

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

Report and Financial Statements

For the year ended 30 June 2023

Charity Number: 278511

THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Financial Statements for the Year Ended 30 June 2023

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THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Legal and Administrative Information

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
45 Gresham Street
London
EC2V 7BG

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 2023

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 30 June 2023.

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 2023

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 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 £33,000 the value of the Charity has decreased from £345,970 to £342,764. Distributions were made to charities totalling £33,000.

Of these distributions the following were from Unrestricted and Restricted Funds:

- 2 x donation of £8,500
- 3 x donation of £2,500
- 2 x donation of £2,000
- 4 x donation of £1,000
- 1 x donation of £500

THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Report of the Trustees for the year ended 30 June 2023

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 08.11.2023 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

I report to the charity trustees on my examination of the accounts for the year ended 30 June 2023 which are set out on pages 6 to 12.

Responsibilities and basis of report

As the charity's trustees 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 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.

Mercer & Hole LLP

Helen Cain FCA

13 November 2023

**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 2023

	Notes	Restricted Funds 2023 £	Unrestricted Funds 2023 £	2023 £	Restricted Funds 2022 £	Unrestricted Funds 2022 £	2022 £
Income from							
Donations and legacies	2	-	37,999	37,999	155	38,169	38,324
Interest received	3	-	19	19	-	1	1
Investments	3	-	9,908	9,908	-	8,683	8,683
Total income		-	47,926	47,926	155	46,853	47,008
Expenditure on							
Charitable activities	5	155	32,845	33,000	-	45,000	45,000
Management & administration	4	-	5,421	5,421	-	5,731	5,731
Total expenditure		155	38,266	38,421	-	50,731	50,731
Net income/ (expenditure)		(155)	9,660	9,505	155	(3,878)	(3,723)
Gain / (loss) on revaluation of investments		-	(18,827)	(18,827)	-	(68,464)	(68,464)
Gain / (loss) on disposal of investments	6	-	6,116	6,116	-	21,221	21,221
Net movement in funds		(155)	(3,051)	(3,206)	155-	(51,121)	(50,096)
Reconciliation of funds:							
Total funds brought forward		155	345,815	345,970	-	396,936	396,936
Total funds carried forward		-	342,764	342,764	155	345,815	345,970

All income and expenditure are derived from continuing operations.
The notes on pages 8 to 12 form part of these Financial Statements.

THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Balance Sheet at 30 June 2023

	<u>Notes</u>	2023 £	2022 £
Fixed assets			
Investments	6	339,008	336,681
Current assets			
Investments		2,311	7,431
Cash at bank		<u>2,465</u>	<u>2,818</u>
		4,776	10,250
Creditors: amounts falling due within one year	7	<u>1,020</u>	<u>960</u>
Net current assets		<u>3,756</u>	<u>9,289</u>
Net assets		<u>342,764</u>	<u>345,970</u>
Total charity funds			
Unrestricted funds	8	342,764	345,815
Restricted funds	9	-	155
Total charity funds carried forward	10	<u>342,764</u>	<u>345,970</u>

Approved by the Trustees on 08.01.23 and signed on their behalf by:



Hugh Kirk MBE FCCA
Trustee

The notes on pages 8 to 12 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 2023

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 2023 (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 2023. 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 £	2023 £	Restricted Funds £	Unrestricted Funds £	2022 £
Charitable donations	-	37,999	37,999	155	38,169	38,324
Total	<u>-</u>	<u>37,999</u>	<u>37,999</u>	<u>155</u>	<u>38,169</u>	<u>38,324</u>

3. Investment Income

	Restricted Funds £	Unrestricted Funds £	2023 £	Restricted Funds £	Unrestricted Funds £	2022 £
Investments	-	9,908	9,908	-	8,683	8,683
Interest received	<u>-</u>	<u>19</u>	<u>19</u>	<u>-</u>	<u>1</u>	<u>1</u>
	<u>-</u>	<u>9,917</u>	<u>9,917</u>	<u>-</u>	<u>8,684</u>	<u>8,684</u>

THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

4. Allocation of Resources Expended

	Management and Administration £	Total 2023 £	Total 2022 £
Bank charges	102	102	180
Independent Examiners Fees	1,080	1,080	990
Investment Manager Fees	<u>4,239</u>	<u>4,239</u>	<u>4,561</u>
	<u>5,421</u>	<u>5,421</u>	<u>5,731</u>

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

5. Expenditure on charitable activities – grants payable

	2023 £	2022 £
Unrestricted funds		
Baby Milk for Lebanon	-	10,000
Richard House Children's Hospice	2,500	4,500
Ukraine, Kharkiu School	2,500	-
Rotary Club of Kopundol, Kathmandu (HORAC)	-	3,000
Rotary Foundation	2,500	6,500
Inspiring Girls	500	-
LifeLine4Kids	8,500	10,000
Sheriffs Records fund	1,000	-
Noah's Ark Children's Hospice	8,500	4,500
Salvation Army	-	1,000
Shelter Box	2,000	-
Parkinson's UK	1,000	-
Every Child Protected Against Traffickers (ECPAT)	-	800
PWN London	-	700
London Air Ambulance	2,000	-
Be Kind Movement	-	1,000
Ladakh India (Eye Hospital)	1,000	-
Livery School Link	1,000	-
The Passage	-	1,000
Royal College of Music	-	1,000
Karma Bank	<u>-</u>	<u>1,000</u>
	33,000	45,000
Total grants payable	<u>33,000</u>	<u>45,000</u>

THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Notes to the Financial Statements for the Year Ended 30 June 2023

(continued)

6. Investments

	2023 £	2022 £
Market value at 1 July 2022	336,681	385,677
Additions	27,262	50,763
Disposals	(12,224)	(52,516)
Net gain on disposal	6,116	21,221
Unrealised (losses) / gains	<u>(18,827)</u>	<u>(68,464)</u>
At 30 June 2023	<u>339,008</u>	<u>336,681</u>
Historical cost as at 30 June 2023	<u>270,982</u>	<u>249,953</u>
	2023 £	2022 £
Listed investments	235,474	221,685
Other non-listed investments	<u>103,534</u>	<u>114,996</u>

7. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	<u>1,020</u>	<u>960</u>
	<u>1,020</u>	<u>960</u>

8. Unrestricted Funds

Analysis of unrestricted funds – current year

	Balance at 1 July 2022 £	Incoming Resources £	Resources Expended £	Gain/Loss on Investment Revaluation /Disposals £	Balance At 30 June 2023 £
General fund	<u>345,815</u>	<u>47,926</u>	<u>(38,266)</u>	<u>(12,711)</u>	<u>342,764</u>

Analysis of unrestricted funds – prior year

	Balance at 1 July 2021 £	Incoming Resource s £	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>

THE CHARITY TRUST OF THE ROTARY CLUB OF LONDON

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

9. Restricted Funds

Analysis of restricted funds – current year

Balance at 1 July 2022	Incoming Resources	Resources Expended	Deficit on Investment Revaluation /Disposals	Balance At 30 June 2023
£	£	£	£	£
<u>155</u>	<u>-</u>	<u>(155)</u>	<u>-</u>	<u>-</u>

Analysis of restricted funds – prior 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>

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

10. Analysis of Net Assets among Funds

	Restricted Funds	Unrestricted Funds	2023	Restricted Funds	Unrestricted Funds	2022
	£	£	£	£	£	£
Fund balances are represented by:						
Investments	-	339,008	339,008	-	336,681	336,681
Net current assets	<u>-</u>	<u>3,756</u>	<u>3,756</u>	<u>155</u>	<u>9,134</u>	<u>9,289</u>
	<u>-</u>	<u>342,764</u>	<u>342,764</u>	<u>-</u>	<u>345,815</u>	<u>345,970</u>

11. Related parties

A grant was made to the Rotary Foundation during the year of £2,500 (2022: £6,500).