

FRANK RUSSON CHARITABLE TRUST
Registered Charity Number: **237598**

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2024

Frank Russon Charitable Trust

Index to the Accounts

Year Ended 5 April 2024

Page

1	Reference and Administrative Information
2-8	Trustees Annual Report
9-10	Independent Examiner's Report
11	Statement of Financial Activities
12	Balance Sheet
13-15	Notes to the Accounts

Reference and Administrative Information

Year Ended 5 April 2024

Governing Document	The Trust is governed by a Declaration of Trust dated 16 April 1964 as amended on 19 November 2018. The Trust's registered charity number is 237598.
Trustees	Mrs Pamela Clare Hagon Mr Timothy Gerald Tyler Hagon Mr David John Nightingale
Clerk to the Trustees	Ms Kirsty M McEwen
Solicitors	Higgs LLP 3 Waterfront Business Park Brierley Hill West Midlands DY5 1LX
Investment Managers	LGT Wealth Management 14 Cornhill London EC3V 3NR
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA
Independent Examiners	Churchill Taxation 835 Birmingham New Road Tpton DY4 8AS

Trustees Report

Year Ended 5 April 2024

Report of the Trustees for the year ended 5 April 2024

The Trustees present their annual report and financial statements of the Trust for the year ended 5 April 2024. The financial statements have been prepared in accordance with the accounting policies set out in 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 1 January 2019.

Structure, Governance and Management

The Trust was registered with the Charity Commission on 10 November 1964 under registered charity number 237598 and is governed by the Declaration of Trust dated 16 April 1964 as amended on 19 November 2018 ("**the Governing Documents**").

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 Governing Documents provide for there to be three Trustees.

Trustees are appointed for a term of office for three years, with no maximum number of terms of office. Trustees terms of office took effect from their current term of office as served at the date of resolution passed on 19 November 2018.

The Trustees must hold one meeting each year. The quorum at any meeting is at least one third of the total number of Trustees at the time, or two, whichever is the greater.

At the Trustees' meetings, the Trustees agree the broad strategy and areas of activities for the Trust, including consideration of grant making, investment policy, level of reserves and risk management.

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 take account of 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 look to recruit in light of an appropriate skills audit of the current Board and taking into account the experience, expertise and diversity of the current Board, as well as their knowledge of the Trust's beneficial class.

Trustees Report

Year Ended 5 April 2024

New Trustees may be sought by open advertisement or through a dialogue with local community groups respecting the ethos of the Trust. To continue the charitable work intended by the Settlor, the Trustees actively seek those with a knowledge of the local area when considering any prospective candidate. The ultimate decision on selection is a matter for the Trustees.

On appointment new Trustees sign a Trustee Declaration and Undertaking committing them to the giving of their time and expertise. It also confirms their ability to act in the role of Trustees. The induction process has been changed to follow the ICSA good practice guide with a formal induction programme for any newly appointed trustee being led by the Clerk, to include initial training in the grant making process, the duties and responsibilities of the Trustees and the role of any sub committees. The welcome pack includes, amongst other information and guidance, a brief history of the Trust, copy of recent Trustee minutes, a copy of the last three years of annual reports and accounts, a copy of the Governing Document and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know' and 'Charities and Public Benefit'.

The Trustees intend in the upcoming year, with the support of the Clerk, to developing a code of conduct for Trustees including formal statements of roles and responsibilities and to undertake work on the Charity Governance Code..

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Trustees are entitled to claim reasonable out of pocket expenses and where they do those are noted in the accounts.

Trustees are required to disclose annually (and as they arise) any potential interests which might conflict and register them with the Clerk and in accordance with the Trust's written conflicts of interest policy.

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 and its impact on income levels and capital growth. The Trustees have actively sought to manage this risk by appointing LGT Wealth Management as Discretionary Managers of the investment portfolio. Their role is to monitor the performance of the portfolio, to take appropriate action to mitigate any loss to the portfolio, and to ensure that the objectives as detailed in the Investment Policy Statement are following and reviewed annually.

The major operational risk is the extent to which grants awarded to charitable or not for profit organisations advances the objects of the Trust and demonstrate sufficient public benefit. The Trust has managed its risk by retaining Trustees of sufficient expertise and experience, and through the quality of the institutions and the people who they support. In addition, the Trustees rely on the Clerk to undertake appropriate and proportionate due diligence on applications and ensure all grant giving retains a focus on the public benefit.

Trustees Report

Year Ended 5 April 2024

The major regulatory impact of the Common Reporting Standard ('the CRS'), on the operation of the Trust. CRS is being an international tax transparency regime aimed at preventing tax evasion. CRS came into force from 1 January 2016 and the Trust is now required 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 this 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.

The grant application process is reviewed annually and the grant application form expanded to collect the necessary due diligence information that is required in order to establish tax residency status of all grant recipients. This includes additional information including tax resident jurisdiction and entity status (for organisations). The Trustees will keep this under review.

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 guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's objects and purposes 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 and not for profit organisations (for exclusively charitable purposes).

By focusing on these areas of grant activity, the Trust achieves its strategic priority of maintaining a stable grant making programme, balancing support to both individuals and voluntary organisations (for exclusively charitable purposes).

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.

Trustees Report

Year Ended 5 April 2024

The Trust has established its grant making policy to achieve its objects for the public benefit, to support charitable and not for profit organisations. The Trustees review the grant making policy annually to ensure it reflects the Trust's objects and thereby advances public benefit.

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 give retrospective grants and the Trustees will only consider one application per year from any applicant.

Grant Making Procedure

Applications can only be considered if they are on the Trust's standard application form.

The application form must be completed and returned (together with a copy of any supporting information relevant to the application) to the Clerk at least four weeks before the meeting at which the application is to be considered.

The Trustees meet once a year to consider applications.

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 guidance on public benefit when reviewing the Trust's objects and activities, their grant making policy and plans for future periods.

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) benefit. 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 the long term. In recent years the portfolio has shown a welcomed recovery and it is considered that the long-term objectives to meet income needs and grow the capital remain obtainable.

During the year the performance of the principal investment portfolio was managed by LGT Wealth Management and was considered satisfactory with all benchmarks being largely achieved.

Trustees Report

Year Ended 5 April 2024

Grants awarded during the period are listed at Annex A in the accounts.

Financial Review

The Trust's work is entirely reliant on income and investment returns from its capital. As at 5 April 2024, the value of the Trust fund stood at £1,142,163. During the year the investment income of the Trust amounted to £34,523.

Investment Policy and Performance

The investment powers of the Trustees are wide and allow the Trustees to invest funds in any manner (after taking such advice as they consider necessary) and having regard to the suitability of investments and need for diversification.

The principal investment holdings of the Trust comprise funds and portfolios of quoted securities. As at 5 April 2024, the value represented 100% of the Trust's investments. The management of the portfolio is undertaken on a discretionary management basis by LGT Wealth Management and the written investment policy is reviewed on at least an annual basis by the Clerk in conjunction with the investment managers and ultimately approved by the Trustees.

The value of the investment portfolio as at 5 April 2024 was £1,138,852 as compared with the value as at 5 April 2023 of £1,057,290.

As at 5 April 2024 the Trustees held cash on deposit with CAF Bank of £3,476 (as compared with cash on deposit with LGT Wealth Management of £2,325).

Reserves Policy

The whole of the Trust's capital is expendable and this distinction between capital and income is not relevant. The Trustees appreciate that the general principles of charity law require Trustees to spend their income within a reasonable period of receipt.

The Trustees have set and agreed a policy which broadly identifies the framework within which the Trust will operate its reserves. The intention is that the Trust will retain an appropriate and reasonable level of reserves whilst concurrently ensuring that it uses the income in a manner that is within the objects at the best interests of the Trust and its beneficiaries.

Since the Trust receives all of its income from the investment portfolio, the Trustees are mindful that the source of income can be volatile and subject to sudden changes in the market. They are concerned that in any year there is a risk that they cannot meet their ongoing administration and professional expense commitments as and when they arise, due to any fluctuations in the market which may prevent or significantly reduce income.

Trustees Report

Year Ended 5 April 2024

The Trustees have therefore considered, in conjunction with the professional advisers, the level of reserves to retain from surplus unrestricted funds. They have decided to build up a pot of reserves equivalent to one year's administrative and professional expenses but excluding grant commitments. This will ensure that should there be any fluctuations in the market which reduce the income available for distribution, the Trust can use its reserves to continue to meet its obligations and liabilities as and when they fall due.

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 concerns 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 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 charitable and not for profit organisations.

The intention is to continue a programme of grant giving which will translate into significant public benefit. The Trustees will focus on those voluntary organisations who would benefit in real terms (impact) from its financial support, thus providing and ensuring a longer-term commitment to support.

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's will continue in operation.

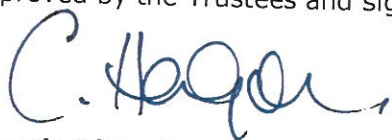
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Governing Document.

Trustees Report

Year Ended 5 April 2024

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:

A handwritten signature in blue ink, appearing to read 'C. Hagon', is written over the printed name.

Pamela Clare Hagon
Chair

Independent Examiner's Statement

Year Ended 5 April 2024

I report on the accounts of the Trust for the year ended 5 April 2024 which are set out on pages 11 to 15.

Respective Responsibilities of Trustees and Examiner

As the Trust'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 Trust 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 2024

Signed:

S Churchill

Name: STEPHANIE CHURCHILL

Relevant professional qualification or body: AAT,

Address

835 BIRMINGHAM NEW ROAD
DY4 8AS

Date:

27/1/25

Statement of Financial Activities

Year Ended 5 April 2024

	<u>Note</u>	<u>2024</u>	<u>2023</u>
Incoming Resources			
Investment income		34,523	33,736
Bank interest		341	41
Total Incoming Resources		<u>34,864</u>	<u>33,777</u>
Resources Expended			
Direct Charitable expenditure	9	1,000	0
Other expenditure – administration	3	15,328	13,931
Total Resources Expended		<u>16,328</u>	<u>13,931</u>
Net incoming resources		18,536	19,846
Gains (losses) on investments			
Realised	5	0	0
Unrealised		54,862	(86,622)
Net movements in funds		73,398	(66,776)
Accumulation fund at 5 April 2023		<u>1,068,765</u>	<u>1,135,541</u>
Accumulation fund at 5 April 2024		<u>1,142,163</u>	<u>1,068,765</u>

Frank Russon Charitable Trust**Page 12****Balance Sheet****Year Ended 5 April 2024**

	<u>Note</u>	<u>2024</u>	<u>2023</u>
Fixed Assets			
Investments	5	1,138,852	1,057,290
Total Fixed Assets		<u>1,138,852</u>	<u>1,057,290</u>
Current Assets			
Cash at bank	6	5,801	16,155
Debtors	7	120	120
Total Current Assets		<u>5,921</u>	<u>16,275</u>
Liabilities			
Creditors: amounts falling due within one year	8	(2,610)	(4,800)
Net current assets		3,311	11,475
Total assets less current liabilities		<u>1,142,163</u>	<u>1,068,765</u>
Accumulated Fund		<u>1,142,163</u>	<u>1,068,765</u>

The notes at pages 13 to 15 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 2024

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 Trust 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 Trust 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 Trust 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 remuneration and claimed no expenses in the year.

Notes to the Accounts

Year Ended 5 April 2024

	<u>2024</u>	<u>2023</u>
3 Administration		
Trustee Expenses	0	111
Investment Management Fee	8,527	8,465
Bank Charge	63	75
Higgs LLP fee	6,210	4,800
Accounts Examination fee	528	480
	<u>15,328</u>	<u>13,931</u>
4 Trustees		
No remuneration was paid to the Trustees.		
5 Quoted Investments		
Market value at start of accounting year	1,057,290	1,125,430
Cash movements re: share changes	26,700	18,482
Realised gain/(loss)	0	0
Unrealised gain/(loss)	54,862	(86,622)
Market value at end of accounting year	<u>1,138,852</u>	<u>1,057,290</u>
6 Cash at Bank		
CAF	3,476	3,451
LGT Wealth Management	2,325	12,704
	<u>5,801</u>	<u>16,155</u>
7 Debtors		
Higgs LLP	120	120
	<u>120</u>	<u>120</u>

Notes to the Accounts

Year Ended 5 April 2024

	<u>2024</u>	<u>2023</u>
8 Creditors: amounts falling due within one year		
Unrepresented cheques re: Donations		0
Higgs LLP	<u>2,610</u>	<u>4,800</u>
	<u>2,610</u>	<u>4,800</u>

9 Analysis of charitable expenditure

The Charity undertakes its charitable activities through grant making and awarding grants to a number of organisations in furtherance of its charitable activities.

Grant funded activities:

Royal Trinity Hospice	<u>1,000</u>	<u>0</u>
	<u>1,000</u>	<u>0</u>