

HORNE FOUNDATION

**REPORT OF THE TRUSTEES AND UNAUDITED
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 5 APRIL 2021**

REGISTERED CHARITY NUMBER 283751

HORNE FOUNDATION
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for the year ended 5 April 2021

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Registered number 283751

**HORNE FOUNDATION
COMPANY INFORMATION
5 April 2021**

Trustees	E J Davenport R M Harwood C A Horne
Secretary	R M Harwood
Principal office of charity	PO Box 6165 Newbury RG14 9FY
Bankers	National Westminster Bank Plc 41 The Drapery Northampton NN1 2EY
Independent Examiner	Debra Knighton FCCA Spencer Gardner Dickins Limited 3 Coventry Innovation Village Cheetah Road Coventry CV1 2TL
Investment Managers	Rathbones Port of Liverpool Building Pier Head Liverpool L3 1NW

**HORNE FOUNDATION
REPORT OF THE TRUSTEES
for the year ended 5 April 2021**

Trustees report

The trustees present their annual report and financial statements of the charity for the year ended 5 April 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and the Charities Statement of Recommended Practice (second edition) and Financial Reporting Standard FRS102.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The foundation was established and is governed by a Trust Deed dated 23 October 1981. All of the trustees, who are shown on the previous page, served throughout the year. The foundation is a registered charity and has confirmed its charitable status with the Inland Revenue.

The power to appoint new trustees rests with the existing trustees.

Organisation structure

The trustees meet at three monthly intervals to agree donations and to monitor finances. Day to day administration is performed on an occasional basis from the trustees home.

Related Parties

Details of transactions between trustees and the charity are given in note 9 of the financial statements.

Risk review

The trustees have considered the major risks to which the charity is exposed, and procedures have been established to mitigate those risks.

OBJECTIVES AND ACTIVITIES

Objects of the charity

The objects of the charity are the advancement of education and other such charitable purposes as the trustees may determine.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and setting the grant making policy for the year.

It is the future intention of the trustees to transfer the investments held by the organisation to a charity, or group of charities, where they would be better used to fulfil the objects of the charity.

Grant making policy

The policy of the trustees is to make substantial grants towards major educational projects that involve new buildings, once every few years. In addition, there are regular smaller donations to local projects in the Northampton and Oxfordshire area, and student bursaries for higher education through Northampton schools. One off donations to National Charities are also made when the trustees deem appropriate.

The trustees are aware that in recent years National Charities have been the main beneficiaries of the charity. However, it is their intention to transfer the investments held to a charity, or group of charities, that share The Horne Foundation's charitable objectives so that they can be better utilised.

ACHIEVEMENTS AND PERFORMANCE

Investment policy

It is the policy of the trustees to invest a substantial part of the charity's funds in a wide range of shares listed on the London and overseas stock exchanges, including fixed rate securities and equities.

Unrealised and realised gains on investments during the year represent 24% of the value of investments at the beginning of the year.

FINANCIAL REVIEW

Reserves policy

The policy is to normally distribute an amount approximately equal to the investment income received. This is not strictly adhered to since large donations towards building projects are not regularly spaced.

Financial

The financial progress of the foundation is disclosed in the financial statements. Details of the grants made are disclosed in note 4. Total investments at 5 April 2021 were £8,237,338 (2020 - £6,516,365) which resulted in an increase of £1,720,974.

The net assets of the fund, at 5 April 2021, are £8,252,016 (2020: £6,537,292).

PLANS FOR FUTURE PERIODS

The aim for the future is to continue to make grants towards educational projects and to continue to invest funds in shares listed on the stock exchanges.

**HORNE FOUNDATION
REPORT OF THE TRUSTEES
for the year ended 5 April 2021**

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

Charity law requires the trustees to prepare financial statements for each financial year. Under the law they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent;
- observe the methods and principles in the Charity SORP;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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 its financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the trustees on 2/2/22 and signed on their behalf by:



R M Harwood
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HORNE FOUNDATION

Independent examiner's report to the trustees of the Horne Foundation

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 5 April 2021.

Responsibilities and basis of report

As the charity's trustees of the Company, 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 130 of the Act ; or
- the accounts did not accord with such records; or
- the accounts did 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.

Debra Knighton FCCA . 3 February 2022

Debra Knighton FCCA
Spencer Gardner Dickins Limited
3 Coventry Innovation Village
Cheetah Road
Coventry
CV1 2TL

HORNE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 5 April 2021

	Note	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income from charitable activities			
Investment income	2	210,423	111,587
Total income		210,423	111,587
Expenditure on charitable activities			
Cost of generating funds	3	28,324	27,783
Charitable expenditure			
Grants and donations	4	20,000	10,000
Governance costs	5	3,415	3,603
Total expenditure		51,739	41,386
Net income before investment gains		158,684	70,201
Net gains/(losses) on investments			
Realised		108,590	(42,623)
Unrealised		1,447,450	(457,773)
Net movement in funds		1,714,724	(430,195)
Balance brought forward at 6 April 2020		6,537,292	6,967,487
Balance carried forward at 5 April 2021		8,252,016	6,537,292

All income and expenditure has arisen from continuing activities.

**HORNE FOUNDATION
BALANCE SHEET
as at 5 April 2021**

	Note	2021	2020
		£	£
Fixed assets investments			
Listed	6	8,143,265	6,473,941
Other	6	<u>94,073</u>	<u>42,424</u>
		8,237,338	6,516,365
Current assets			
Prepayments and accrued income	7	3,979	4,096
Cash at bank		<u>13,999</u>	<u>20,118</u>
		17,978	24,214
Liabilities: Amounts falling due within one year	8		
Accruals and deferred income		<u>(3,300)</u>	<u>(3,287)</u>
Net current assets		14,678	20,927
		<u>8,252,016</u>	<u>6,537,292</u>
Funds			
Unrestricted general funds		<u>8,252,016</u>	<u>6,537,292</u>

The notes on pages 7 to 10 form part of these accounts.

These financial statements were approved by the trustees on 2/2/22 and signed on their behalf by:



R M Harwood
Trustee

**HORNE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 5 April 2021**

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011. The trust constitutes a public benefit entity as defined by FRS102.

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

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

Going Concern

The financial statements are prepared on a going concern basis as the trustees are of the opinion that sufficient funds are available to enable the charity to continue operating

At the time of approving the financial statements, the trustees have assessed the charity's situation regarding the COVID-19 pandemic and the likely impact on the charity. The trustees have a reasonable expectation that the charity has adequate resources and reserves to continue in operational existence for the foreseeable future to deal with the issues arising from the COVID-19 pandemic. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Dividends are accounted for on a receivable basis. Interest is accounted for on an accruals basis

Expenditure

Expenditure is classified under type of expense, and accounted for on an accruals basis. Grants payable are charged in the year when the offer is conveyed to the recipient, except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

Costs of generating funds comprise investment management fees. Governance costs comprise costs for the running of the charity, itself, as an organisation.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Funds

The unrestricted general funds represent funds which are available for use, at the discretion of the trustees, in furtherance of the general objectives of the charity, and which have not been designated for specific purposes.

HORNE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 5 April 2021

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 their purchase value. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value.

2 Investment income

	2021	2020
	£	£
Dividend income received	92,464	84,736
Interest received	3,253	7,105
Interest from fixed rate investments	24,706	19,746
Other investment revenue	90,000	-
	<u>210,423</u>	<u>111,587</u>

3 Cost of generating funds

	2021	2020
	£	£
Investment management fees	<u>28,324</u>	<u>27,783</u>

4 Grants and donations

	2021		2020
	£	£	£
Donations		-	-
Grants			
2 grants to national appeals (2020:1) as follows:			
Crisis UK	10,000		10,000
St Martins Housing Trust	10,000		
Grants to local appeals - nil (2020:0):	-		-
Grants to individual students - nil (2020:0)	-		-
	<u>20,000</u>		<u>10,000</u>
	<u>20,000</u>		<u>10,000</u>

The normal policy of the trustees is to make substantial grants towards major educational projects that involve new buildings, once every few years. In addition, there are regular smaller donations to local projects in the Northampton and Oxfordshire area, and student bursaries for higher education through Northampton schools. In recent years however, this has not been possible and as a result one off donations to National Charities have been made when the trustees deem appropriate.

HORNE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 5 April 2021

5 Governance costs

	2021	2020
	£	£
Administration charge	366	342
Accountancy fees	2,988	3,200
Other costs	61	61
	<u>3,415</u>	<u>3,603</u>

6 Investments

	2021	2020
	£	£
Market value at beginning of year	6,473,941	6,215,934
Acquisitions at cost	1,059,638	915,687
Disposal at opening book value	(940,113)	(161,239)
(Loss)/Profit on revaluation at end of year	<u>1,549,799</u>	<u>(496,441)</u>
	<u>8,143,265</u>	<u>6,473,941</u>
Cash awaiting investment	94,073	42,424
Market value at end of year	<u>8,237,338</u>	<u>6,516,365</u>

	2021		2020	
	Listed	Other	Listed	Other
	£	£	£	£
At market value:				
United Kingdom	5,306,553	-	4,076,769	-
Overseas	2,836,712	-	2,397,172	-
Bank and short term deposits	-	94,073	-	42,424
	<u>8,143,265</u>	<u>94,073</u>	<u>6,473,941</u>	<u>42,424</u>

The historical cost of the investment portfolio was £5,620,119 (2020: £5,340,355).

HORNE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS -CONTINUED
for the year ended 5 April 2021

7 Prepayments and accrued income

	2021	2020
	£	£
Investment income receivable	<u>3,979</u>	<u>4,096</u>

8 Liabilities: Amounts falling due within one year

	2021	2020
	£	£
Accruals	<u>3,300</u>	<u>3,287</u>

9 Related parties

No trustees were paid salary for 2021 and 2020.

There were no trustees expenses paid during the year (2020 - 0).

The average number of employees during the year was 0 (2020 - 0).