(losses) on revaluations in the year.	(806,777)	–	(806,777)
At 30 September 2022	<u>4,507,684</u>	<u>100</u>	<u>4,507,784</u>
Impairment			
At 1 October 2021 and 30 September 2022		–	–
Carrying amount			
At 30 September 2022	<u>4,507,684</u>	<u>100</u>	<u>4,507,784</u>
At 30 September 2021	<u>4,985,907</u>	<u>100</u>	<u>4,986,007</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Of the listed investments held, £3,263,079 (2021 - £3,303,477) related to investment assets in the UK and £1,244,605 (2021 - £1,682,430) related to investment assets outside the UK.

15. Debtors

	2022 £	2021 £
Prepayments and accrued income	<u>48,320</u>	<u>53,650</u>

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	<u>2,500</u>	<u>3,000</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2022

17. Analysis of charitable funds

Unrestricted funds

	At 1 October 20 21 £	Income £	Expenditure £	Gains and losses £	At 30 Septemb er 2022 £
General funds	5,139,672	93,818	(126,335)	(506,250)	4,600,905

	At 1 October 20 20 £	Income £	Expenditure £	Gains and losses £	At 30 Septembe r 2021 £
General funds	4,399,878	109,922	(150,336)	780,208	5,139,672

18. Related parties

There were no related party transactions during the reporting period that are required to be disclosed under FRS 102.

THE FRANCIS W RECKITT ARTS TRUST

England & Wales - Charity number 230928

Accounts

CHARITY REGISTRATION NUMBER: 230928

The Francis W Reckitt Arts Trust
Unaudited Financial Statements
30 September 2021

COVENEY NICHOLLS

Chartered accountants
The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Financial Statements

Year ended 30 September 2021

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The Francis W Reckitt Arts Trust

Trustees' Annual Report

Year ended 30 September 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 September 2021.

Reference and administrative details

Registered charity name The Francis W Reckitt Arts Trust

Charity registration number 230928

Principal office Hawkwood College
Painswick Old Road
Stroud
Gloucestershire
GL6 7QW
United Kingdom

The trustees

Mrs M Clark
Mr C Green (Chairman)
Ms K Danielson
Mr C Cook
Ms S Clapp

Company secretary Mr D Stoll

Independent examiner Jeffrey Kelly FCA
The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2021

Structure, governance and management

Governing Document

The charity is controlled by its governing document, a deed of trust established by Francis William Reckitt in 1929, and constitutes an unincorporated charity.

A scheme, modifying the original deed, was issued by the Charity Commission on 10 March 2016, allowing the Charity to use its funds for revised objects, cy-pres to the original ones, in supporting artists with temporary board and accommodation either at Hawkwood College or in other places of their choice.

Trustees

During most of this year, the Charity's Board was composed of five Trustees, who represent branches of the Arts and/or have specialised knowledge of such practical matters as Law, Administration etc.

Previously, there had usually been four Trustee Meetings in the year, when the Trustees agreed the broad strategy and areas of activity, and which also served as Grant Allocation Meetings. However, because of major changes in circumstances caused by the outbreak of the Coronavirus pandemic, and the various government instructions in response to it, only one 'normal' meeting was held, in December 2019.

The Secretary was in very regular communication with the Chairman, and also with the Director of Hawkwood College, through 2020. Important topics were put to virtual Trustee discussion by email, phone calls and video-conferencing, the main occasions being an e-mail meeting in March 2020, a Secretary's Report in July 2020 and a Zoom Conference in September 2020. All these deliberations were properly documented and archived. It is not currently known when actual face-to-face Meetings will be allowed to resume.

Day to day management is delegated to the Secretary.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Finance

The Charity is supported by investment income from the Trust Fund established by the benefactor. The Trustees hold annual meetings with Rathbones, as investment managers for the charity, to discuss and decide ongoing investment policy. During the current crisis, there has been regular discussion regarding the best policies under changing circumstances.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2021

Objectives and activities

Objectives and Aims

The Trust has endeavored as far as possible to continue its activity as providing and allocating Grant finance to allow for the temporary accommodation of Artists, alone or in groups, for rest, recreation, convalescence, study, research or quiet work. Generally, the Trust has a policy of supporting Artist Residencies at Hawkwood College as its major beneficence - the Hawkwood Artists Residency Programme (HARP) - and funding the bed and board costs of Artists working or resting away from home through other established specialist Charities or paid directly to places of residence chosen by individual artists.

When the restrictions regarding travel and accommodation rendered the Trust's usual activities impossible, any grants in progress were guaranteed to remain available for as and when they could be taken. It was also announced that no further grant applications would be accepted or grants given to charities and individual artists until the spring of 2021 at the earliest.

However, having paid all the HARP costs for residencies so far taken, an emergency HARP project was established to allow Hawkwood to continue its residencies as soon as the Government allowed; these began again in September 2020.

The strict guidelines regarding 1] professional status and 2] need for assistance remained in place throughout the changing circumstances of the year.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2021

Achievements and performance

Charitable Activities

A total of £51,650 was paid out as Grants over this period, though other Grants were allocated for taking up after the end of this financial year. During the year, Hawkwood College was allocated £19,125 for the HARP and grants given to individual Artists are always paid to the place of accommodation and never directly to the Artists.

Since beginning its Grant giving activities in 2016, the Trust has given a total of £226,029.30 (actual grants paid as opposed to offers made - not all are taken up) up to the end of the financial year 19-20.

Investment performance

Over the year to 30th September 2020 the total return after fees was -5.14%. This was rather better than the Trust's benchmark which fell by 11.93%; this was a difficult year for markets because of the Covid 19 pandemic.

For several months earlier in the year, the Trust continued to re-invest a small but significant part of the Income. However, since the changed circumstances, and given the reduced Income, the Trust has been spending almost all of that Income on charitable activities and administrative costs. This practice will be carefully monitored, considered and adjusted in the light of evolving circumstances.

Financial review

Reserves policy

The unrestricted funds are at a sufficient level to cover administration and support costs and to respond to emergencies should they arise. The current level of drawdown covers all the administrative costs of the Charity, the balance being used for giving grants in accordance with the Trust's aims. The intention for the near future, however, is to restore reserves, which have become depleted as a result of the emergency needs arising from the pandemic. Grants will not be given for a short while, and the Trustees will reconsider the situation after a few months in the light of circumstances and regulations at the time.

Investment policy and objectives

The Trustees have no restriction on Investment and the administration of the portfolio is delegated on a day to day basis to Rathbones in a dealing and advisory capacity. The Fund manager, on behalf of the Trustees, regularly monitors movements in the markets and makes necessary adjustments to the portfolio.

The Francis W Reckitt Arts Trust

Trustees' Annual Report *(continued)*

Year ended 30 September 2021

Plans for future periods

There are currently no major plans for changing the investment pattern or the level of drawdown, though the situation of the markets over the coming months will be watched carefully by Rathbones and adjustments made as necessary.

The Trustees had intended during the year 2019-2020, to fund a project out of Income, and some initial payments were made in preparation. However, circumstances have delayed the continuation of that project. This, and other similar projects are under consideration in the light of the needs arising for artist accommodation during and following the pandemic, and it is likely that there will be a draw on Capital as well as Income during the next financial year.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Mr D Stoll
Charity Secretary

The Francis W Reckitt Arts Trust

Independent Examiner's Report to the Trustees of The Francis W Reckitt Arts Trust

Year ended 30 September 2021

I report to the trustees on my examination of the financial statements of The Francis W Reckitt Arts Trust ('the charity') for the year ended 30 September 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 that in any material respect:

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

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

Jeffrey Kelly FCA

Independent Examiner

The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

The Francis W Reckitt Arts Trust

Statement of Financial Activities

Year ended 30 September 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	<u>109,922</u>	<u>109,922</u>	<u>113,123</u>
Total income		<u>109,922</u>	<u>109,922</u>	<u>113,123</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	5	19,220	19,220	17,822
Expenditure on charitable activities	6,7	<u>131,116</u>	<u>131,116</u>	<u>80,510</u>
Total expenditure		<u>150,336</u>	<u>150,336</u>	<u>98,332</u>
Net (gains)/losses on investments	8	(780,208)	(780,208)	334,421
Net income/(expenditure) and net movement in funds		<u>739,794</u>	<u>739,794</u>	<u>(319,630)</u>
Reconciliation of funds				
Total funds brought forward		<u>4,399,878</u>	<u>4,399,878</u>	<u>4,719,508</u>
Total funds carried forward		<u>5,139,672</u>	<u>5,139,672</u>	<u>4,399,878</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 9 to 15 form part of these financial statements.

The Francis W Reckitt Arts Trust

Statement of Financial Position

30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	13	847	1,127
Investments	14	4,986,007	4,294,289
		<u>4,986,854</u>	<u>4,295,416</u>
Current assets			
Debtors	15	53,650	59,228
Cash at bank and in hand		102,168	48,234
		<u>155,818</u>	<u>107,462</u>
Creditors: amounts falling due within one year	16	<u>3,000</u>	<u>3,000</u>
Net current assets		<u>152,818</u>	<u>104,462</u>
Total assets less current liabilities		<u>5,139,672</u>	<u>4,399,878</u>
Net assets		<u>5,139,672</u>	<u>4,399,878</u>
Funds of the charity			
Unrestricted funds		5,139,672	4,399,878
Total charity funds	17	<u>5,139,672</u>	<u>4,399,878</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Mr C Green (Chairman)
Trustee

The notes on pages 9 to 15 form part of these financial statements.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements

Year ended 30 September 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Hawkwood College, Painswick Old Road, Stroud, Gloucestershire, GL6 7QW, UK.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

3. Accounting policies *(continued)*

Incoming resources *(continued)*

- income from donated goods is measured at the fair value of the goods unless this is impracticable to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- investment income from interest and dividends is recognised when received.

Resources expended

Costs of generating funds consist of the management costs relating to the investment portfolio. The direct costs of providing services to guests are categorised as charitable activities. Governance costs comprise the expenditure associated with strategic management and compliance with statutory requirements.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 10% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from listed investments	108,109	108,109	109,941	109,941
Bank interest receivable from deposit account	1	1	17	17
Other interest receivable	1,812	1,812	3,165	3,165
	<u>109,922</u>	<u>109,922</u>	<u>113,123</u>	<u>113,123</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

5. Investment management costs

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Portfolio Management	<u>19,220</u>	<u>19,220</u>	<u>17,822</u>	<u>17,822</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable Activities	107,119	107,119	72,403	72,403
Support costs	<u>23,997</u>	<u>23,997</u>	<u>8,107</u>	<u>8,107</u>
	<u>131,116</u>	<u>131,116</u>	<u>80,510</u>	<u>80,510</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable Activities	107,119	–	107,119	72,403
Governance costs	<u>–</u>	<u>23,997</u>	<u>23,997</u>	<u>8,107</u>
	<u>107,119</u>	<u>23,997</u>	<u>131,116</u>	<u>80,510</u>

8. Net gains/(losses) on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on other investment assets	<u>780,208</u>	<u>780,208</u>	<u>(334,421)</u>	<u>(334,421)</u>

9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>280</u>	<u>281</u>

10. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,400</u>	<u>2,400</u>

The Francis W Reckitt Arts Trust
Notes to the Financial Statements *(continued)*
Year ended 30 September 2021

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	<u>16,705</u>	<u>16,300</u>

The average head count of employees during the year was 1 (2020: 1).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

12. Trustee remuneration and expenses

One or more trustees has claimed expenses or had their expenses met by the charity. A total of £79 (2020 - £243) was reimbursed to 1 (2020 - 1) trustee in respect of travel expenses.

13. Tangible fixed assets

	Fixtures and fittings
	£
Cost	
At 1 October 2020 and 30 September 2021	<u>2,804</u>
Depreciation	
At 1 October 2020	1,677
Charge for the year	280
At 30 September 2021	<u>1,957</u>
Carrying amount	
At 30 September 2021	<u>847</u>
At 30 September 2020	<u>1,127</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

14. Investments

	Listed investments £	Other investments £	Total £
Cost or valuation			
At 1 October 2020	4,294,189	100	4,294,289
Acquisitions at cost	595,821	–	595,821
Disposals at opening book value	(618,026)	–	(618,026)
Net gains/(losses) on revaluations in the year.	713,923	–	713,923
At 30 September 2021	<u>4,985,907</u>	<u>100</u>	<u>4,986,007</u>
Impairment			
At 1 October 2020 and 30 September 2021		–	–
Carrying amount			
At 30 September 2021	<u>4,985,907</u>	<u>100</u>	<u>4,986,007</u>
At 30 September 2020	<u>4,294,189</u>	<u>100</u>	<u>4,294,289</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Of the listed investments held, £3,303,477 (2020 - £3,262,717) related to investment assets in the UK and £1,682,430 (2020 - £1,031,572) related to investment assets outside the UK.

15. Debtors

	2021 £	2020 £
Prepayments and accrued income	<u>53,650</u>	<u>59,228</u>

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	<u>3,000</u>	<u>3,000</u>

The Francis W Reckitt Arts Trust

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

17. Analysis of charitable funds

Unrestricted funds

	At 1 October 20 20 £	Income £	Expenditure £	Gains and losses £	At 30 September r 2021 £
General funds	<u>4,399,878</u>	<u>109,922</u>	<u>(150,336)</u>	<u>780,208</u>	<u>5,139,672</u>

	At 1 October 20 19 £	Income £	Expenditure £	Gains and losses £	At 30 September 2020 £
General funds	<u>4,719,508</u>	<u>113,123</u>	<u>(98,332)</u>	<u>(334,421)</u>	<u>4,399,878</u>

18. Contingencies

During the year the charity agreed to pay grants to individuals of £1,445 (2020 - £1,870) that remained unpaid at the year end. These grants are due to expire within 1 year. In addition the charity agreed to pay an amount of £5,000 to Hawkwood for use after the year end.

19. Related parties

There were no related party transactions during the reporting period that are required to be disclosed under FRS 102.