

CHARITY REGISTRATION NUMBER: 270824

Charles Newman Memorial Fund
Unaudited Financial Statements
5 April 2021

S W FRANKSON & CO

Chartered Accountants
364 High Street
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UB3 5LF

Charles Newman Memorial Fund

Financial Statements

Year ended 5 April 2021

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Charles Newman Memorial Fund

Trustees' Annual Report

Year ended 5 April 2021

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

Reference and administrative details

Registered charity name Charles Newman Memorial Fund

Charity registration number 270824

Principal office C/o Kent House
14-17 Market Place
London
W1W 8AJ

The trustees

J Morgan
D Oakervee
P Bouverat
R Owen
S Fox

Independent examiner N Ruddick FCA S W Frankson & Co
364 High Street
Harlington
Hayes
Middlesex
UB3 5LF

Structure, governance and management

Governing Document

The organisation is an unincorporated charity set up under a Trust Deed dated 10 November 1975.

Appointment of Trustees

The trustees are appointed under the statutory power of appointment by the continuing trustees.

Objectives and activities

The object of the fund shall be charitable only and is to pay the income thereof, at the discretion of the Trustees, to the Lighthouse Construction Industry Charity for the purpose of relieving poverty suffered as a result of accident, disability or ill health by persons employed or formerly employed within the building and civil engineering industry and allied trades in the UK including widows and children of such persons.

Charles Newman Memorial Fund

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Achievements and performance

The fund is a capital fund, the income from which may be distributed to The Lighthouse Construction Industry Charity (LCIC). Historically not all of the income generated has been distributed. More recently, the fund has distributed £255,000. The accumulated distributable income fund is now in excess of £102,500 at the year end (2020 - £101,000). Following the impact of the COVID-19 pandemic, which began towards the end of the last financial year, the world's financial markets are recovering which has resulted in a increase to the overall fund value detailed below.

Details of the fund's income distribution history is included in note 14.

Financial review

Reserves Policy

The Trustees of the Charles Newman Memorial Fund may, at their discretion, pay over any part of the investment income (including accumulated income) to the Lighthouse Construction Industry Charity (as successor to the Lighthouse Club Benevolent Fund), for the purpose of relieving poverty, and accumulate any surplus income as an addition to the invested capital of the Fund. Over the last five years, £255,000 has been distributed but after the impact of the COVID-19 pandemic led to a decrease in the capital of the Charles Newman Memorial Fund, the subsequent recovery has resulted in an overall increase. The movement in the fund's capital is not separately identified as a reserve. However, the market value of the trust fund as at 5 April 2021 remains healthy at £1,118,177 (2020 - £926,304).

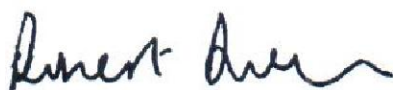
Investment Policy

The investment objective is to provide a balance of income and capital growth which is conservative and in the long term constructing a balanced portfolio with a principal aim of achieving capital growth.

Plans for future periods

Following the emergence of the nation from the pandemic, the charity remains in a strong position to concentrate on achieving its objectives. Given the current uncertainty surrounding the world's economies, the trustees remain cautious regarding the future, but are hopeful that the fund will continue to grow and perform well.

The trustees' annual report was approved on 01/10/2021 and signed on behalf of the board of trustees by:



R Owen
Trustee

Charles Newman Memorial Fund

Independent Examiner's Report to the Trustees of Charles Newman Memorial Fund

Year ended 5 April 2021

I report to the trustees on my examination of the financial statements of Charles Newman Memorial Fund ('the charity') for the year ended 5 April 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.

N Ruddick FCA
S W Frankson & Co
Independent Examiner

364 High Street
Harlington
Hayes
Middlesex
UB3 5LF

3 February 2023

Charles Newman Memorial Fund

Statement of Financial Activities

Year ended 5 April 2021

		2021		2020
	Note	Restricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	26,542	26,542	28,256
Total income		<u>26,542</u>	<u>26,542</u>	<u>28,256</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	5	(3,583)	(3,583)	(10,231)
Expenditure on charitable activities	6	(27,817)	(27,817)	(127,893)
Total expenditure		<u>(31,400)</u>	<u>(31,400)</u>	<u>(138,124)</u>
Net gains/(losses) on investments	7	196,731	196,731	(92,523)
Net income/(expenditure) and net movement in funds		<u>191,873</u>	<u>191,873</u>	<u>(202,391)</u>
Reconciliation of funds				
Total funds brought forward		926,304	926,304	1,128,695
Total funds carried forward		<u>1,118,177</u>	<u>1,118,177</u>	<u>926,304</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 6 to 10 form part of these financial statements.

Charles Newman Memorial Fund

Statement of Financial Position

5 April 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	11	1,127,408	1,059,414
Current assets			
Cash at bank and in hand		44,463	28,692
Creditors: amounts falling due within one year	12	<u>53,694</u>	<u>161,802</u>
Net current liabilities		<u>9,231</u>	<u>133,110</u>
Total assets less current liabilities		<u>1,118,177</u>	<u>926,304</u>
Net assets		<u>1,118,177</u>	<u>926,304</u>
Funds of the charity			
Restricted funds		<u>1,118,177</u>	<u>926,304</u>
Total charity funds	13	<u>1,118,177</u>	<u>926,304</u>

These financial statements were approved by the board of trustees and authorised for issue on 01/10/2021 and are signed on behalf of the board by:



R Owen
Trustee

The notes on pages 6 to 10 form part of these financial statements.

Charles Newman Memorial Fund

Notes to the Financial Statements

Year ended 5 April 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 C/O Kent House, 14-17 Market Place, W1W 8AJ, London.

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 under the historical cost convention, with the exception that investments are included at market value.

These include the results of the charity's operations as indicated in the Trustees' report, all of which are continuing and are in accordance with the charity's governing document.

Going concern

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

Fund accounting

Restricted funds are subject to external restrictions on their expenditure. Restricted funds include revaluations representing the restatement of investment assets to market value.

Incoming resources

All incoming resources are 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.

Investment income is included when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds comprise the costs of managing the investments that provide the fund income

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities

All costs are allocated to expenditure categories reflecting the use of the resource.

Charles Newman Memorial Fund

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

3. Accounting policies *(continued)*

Investments

Investments are included in the financial statements at market value.

All realised and unrealised gains on investments are included in the Statement of Financial Activities for the year.

Financial instruments

A financial asset or a financial liability is recognised only when the entity 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.

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

	Restricted Funds	Total Funds 2021	Restricted Funds	Total Funds 2020
	£	£	£	£
Income from listed investments	24,962	24,962	25,408	25,408
Income from cash held in a UK investment portfolio	1,573	1,573	2,795	2,795
Bank interest receivable	7	7	53	53
	<u>26,542</u>	<u>26,542</u>	<u>28,256</u>	<u>28,256</u>

5. Investment management costs

	Restricted Funds	Total Funds 2021	Restricted Funds	Total Funds 2020
	£	£	£	£
Portfolio management	3,099	3,099	9,748	9,748
Bank charges	484	484	483	483
	<u>3,583</u>	<u>3,583</u>	<u>10,231</u>	<u>10,231</u>

Charles Newman Memorial Fund

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

6. Expenditure on charitable activities by fund type

	Restricted Funds £	Total Funds 2021 £	Restricted Funds £	Total Funds 2020 £
Lighthouse Construction Industry Charity	25,000	25,000	125,000	125,000
Support costs	2,817	2,817	2,893	2,893
	<u>27,817</u>	<u>27,817</u>	<u>127,893</u>	<u>127,893</u>

7. Net gains/(losses) on Investments

	Restricted Funds £	Total Funds 2021 £	Restricted Funds £	Total Funds 2020 £
Revaluation gains/(losses) on listed investments	225,922	225,922	(75,707)	(75,707)
Disposal gains/(losses) on listed investments	(29,191)	(29,191)	(16,816)	(16,816)
	<u>196,731</u>	<u>196,731</u>	<u>(92,523)</u>	<u>(92,523)</u>

8. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,752</u>	<u>1,752</u>

9. Staff costs

No salaries or wages have been paid to employees, including the members of the committee during the year.

10. Trustee remuneration and expenses

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

Charles Newman Memorial Fund

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

11. Investments

	Cash or cash equivalents £	Listed investments £	Total £
Cost or valuation			
At 6 April 2020	35,090	1,024,324	1,059,414
Additions	–	67,558	67,558
Disposals	(18,852)	(206,634)	(225,486)
Other movements	–	225,922	225,922
At 5 April 2021	16,238	1,111,170	1,127,408
Impairment			
At 6 April 2020 and 5 April 2021			–
Carrying amount			
At 5 April 2021	16,238	1,111,170	1,127,408
At 5 April 2020	35,090	1,024,324	1,059,414

All investments shown above are held at valuation.

Listed investments

The historical cost as at 5 April 2021 was £1,073,501 (2020 - £930,503). Other movements refer to net gains or losses on revaluations during the year.

Financial assets held at fair value

All investments are carried at their fair value. Investments in equities, fixed and floating interest securities are all traded on quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using the mid-market price for UK quoted investments and mid-price for overseas investments. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

12. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	53,694	161,802

Included in accruals is £50,000 (2020 - £155,000) in respect of the income arising that the Trustees have approved and agreed to pay to The Lighthouse Construction Industry Charity at the earliest opportunity.

Charles Newman Memorial Fund

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

13. Analysis of charitable funds

Restricted funds

	At 6 April 2020 £	Income £	Expenditure £	Gains and losses £	At 5 April 2021 £
General funds	<u>926,304</u>	<u>26,542</u>	<u>(31,400)</u>	<u>196,731</u>	<u>1,118,177</u>
	At 6 April 2019 £	Income £	Expenditure £	Gains and losses £	At 5 April 2020 £
General funds	<u>1,128,695</u>	<u>28,256</u>	<u>(138,124)</u>	<u>(92,523)</u>	<u>926,304</u>

14. Income distribution history

During the last seventeen years in particular the Charles Newman Memorial Fund's investments have produced significant levels of income. During that time, the Fund has generated investment income of £439,320 and bank interest of £1,900. Out of that, the Trustees of the Fund have approved distributions of £338,610 to the Lighthouse Construction Industry Charity and retains accumulated income funds of £102,610 available for future distribution to the Lighthouse Construction Industry Charity at the discretion of Trustees. The income distribution of £50,000 referred to above, has been taken into account despite not being transferred to the Charity by the year end.