

**THE CHARITY TRUST OF THE  
ROTARY CLUB OF LONDON**

**Report and Financial Statements**

**For the year ended 30 June 2022**

**Charity Number: 278511**

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# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Financial Statements for the Year Ended 30 June 2022

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# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Legal and Administrative Information

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### Charity Number

278511

### Trustees

Hugh Kirk MBE FCCA  
Clive Amos  
Rajiv Sabharwal FCA  
Tim MacAndrews FCA  
Ian Balcombe

### Registered Office / Principal Office

10 Sutton Acres  
Little Hallingbury  
Bishop's Stortford  
Hertfordshire  
CM22 7RZ

### Independent Examiner

Helen Cain  
Mercer & Hole LLP  
21 Lombard Street  
London  
EC3V 9AH

### Bankers

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

### Investment Advisors

Evelyn Partners (formerly Smith and Williamson Investment Management Ltd)  
25 Moorgate  
London  
EC2R 6AY

### Related Organisation

The Rotary Club of London  
10 Sutton Acres  
Little Hallingbury  
Bishop's Stortford  
Hertfordshire  
CM22 7RZ

# **THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON**

## **Report of the Trustees for the Year Ended 30 June 2022**

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The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 30 June 2022.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Trust Deed and the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS 102).

### **Structure Governance and Management**

The Trust was founded by a Declaration of Trust dated 8 June 1979 and is a registered charity in England and Wales. The Declaration of Trust sets out the powers and responsibilities of the Trustees. The Trustees have the responsibility of managing and investing the funds but the distribution of funds – in accordance with the Trust deed – is under direction from the Council of the Rotary Club of London.

Capital and Income may be distributed to Charities and for educational support by way of Scholarships, exhibitions or maintenance for any person over 16 years of age in necessitous circumstances.

The Charity has up to five Trustees who meet at least twice a year together with the President and Vice President of the Club to review the performance of the investments and to decide what, if any, changes should be made and how much money can be set aside for distribution.

In accordance with the Trust Deed, Trustees are appointed by the Rotary Club of London.

These appointments are made after consultation with the existing Trustees. All Trustees are encouraged to attend courses and conferences that would benefit their role as a Trustee of the Charity.

There are no employees of the Charity and the policy and decisions are made by agreement between the Trustees.

### **Reserves Policy**

The Rotary Club of London decided at a general meeting of the Club in the year 2014 that despite the Trust Deed permitting the distribution of capital and income, the Trustees should be asked, subject to market fluctuations, to plan the investment policy on the basis that the value of the Trust should be maintained at a nominal value of £300,000 and not subject to inflation. The value of the assets of the Trust was £346,931. The Trustees in consultation with the Council of the club have agreed to aim to rebuild the capital value as above but also to continue to make distributions to charities as directed.

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

**Report of the Trustees for the year ended 30 June 2022**

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## **Objectives and Activities**

The purpose of the charity according to its Declaration of Trust is that the Trustees shall hold the Charity Trust Fund upon trust to apply both capital and income to or for such charitable objects, institutions or purposes in such proportions and in such a manner as the Council shall from time to time direct and, also in accordance with paragraph 4 thereof the Trustees shall have power at the discretion of the Council to pay or apply the whole or any part of capital and income of the Charity Trust Fund for the advancement of education in the establishment or support of any scholarships.

On 25 April 2022, by way of Codicil, the objectives and activities of the Charity were amended. In addition to those objectives and activities stated above, at the discretion of the Council, Trustees shall also have power to apply Capital and Income of the Charity Trust Fund for the advancement of health and saving lives, disability, the prevention or relief of poverty, disaster and famine relief, environmental and general charitable purposes, all of which apply to both the United Kingdom and anywhere else in the world.

Evelyn Partners (formerly Smith and Williamson Investment Management Ltd) continued to manage the investments of the charity. During the year the funds have been fully invested and have produced income, the Trustees have agreed to the continuation of Evelyn Partners' appointment.

From time to time members of the Club arrange fundraising events for the benefit of the Charity and generally these are administered by the Charity.

The Charity also receives donations from time to time from members or others.

In setting out the Charity's objectives and carrying out our activities, the trustees have had regard to the Charity Commission's guidance on public benefit.

## **Risk Management**

The Trustees have examined the principal areas of the Charity's operation and considered the major risk in each of these areas.

In the opinion of the Trustees the Charity has reviewed systems which, under normal conditions should allow the risks to be mitigated to an acceptable level in its day to day operations.

## **Review of the year**

This has been a reasonable year for the Charity during which it has been able to continue distributions. Following distributions of £45,000 the value of the Charity has decreased from £396,936 to £345,970. Distributions were made to charities totalling £45,000.

Of these distributions the following were from Unrestricted Funds:

- 2 x donation of £10,000
- 1 x donation of £6,500
- 2 x donation of £4,500
- 1 x donation of £3,000
- 5 x donation of £1,000
- 1 x donation of £800
- 1 x donation of £700

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Report of the Trustees for the year ended 30 June 2022

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The Trustees confirm that they have referred to the guidance contained in the Charities Commission general guidance on public benefits when reviewing the Trust's aims, objectives and future activities.

### Plans for the Future

The Trustees intention is to continue to run the Charity along the same lines as this year.

In conclusion the Trustees would like to thank all those who have assisted the Charity during the year.

**Trustees**

Hugh Kirk MBE FCCA
Clive Amos
Rajiv Sabharwal FCA
Tim MacAndrews FCA
Ian Balcombe

### Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 26.10.22 and signed on their behalf by:



**Hugh Kirk MBE FCCA**  
**Trustee**

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Independent Examiners' Report to the Trustees of The Charity Trust of the Rotary Club of London

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I report to the charity trustees on my examination of the accounts for the year ended 30 June 2022 which are set out on pages 6 to 13.

### Respective responsibilities of trustees and examiner

As the charity trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act (Northern Ireland) 2008.

It is my responsibility to:

- examine the accounts under section 65 of the Charities Act (Northern Ireland) 2008;
- follow the procedures laid down in the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act; and
- state whether particular matters have come to my attention.

### Basis of independent examiner's report

I have examined your charity accounts as required under section 65 of the Charities Act and my examination was carried out in accordance with the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act.

My examination included 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 charity trustees concerning any such matters.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. That accounting records were not kept in accordance with section 63 of the Charities Act
2. That the accounts do not accord with those accounting records
3. That the accounts do not comply with the accounting requirements of the Charities Act
4. That there is further information needed for a proper understanding of the accounts to be reached.

### Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission for Northern Ireland, I have found no matters that require drawing to your attention.



Helen Cain FCA

31 October 2022

Mercer & Hole LLP  
21 Lombard Street  
London  
EC3V 9AH

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Statement of Financial Activities for the Year Ended 30 June 2022

	Notes	Restricted Funds 2022 £	Unrestricted Funds 2022 £	2022 £	Restricted Funds 2021 £	Unrestricted Funds 2021 £	2021 £
<b>Income from</b>							
Donations and legacies	2	155	38,169	38,324	-	29,865	29,865
Interest received	3	-	1	1	-	-	-
Investments	3	-	8,683	8,683	-	7,582	7,582
<b>Total income</b>		<u>155</u>	<u>46,853</u>	<u>47,008</u>	<u>-</u>	<u>37,447</u>	<u>37,447</u>
<b>Expenditure on</b>							
Charitable activities	5	-	45,000	45,000	-	45,450	45,450
Management & administration	4	-	5,731	5,731	-	5,192	5,192
<b>Total expenditure</b>		<u>-</u>	<u>50,731</u>	<u>50,731</u>	<u>-</u>	<u>50,642</u>	<u>50,642</u>
<b>Net income/ (expenditure)</b>		<u>155</u>	<u>(3,878)</u>	<u>(3,723)</u>	<u>-</u>	<u>(13,195)</u>	<u>(13,195)</u>
Gain / (loss) on revaluation of investments		-	(68,464)	(68,464)	-	69,979	69,979
Gain / (loss) on disposal of investments	6	-	21,221	21,221	-	10,396	10,396
<b>Net movement in funds</b>		<u>155</u>	<u>(51,121)</u>	<u>(50,096)</u>	<u>-</u>	<u>67,180</u>	<u>67,180</u>
<b>Reconciliation of funds:</b>							
<b>Total funds brought forward</b>		<u>-</u>	<u>396,936</u>	<u>396,936</u>	<u>-</u>	<u>329,756</u>	<u>329,756</u>
<b>Total funds carried forward</b>		<u>155</u>	<u>345,815</u>	<u>345,970</u>	<u>-</u>	<u>396,936</u>	<u>396,936</u>

All income and expenditure are derived from continuing operations.  
The notes on pages 8 to 13 form part of these Financial Statements.



# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Balance Sheet at 30 June 2022

	<u>Notes</u>	<u>2022</u> £	<u>2021</u> £
<b>Fixed assets</b>			
Investments	6	336,681	385,677
<b>Current assets</b>			
Investments		7,431	7,556
Cash at bank		2,818	1,166
Debtors	7	-	3,467
		<u>10,250</u>	<u>12,189</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>960</u>	<u>(930)</u>
<b>Net current assets</b>		<u>9,289</u>	<u>11,259</u>
<b>Net assets</b>		<u><b>345,970</b></u>	<u><b>396,936</b></u>
<b>Total charity funds</b>			
Unrestricted funds	9	345,815	396,936
Restricted funds	10	155	-
<b>Total charity funds carried forward</b>	11	<u><b>345,970</b></u>	<u><b>396,936</b></u>

Approved by the Trustees on 26.10.22 and signed on their behalf by:

  
**Hugh Kirk MBE FCCA**  
 Trustee

The notes on pages 8 to 13 form part of these Financial Statements.

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Notes to the Financial Statements for the Year Ended 30 June 2022

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### 1. ACCOUNTING POLICIES

The principal accounting policies which are adopted consistently in the preparation of the Financial Statements are set out below.

#### a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102), The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Charities Act 2011.

The financial statements do not include a cash flow statement because the Charity, as a small reporting entity is exempt from the requirement to prepare such a statement under Update Bulletin 1, Charities SORP (FRS 102).

The financial statements have been prepared to give a 'true and fair' view and have therefore necessarily departed from the extant Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Statement of Recommended Practice: Accounting and Reporting by Charities effective from 1 April 2005, which has since been withdrawn.

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

#### b) Income

##### **Donations**

Donations are credited in the year in which they are received.

##### **Investment income**

Income from investments is credited in the year in which it is received.

##### **Interest receivable**

Interest is credited in the year in which it is received.

#### c) Expenditure

##### **Grants**

Grants are accounted for in the year to which they relate.

##### **Other costs**

All other costs are accounted for on an accruals basis.

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

### d) Fund accounting

The funds held by the charity are:

#### **Unrestricted funds**

Unrestricted funds are those funds that are spent in accordance with the charitable objects at the discretion of the trustees. Part of these funds can be designated to be used for a particular purpose in the future.

#### **Restricted funds**

Restricted funds are those funds that must be spent on a specific purpose.

### e) Investments

Fixed asset investments are valued at market value, net of management fees, at 30 June 2022. Current asset investments are to be used by the charity on a continuing basis.

### f) Unrealised gains and losses on investments

Unrealised gains and losses are accounted for on revaluation of investments at the balance sheet date.

## 2. Income from Donations and Legacies

	Restricted Funds £	Unrestricted Funds £	2022 £	Restricted Funds £	Unrestricted Funds £	2021 £
Charitable donations	155	38,169	38,324	-	29,865	29,865
Total	<u>155</u>	<u>38,169</u>	<u>38,324</u>	<u>-</u>	<u>29,865</u>	<u>29,865</u>

## 3. Investment Income

	Restricted Funds £	Unrestricted Funds £	2022 £	Restricted Funds £	Unrestricted Funds £	2021 £
Investments	-	8,683	8,683	-	7,582	7,582
Interest received	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>7,582</u>	<u>7,582</u>
	<u>-</u>	<u>8,684</u>	<u>8,684</u>	<u>-</u>	<u>7,582</u>	<u>7,582</u>

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

### 4. Allocation of Resources Expended

	Management and Administration £	Total 2022 £	Total 2021 £
Bank charges	180	180	146
Independent Examiners Fees	990	990	960
Investment Manager Fees	<u>4,561</u>	<u>4,561</u>	<u>4,086</u>
	<u>5,731</u>	<u>5,731</u>	<u>5,192</u>

No Trustee received any remuneration during the year or reimbursed expenses.

### 5. Expenditure on charitable activities – grants payable

	2022 £	2021 £
<b>Unrestricted funds</b>		
Baby Milk for Lebanon	10,000	-
Beirut Hospital	-	5,000
Richard House Children's Hospice	4,500	-
Christopher Children Hospice	-	500
Rotary Club of Kopundol, Kathmandu (HORAC)	3,000	7,000
Rotary Foundation	6,500	4,500
Chums	-	1,000
Kisharon	-	500
LifeLine4Kids	10,000	10,000
KidsOut	-	500
Rays of Sunshine	-	500
Noah's Ark Children's Hospice	4,500	10,000
Salvation Army	1,000	-
Women & Health	-	500
Latin American Women's Refuge	-	500
Princess Royal's Volunteer Corps	-	1,200
Every Child Protected Against Traffickers (ECPAT)	800	-
PWN London	700	-
Brain Wave	-	500
Be Kind Movement	1,000	-
Crisis	-	250
India Covid Appeal	-	2,500
Roald Dahl's Marvellous Children Charity Crisis	-	500
The Passage	1,000	-
Royal College of Music	1,000	-
Karma Bank	<u>1,000</u>	-
	45,000	45,450
<b>Total grants payable</b>	<u>45,000</u>	<u>45,450</u>

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Notes to the Financial Statements for the Year Ended 30 June 2022

(continued)

## 6. Investments

	2022 £	2021 £
Market value at 1 July 2021	385,677	320,384
Additions	50,763	-
Disposals	(52,516)	(15,082)
Net gain on disposal	21,221	10,396
Unrealised (losses) / gains	(68,464)	69,979
At 30 June 2022	<u>336,681</u>	<u>385,677</u>
Historical cost as at 30 June 2022	<u>249,953</u>	<u>233,249</u>
	2022 £	2021 £
Listed investments	221,685	268,045
Other non-listed investments	<u>114,996</u>	<u>117,632</u>

## 7. Debtors

	2022 £	2021 £
Other debtors	-	3,467
	<u>-</u>	<u>3,467</u>

## 8. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	960	930
	<u>960</u>	<u>930</u>

# THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

## Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

### 9. Unrestricted Funds

#### Analysis of unrestricted funds – current year

	Balance at 1 July 2021	Incoming Resources	Resources Expended	Gain/Loss on Investment Revaluation /Disposals	Balance At 30 June 2022
	£	£	£	£	£
General fund	<u>396,936</u>	<u>46,853</u>	<u>50,731</u>	<u>(47,243)</u>	<u>345,815</u>

#### Analysis of unrestricted funds – prior year

	Balance at 1 July 2020	Incoming Resource s	Resources Expended	Gain/Loss on Investment Revaluation /Disposals	Balance At 30 June 2021
	£	£	£	£	£
	<u>329,756</u>	<u>37,447</u>	<u>(50,642)</u>	<u>80,375</u>	<u>396,936</u>

### 10. Restricted Funds

#### Analysis of restricted funds – current year

	Balance at 1 July 2021	Incoming Resources	Resources Expended	Deficit on Investment Revaluation /Disposals	Balance At 30 June 2022
	£	£	£	£	£
	<u>-</u>	<u>155</u>	<u>-</u>	<u>-</u>	<u>155</u>

#### Analysis of restricted funds – prior year

	Balance at 1 July 2020	Incoming Resources	Resources Expended	Deficit on Investment Revaluation /Disposals	Balance At 30 June 2021
	£	£	£	£	£
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Restricted funds relate to donations received to be granted to charitable causes in Ukraine.

**11. Analysis of Net Assets among Funds**

	Restricted Funds £	Unrestricted Funds £	2022 £	Restricted Funds £	Unrestricted Funds £	2021 £
Fund balances are represented by:						
Investments	-	336,681	336,681	-	385,677	385,677
Net current assets	<u>155</u>	<u>9,134</u>	<u>9,289</u>	<u>-</u>	<u>11,259</u>	<u>11,259</u>
	<u><u>-</u></u>	<u><u>345,815</u></u>	<u><u>345,970</u></u>	<u><u>-</u></u>	<u><u>396,936</u></u>	<u><u>396,936</u></u>

**12. Related parties**

A grant was made to the Rotary Foundation during the year of £6,500 (2021: £4,500).