

Registered Charity Number: 237598

Frank Russon Charitable Trust

Trustees Annual Report

Year Ended 5 April 2022

**Higgs LLP
3 Waterfront Business Park
Brierley Hill
West Midlands
DY5 1LX**

(Ref: DJN/KMM/102292)

Frank Russon Charitable Trust

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Year Ended 5 April 2022

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Reference and Administrative Information

Year Ended 5 April 2022

Governing Document	The Trust is governed by a Declaration of Trust dated 16 April 1964 as amended on 19 November 2018 and was registered with the Charity Commission on 10 November 1964. The Trust's registered charity number is 237598.
Trustees	Mrs Pamela Clare Hagon Mr Timothy Gerald Tyler Hagon Mr David John Nightingale
Clerk	Ms K M McEwen
Solicitors	Higgs LLP 3 Waterfront Business Park Brierley Hill West Midlands DY5 1LX
Investment Managers	Aberdeen Standard Capital 30 St Mary Avenue London EC3A 8EP
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA

Trustees Report

Year Ended 5 April 2022

Report of the Trustees for the year ended 5 April 2022

The Trustees present their annual report and financial statements of the Trust for the year ended 5 April 2022. The financial statements have been prepared in accordance with the accounting policies set out in on page 6 of the accounts and comply with the Trust's Governing Document, the Charities Act 2011 and the Statement of Recommended Practice applicable to the charities preparing their accounts with the Financial Reporting Standard applicable on 16 July 2014.

Structure, Governance and Management

The Trust is a registered charity. The Trust is constituted under a Declaration of Trust dated 16 April 1964 as amended on 19 November 2018 and was registered with the Charity Commission on 10 November 1964.

The Trust does not actively fundraise and seeks to continue the charitable work desired by the Settlor through the careful stewardship of its existing resources.

The Trustees meet once a year. At the Trustees' meeting, the Trustees agree the broad strategy and areas of activities for the Trust, including consideration of grant making, investment, reserves and risk management policies and performance.

The day to day administration of grants and the processing and handling of applications prior to consideration by Trustees is delegated to the Clerk.

The Clerk will consider the monitoring information concerning the performance of grants to date and make recommendations to the Trustees concerning the extension, cessation or suspension of existing grant approvals.

The Trustees would consider the recommendations of the ICSA best practice guide 'Recruitment, Appointment and Induction of Charity Trustees' should the need to recruit new Trustees arise. The Trustees would propose to consider the recruitment of new Trustees based on their experience, empathy and knowledge of the Trust and to keep the skills and composition of the Trustee body and succession planning under review. The ultimate decision on selection is a matter for the Trustees.

On appointment new Trustees sign a model Trustee declaration statement committing them to the giving of their time and expertise. When a new trustee is appointed, the Trustees intend to follow, in line with the ICSA good practice guide, a formal induction programme. This will be led by the Clerk, to include an introduction to the terms of the

Trustees Report**Year Ended 5 April 2022**

Trust, the grant making process, the powers and responsibilities of the Trustee board, as well as an introduction to the investments. A new trustee will be provided with any welcome pack, to include amongst other information and guidance, a brief history of the Trust, a copy of the Trustee board minutes, a copy of the last three years of annual reports and accounts, a copy of the Governing Documents and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know' and 'Charities and Public Benefit'.

The Trustees remain committed, with the support of the Clerk, to developing a code of conduct for Trustees including formal statements of roles and responsibilities and to undertake informal trustee training.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Trustees are required to disclose all relevant interests and register them with the Clerk and in accordance with the Trust's written conflicts of interest policy, withdraw from decisions where a conflict of interest arises.

Risk Management

The Trustees have considered the major risks to which the Trust is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The major financial risk is the variability of investment returns on the portfolio which would impact on the grant activity and recent extreme volatility in world stock markets has highlighted this risk.

The major operational risk is the extent to which the grants awarded to charitable or not for profit organisations advance the objects of the Trust and demonstrates sufficient public benefit.

The major regulatory risk is the impact of the Common Reporting Standard ('the CRS'), being an international tax transparency regime aimed at preventing tax evasion. CRS came into force from 1 January 2016 and now requires the Charity to provide information about their beneficiaries, tax residency status to HMRC, who will then share this information with the appropriate tax authority in other jurisdictions.

The Trust is subject to the CRS regime because it relies on investments for more than 50% of its income and those investments are professionally managed by a financial institution under discretionary mandate. This means the Trustees are required to carry out due diligence to establish a tax residency status of all beneficiaries, keep records of efforts to comply with the regime, register with HMRC as a financial institution ("Financial Institution") if they have reporting requirements and report to HMRC if required.

Trustees Report

Year Ended 5 April 2022

The Trust manages this regulatory risk by retaining Trustees of sufficient skill and expertise and through the quality of the institutions and people who they support. In addition, the Trustees rely on the Clerk to ensure any review process retains a focus on the public benefit derived from the funding of the individuals and projects.

Objects and Activities for the Public Benefit

The objects of the Trust are to make grants for general charitable purposes.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's objects and in planning future activities and setting the grant making policy for the year.

The Trust carries out its objects by providing grants to charitable or not for profit organisations (for exclusively charitable purposes).

By focusing on these areas of grant activity, the Trust achieves its strategic priority of maintaining an extensive structured grant making programme, balancing support to both individuals and institutions.

Grant Making

The Trustees have power to spend the income and capital in furtherance of the objects, but have during the course of the year, the Trustees have resolved to spend only the income, retaining the capital.

The Trust's beneficiaries are charitable and not for profit organisations (for exclusively charitable purposes).

Grants are awarded to charitable or not for profit organisations (for exclusively charitable purposes) for capital projects, but the Trustees will not meet core administration costs such as staff costs or property costs etc.

The general policy of the Trustees is not to award retrospective grants and the Trustees retain a discretion to only consider an application from an individual or a charitable or not for profit organisation (for exclusively charitable purposes) once a year.

Grant Making Procedure

The Trustees meet once a year to consider the award of grants.

Trustees Report**Year Ended 5 April 2022**

It is the policy of the Trustees to consider grants on an equal opportunities basis, regardless of gender, religion and ethnic background.

Public Benefit

The Trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's objects and activities, their grant making policy and plans for future period. The objects and activities of the Trust are largely determined by the provisions of the Governing Documents, and from there the Trustees exercise a discretion in considering how best to meet the public benefit test and ensure that as many charitable and not for profit organisations (for exclusively charitable purposes) with particular needs will gain advantage. Further details of the grants made are set out in schedule to the accounts at Appendix A.

Monitoring and Achievement

The Trustees have continued with an aspiration to seek a reasonable return over a long term. The Trustees note that in the last year, grants to charitable and not for profit organisations have amounted to £1,000.00.

During the year the performance of the principal investment portfolio was managed by Aberdeen Standard Capital and was considered satisfactory with all benchmarks being largely achieved.

Financial Review

The Trust's work is entirely reliant on income by way of investment returns from its capital. The gross income for the year (including profits on the disposal of investments) on the investment portfolio was £30,907 and the expenditure (including loss on the disposal of investments but excluding grants) was £13,160. Details of this and the changes to the investments made by the Trustees are shown in the accounts.

Investment Policy and Performance

The value of the investment portfolio as at 5 April 2022 was £1,125,430 as compared with the value as at 5 April 2021 of £1,047,946.

As at 5 April 2022 the Trustees held cash on deposit with CAF Bank of £9,452 (as compared with cash on deposit with Aberdeen Standard Capital of £5,879).

Trustees Report

Year Ended 5 April 2022

Reserves Policy

The trust fund is fully expendable as to both income and capital.

The Trustees maintain reserves in unrestricted funds at a level which equates to approximately the equivalent of one year's administration and professional costs. The Trustees consider that this level will provide sufficient funds to meet its administrative and regulatory costs as and when they arise.

The Trustees have prepared a written reserves policy which they intend to review on at least an annual basis.

Plan for Future Periods

The Trustees believe their grants have translated into significant public benefit. The Trust is a lasting testimony to the generosity and charitable concern of the Settlor. In cementing the arrangements already in place and continuing with its current activities as set out in this report, so that the many and varied charitable and not for profit organisations, and individuals may continue to benefit in real terms from its financial support, the Trust aims to provide a longer term commitment and thereby encourage and support individuals and charitable and not for profit organisations.

Trustees' Responsibilities in Relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards. The law applicable to charities in England and Wales required the Trustees to give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including income and expenditure of the Trust for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.
- The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Governing Document.

Trustees Report

Year Ended 5 April 2022

They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud any other irregularities. The Trustees are responsible for the maintenance and integrity of the Trust and financial information included on the Register of Charities.

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

Pamela Clare Hagon
Chair

Independent Examiner's Statement

Year Ended 5 April 2022

I report on the accounts of the Trust for the year ended 5 April 2022 which are set out on pages 10 to 13.

Respective Responsibilities of Trustees and Examiner

As the Charity's Trustees you are responsible for the preparation of the accounts; you consider that an audit is not required for this year under section 122(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. It is my responsibility to:

Examine the accounts under section 145 of the 2011 Act;
To follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
To state whether particular matters have come to my attention state.

Basis of Independent Examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or
 - (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
-

Independent Examiner's Statement

Year Ended 5 April 2022

Signed:

S Churchill

Name: STEPHANIE CHURCHILL

Relevant professional qualification or body: AAT

Address

835 BIRMINGHAM NEW ROAD

Date: 3 February 2023

Statement of Financial Activities

Year Ended 5 April 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
Incoming Resources			
Investment income		29,360	24,438
Bank interest		0	0
Total Incoming Resources		<u>29,360</u>	<u>24,438</u>
Resources Expended			
Direct Charitable expenditure	2	1,000	48,684
Other expenditure – administration	3	13,160	17,044
Total Resources Expended		<u>14,160</u>	<u>65,728</u>
Net incoming resources		15,200	(41,290)
Gains (losses) on investments			
Realised	5	1,547	614
Unrealised		<u>89,287</u>	<u>200,316</u>
Net movements in funds		106,034	159,640
Accumulation fund at 5 April 2021		<u>1,029,507</u>	<u>869,867</u>
Accumulation fund at 5 April 2022		<u>1,135,541</u>	<u>1,029,507</u>

Balance Sheet

Year Ended 5 April 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
Fixed Assets			
Investments	5	<u>1,125,430</u>	<u>1,047,946</u>
Total Fixed Assets		<u>1,125,430</u>	<u>1,047,946</u>
Current Assets			
Cash at bank	6	15,331	37,478
Debtors	7	120	-
Total Current Assets		<u>15,451</u>	<u>37,478</u>
Liabilities			
Creditors: amounts falling due within one year	8	(5,340)	(55,917)
Net current assets		10,111	(18,439)
Total assets less current liabilities		<u>1,135,541</u>	<u>1,029,507</u>
Accumulated Fund		<u>1,135,541</u>	<u>1,029,507</u>

The notes at pages 10 to 11 form part of these accounts

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

Pamela Clare Hagon
Chair

Notes to the Accounts

Year Ended 5 April 2022

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception that investments are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (FRSEE) issued in January 2015 and applicable UK Accounting Standards and the Charities Act 2011.

(b) Funds structure

The charity has one fund, an unrestricted income fund. This is a fund which the trustees are free to use for any purpose in furtherance of the charitable objects.

(c) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to in the furtherance of the charitable objectives of the trust.

(e) Other expenditure administration

The costs of generating funds consists of investment management fees, legal fees, accountancy fees and other governance and regulatory fees.

(f) Direct charitable expenditure

The costs of charitable activities include grants made.

(g) Fixed asset investments

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gain and losses arising on revaluation and disposals throughout the year.

(h) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between and market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

2. Related party transactions and trustees' remuneration

Trustees received no emoluments and claimed no expenses in the year.

Notes to the Accounts

Year Ended 5 April 2022

	<u>2022</u>	<u>2021</u>
3 Administration		
Trustee Expenses	0	61
Investment Management Fee	8,832	7,890
Bank Charge	128	69
Higgs LLP fee	4,200	8,514
Accounts Examination fee	0	432
Trustees Meeting Room Hire	0	0
LEI fee	0	78
	<u>13,160</u>	<u>17,044</u>
4 Trustees		
No remuneration was paid to the Trustees.		
5 Quoted Investments		
Market value at start of accounting year	1,047,946	851,016
Cash movements re: share changes	(13,350)	(4,000)
Realised gain/(loss)	1,547	614
Unrealised gain/(loss)	89,287	200,316
Market value at end of accounting year	<u>1,125,430</u>	<u>1,047,946</u>
6 Cash at Bank		
CAF	9,452	37,478
Aberdeen Standard Capital	<u>5,879</u>	<u>0</u>
	<u>15,331</u>	<u>37,478</u>
7 Debtors		
Higgs LLP	120	0
8 Creditors: amounts falling due within one year		
Unrepresented cheques re: Donations	0	48,684
Higgs LLP	<u>5,340</u>	<u>7,233</u>
	<u>5,340</u>	<u>55,917</u>

Frank Russon Charitable Trust

Appendix A

Beneficiaries Schedule

Year Ended 5 April 2022

		£
2021/04	Cancer Research UK	1,000.00
Total		<u>£1,000.00</u>