

THE FAMILY RICH CHARITIES TRUST

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

THE FAMILY RICH CHARITIES TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Tessa Goldstein Mrs Margaret Fruchter Mr Simon Fruchter
Charity number	264192
Principal address	6 Forge Lane Petersham Road Richmond Upon Thames Surrey TW10 7BF
Independent examiner	Nick Parrett FCA Azets Audit Services, Chartered Accountants 2 nd Floor, Regis House, 45 King William Street, London EC4R 9AN
Key advisors:	E Campbell-Harris, LGT Vestra LLP, 14 Cornhill, London, EC3V 3NR Bank of Scotland plc Central Banking Branch PO Box 1000 BX2 1LB

THE FAMILY RICH CHARITIES TRUST

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THE FAMILY RICH CHARITIES TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2021

The trustees present their report and financial statements for the year ended 5 April 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust Deed, the Charities Act 2011 and "Accounting and Reporting by the Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The trust exists to provide charitable donations to a wide and varied selection of charities in accordance with the Trust Deed. Each year donations are made to charitable organisations and institutions engaged in medical research and care, arts and music therapies and social welfare and care in developing countries.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities The Trust should undertake.

The trustees have the power to make grants and donations to any charitable organisation or institute in accordance with the trust deed dated March 1972.

Achievements and performance

During the year The Trust made 6 separate donations to charitable organisations and institutes totalling £60,000 in accordance with its charitable objectives.

The total investment income of The Trust was £36,291 from which management costs, incurred on generating funds, of £3,939 were deducted.

Financial Review

The Trust distributes the whole of the annual investment income, including any tax refunds thereon but after deducting management and administration expenses.

In the year to 5 April 2021, the trust made payments of £61,500 relating to charitable activities, exceeding the unrestricted funds balance brought forward (£11,809) and investment income generated in the year (£31,380 net of costs) resulting in a negative balance of £18,311 on unrestricted reserves.

The trustees have the power to make investments at their discretion and in order to rectify the negative balance on the unrestricted reserves are making a transfer into the Vestra investment portfolio, from cash at bank, that will rectify this situation at the year end by generating sufficient investment income to clear the deficit on the unrestricted funds reserve.

The investment policy of The Trust is to invest in a company portfolio offering risk diversification.

THE FAMILY RICH CHARITIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

The trustees have assessed the major risks to which The Trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

To date, COVID-19 has had little impact on the Charity and its ability to continue its charitable distributions. The charity is partly reliant on its investment portfolio that, by means of effective diversification, to exploit accelerating trends and emerging products and services, is relatively safeguarded from the adverse economic effects of the pandemic some businesses and charities are experiencing. The charity also receives an annual donation, from Thames Properties Ltd, that is guaranteed to continue for the foreseeable future.

Structure, governance and management

The Trust is an unincorporated charity registered on 23 June 1972. The Trust was established under the Trust Deed dated 30th March 1972.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs Tessa Goldstein
Mrs Margaret Fruchter
Mr Simon Fruchter

Recruitment of the trustees is carried out through nomination or recommendation by the current trustees.

The trustees report was approved by the Board of Trustees.



.....
Mr Simon Fruchter

Trustee

Dated: 02.09.21
.....

THE FAMILY RICH CHARITIES TRUST

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2021

I report to the trustees on my examination of the accounts of The Family Rich Charities Trust (the Charity) for the year ended 5 April 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe 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 accounts do not accord with those records; or
3. the accounts 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.



N Parrett FCA
Azets Audit Services,
Chartered Accountants
2nd Floor, Regis House
45 King William Street
London EC4R 9AN

Date: 7 September 2021

THE FAMILY RICH CHARITIES TRUST

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2021

	Notes	Unrestricted funds	Restricted funds	Total 2021	Total 2020
<u>Income from:</u>					
Donations and legacies	3	-	50,000	50,000	40,000
Investments	4	36,291	-	36,291	51,189
Total income		<u>36,291</u>	<u>50,000</u>	<u>86,291</u>	<u>91,189</u>
<u>Expenditure on:</u>					
Raising funds	5	4,911	-	4,911	5,015
Charitable activities	6	61,500	-	61,500	45,500
Administrative expenses		-	-	-	500
Total resources expended		<u>66,411</u>	<u>-</u>	<u>66,411</u>	<u>51,015</u>
Net gains/(losses) on investments	11	-	74,158	74,158	(126,185)
Net movement in funds		<u>(30,120)</u>	<u>124,158</u>	<u>94,038</u>	<u>(86,011)</u>
Fund balances at 6 April 2019/20		<u>11,809</u>	<u>1,597,748</u>	<u>1,609,557</u>	<u>1,695,568</u>
Fund balances at 5 April 2020/21		<u>(18,311)</u>	<u>1,721,906</u>	<u>1,703,595</u>	<u>1,609,557</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE FAMILY RICH CHARITIES TRUST

BALANCE SHEET

AS AT 5 APRIL 2021

	Notes	2021	2021	2020	2020
		£	£	£	£
Fixed assets					
Investments	12/14		774,648		745,548
Current assets					
Investments	13/14	58,000		-	
Cash at bank and in hand		872,447		865,509	
		<u>930,447</u>		<u>865,509</u>	
Current liabilities					
Accruals		(1,500)		(1,500)	
		<u>(1,500)</u>		<u>(1,500)</u>	
Net current assets			<u>928,947</u>		<u>864,009</u>
Total assets less current liabilities			<u>1,703,595</u>		<u>1,609,557</u>
Income funds					
Restricted funds	15		1,721,906		1,597,748
Unrestricted funds			(18,311)		11,809
			<u>1,703,595</u>		<u>1,609,557</u>

The financial statements were approved by the Trustees on 02.09.21.....



Mr Simon Fruchter
Trustee

1 Accounting policies

Charity information

The Family Rich Charities Trust is a registered charity, number 264192, and is constituted by Deed of Trust.

1.1 Accounting convention

The accounts have been prepared in accordance with The Trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2016). The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of The Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

Taking into account the economic conditions and possible changes in trading performance, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing the financial statements.

The trustees have also considered the impact of the COVID-19 pandemic lockdown on the year-end and on the future viability of the charity. At the date of approval of these financial statements the charity's investment portfolio has shown strong post year-end performance.

Consequently, the trustees have a reasonable expectation that the charity will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future and therefore have prepared the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when The Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once The Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deed of covenant is recognised at the time of the donation.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Current asset investment

Current investments are initially measured at transaction price excluding transaction costs and reported on the balance sheet at their market value. These investments are considered short-term assets because they are generally convertible into cash within one year.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings under current liabilities.

1.9 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provision of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when The Trust's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of The Trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2021	2020
	£	£
Donations and gifts	<u>50,000</u>	<u>40,000</u>

4 Investments

	2021	2020
	£	£
Income from listed investments	36,291	51,189
Interest receivable	-	-
	<u>36,291</u>	<u>51,189</u>

5 Raising funds

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Investment management	4,911	-	4,911	5,015
	<u>4,911</u>	<u>-</u>	<u>4,911</u>	<u>5,015</u>

6 Charitable activities

	2021	2020
	£	£
Grant funding of activities (see note 7)	60,000	44,000
Share of governance costs (see note 8)	1,500	1,500
	<u>61,500</u>	<u>45,500</u>

7 Grants payable

	2021	2020
	£	£
Grants to individuals	-	-
Grants to institutions	60,000	44,000
	<u>60,000</u>	<u>44,000</u>

The Trust exists to provide charitable donations to a wide and varied selection of charities in accordance with the Trust Deed. Each year donations are made to charitable organisations and institutions engaged in medical research and care, arts and music therapies and social welfare and care in developing countries.

8 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Independent examiner's fees	-	1,500	1,500	1,500
Administration	-	-	-	500
	-	1,500	1,500	2,000
Analysed between Charitable activities	-	1,500	1,500	2,000

Governance costs includes payments to the independent examiners of £1,500 (2020: £1,500) for independent examination fees. Administration costs include £nil (2020: £600) to the independent examiners for administration support.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from The Trust during the year.

10 Employees

There were no employees during the year.

11 Net gains/(losses) on investments

	2021	2020
	£	£
Revaluation of investments	76,973	(104,537)
Loss on sale of investments	(2,815)	(21,648)
	<u>74,158</u>	<u>(126,185)</u>

12 Fixed asset investments

	Listed investments
	£
Cost or valuation	
As at 5 April 2020	745,548
Additions	93,492
Valuations changes	64,358
Disposals	(128,750)
At 5 April 2021	<u>774,648</u>

Carrying amount

At 5 April 2021	774,648
At 5 April 2020	745,548

Fixed asset investments revalued

Investments are held at fair value which is determined by the quoted price in an active market. If investments were held under the historical cost basis, they would have a carrying amount as at the balance sheet date of £762,793 (2020: £817,665)

13 Current asset investments

	2021 £	2020 £
Unlisted investments	58,000	-

The current asset investment 2021 £58,000 is a short-term sterling Prime 3 NAV, Federated Hermes UK LLP. In the prior year there was no current asset investment at the year end. During the year 98,000 units (2020: 26,500) were purchased at a cost of £98,000 and 40,000 units (2020: 44,780) were sold for £40,000 (2020: £44,780).

14 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Equity instruments measured at cost less impairment	832,648	745,548

Financial assets consist of fixed asset investments of £774,648 (2020: £745,548). Current asset investment in 2021 £58,000 (2020: £nil).

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpected balances of donations and grants held on trust for specific purposes:

	Balance at 6 April 2020 £	Incoming resources £	Resources expended £	Revaluations gains and losses £	Balance at 5 April 2021 £
Investment funds	1,597,748	50,000	-	74,158	1,721,906

Restricted funds represent the monies received by the charity to fund its grant programme.

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 5 April 2021 are represented by:			
Investments	-	832,648	832,648
Current assets/(liabilities)	(18,311)	889,258	870,947
	<u>(18,311)</u>	<u>1,721,906</u>	<u>1,703,595</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2020: none).