

REGISTERED COMPANY NUMBER: 01851320 (England and Wales)
REGISTERED CHARITY NUMBER: 290349

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2023
for
THE FRIENDS OF OCTAVIA

THE FRIENDS OF OCTAVIA

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THE FRIENDS OF OCTAVIA

Reference and Administrative Details
for the Year Ended 31 March 2023

TRUSTEES	Mrs C R Bailey Mrs G M Bor M C Clarke Treasurer Ms B Clarke Chair D J Dunbar Mrs V Simpson
COMPANY SECRETARY	M C Clarke
REGISTERED OFFICE	7 Middle Field St. John's Wood Park London NW8 6ND
REGISTERED COMPANY NUMBER	01851320 (England and Wales)
REGISTERED CHARITY NUMBER	290349
INDEPENDENT EXAMINER	Knox Cropper LLP Chartered Accountants Office Suite 1 Haslemere House Lower Street Haslemere Surrey GU27 2PE
BANKERS	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

THE FRIENDS OF OCTAVIA

Report of the Trustees for the Year Ended 31 March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity ("the objects") are:

1) to assist the Octavia Foundation so long as its objects remain charitable and thereafter to assist any other charity or charities in such manner and to such extent as the Council shall determine, including:

- a. improving the conditions of living of the beneficiaries who are poor, aged or disabled persons in the City of Westminster and elsewhere;
- b. providing the beneficiaries with food, fuel, furniture and other items, amenities or other services of whatsoever nature to improve the beneficiaries' conditions of life;
- c. organising holidays, outings and excursions; and
- d. obtaining, collecting and receiving money and funds by way of contribution, donations, legacies and grants;

2) to cooperate with any charitable, national or international bodies whose objects are similar to the objects of the Company.

Aims

The charity aims to have a demonstrable impact on charitable causes falling within its objects which are particularly in need of funds, but which may have difficulty, for whatever reason, garnering popular support or the support of other trusts or institutional funders.

Objectives

The Charity's key objectives for the year were to continue to maximise income and to continue to support the Octavia Foundation.

Significant activities

The charity was able to maximise its available resources during the year whilst delivering effective and meaningful grants. The Trustees were satisfied with the Charity's performance.

Investment performance

The charity's investment portfolio is managed by Brewin Dolphin. The portfolio value reduced by £129,000 net of fees. Markets were difficult for income focused portfolios. The yield was 3.7%.

Review of activities

The Trustees are aware of their responsibility to balance the needs of both current and future beneficiaries. The Trustees are pleased with the outcome of the activities undertaken throughout the year.

THE FRIENDS OF OCTAVIA

Report of the Trustees for the Year Ended 31 March 2023

OBJECTIVES AND ACTIVITIES

Public benefit

The Council confirms that it has complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The Charity's public benefit is enshrined in its charitable objects as outlined above.

The Council has the right not to disclose why a particular application may have been approved or rejected, so as not to impugn its discretion, but it will not discriminate on the grounds of any characteristic protected by the Equality Act or any other relevant legislation.

Grantmaking

The Charity uses the services of Octavia Foundation and Octavia Housing and Care to identify tenants who are in need of essential items of furnishings and white goods or who would benefit from grants to assist in their education and training.

FINANCIAL REVIEW

Financial position

The Unrestricted fund stood at £1,591,993 at year-end (2022: £1,715,298).

The key sources of income were derived from investments of £55,816 (2022: £42,083) and rental income of £11,392 (2022: £10,999).

The Friends gave grants of £46,929 (2022: £35,130) in the year, of which £300 (2022: £1,775) was for educational and training purposes for tenants of Octavia Housing, and £46,629 (2022: £33,355) was for welfare and community purposes. Support costs totalled £4,438 (2022: £4,249).

Losses on investments amounted to £129,048 (2022: gains of £25,580), which resulted in an overall deficit for the year of £123,305 (2022: Surplus of £28,741).

Investment policy and objectives

The Council's investment policy is to retain a degree of safety in the investment strategy while looking for a higher rate of investment return rather than being income dependent. No additional social or ethical considerations are taken into account as part of the investment policy, as the governing document of the charity does not mandate consideration of such matters.

The fund is managed on a discretionary basis on a medium risk profile. It has a balance mandate meaning the fund is managed for a combination of income and capital growth.

Reserves policy

The Council does not feel that it is exposed to operational risks of the sort that would require or be ameliorated by emergency expenditure. The Company maintains a level of reserves sufficient to enable its activities to be continued on a similar basis to that of previous years.

FUTURE PLANS

The strategy is to find opportunities to make grants to tenants of Octavia Housing for welfare and educational purposes.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Company is limited by guarantee; each member has undertaken to contribute, if necessary, up to a maximum of £1 on winding up. The Company was incorporated on 27 September 1984. The Company is registered as a charity with the Charity Commission, for which purpose the registration number is 290349. The charitable Company and is governed under its Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Company is run by means of Trustees' meetings (Council) which take place at regular intervals during the year.

The number of Council members shall be not less than 4. The Council considers that at its present level of activity the Charity has an appropriate number of Council members with the requisite skills. The Council may from time to time and at any time appoint any member of the company to the Council.

Recruitment of Trustees is carried out through advertisement and via recommendation in order to recruit the required skills for administering the charity. From this, candidates are long-listed and interviewed prior to election by the Board of Trustees.

Induction and training of new trustees

New trustees are informed of their legal obligations under charity law, the Charity Commission guidance on public benefit, the content of the foundation, the committee and decision-making processes, and recent financial performance of the Charity.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Council regularly review the Risk Register, which details the present status of those operational risks which might diminish the charity's effectiveness, and the measures in place to mitigate them.

The potential for grant fraud is acknowledged as being a risk to which the charity, and charities like it, may be subject, and it is felt that the extensive due diligence carried out on grant applications by Octavia Foundation staff militate against it as strongly as the charity's resources will allow. A proportion of beneficiaries receive a visit from Octavia Housing's Housing Officers at some point in the grant cycle. Personal contact is established with each beneficiary.

The other major risk to which the charity is exposed is the value of, and yield from, its investments. Investments are monitored closely, with regular scrutiny of the investment manager's performance.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Friends of Octavia for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE FRIENDS OF OCTAVIA

Report of the Trustees for the Year Ended 31 March 2023

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 21 December 2023 and signed on its behalf by:

.....*Brenda N. Clarke*.....

Ms B Clarke - Trustee

Independent examiner's report to the trustees of The Friends of Octavia ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

This report is made solely to the Trustees, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might carry out an Independent Examination of the financial statements in accordance with the General Directions given by the Charity Commissioners and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and Charity's Trustees, as a body, for our work, for this report, or for the opinions we have formed.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, 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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

James Holland-Leader FCA

Knox Cropper LLP
Chartered Accountants
Office Suite 1
Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

Date: 21 December 2023

THE FRIENDS OF OCTAVIA

Statement of Financial Activities for the Year Ended 31 March 2023

		2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Investment income	3	<u>67,378</u>	<u>53,082</u>
EXPENDITURE ON			
Raising funds	4	10,268	10,542
Charitable activities	5		
Education and training grants		300	1,775
Octavia tenants grants		46,629	33,355
Other		<u>4,438</u>	<u>4,249</u>
Total		<u>61,635</u>	<u>49,921</u>
Net gains/(losses) on investments		<u>(129,048)</u>	<u>25,580</u>
NET INCOME/(EXPENDITURE)		(123,305)	28,741
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>1,715,298</u>	<u>1,686,557</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,591,993</u>	<u>1,715,298</u>

The notes form part of these financial statements

THE FRIENDS OF OCTAVIA

Balance Sheet 31 March 2023

		2023 Unrestricted fund £	2022 Total funds £
FIXED ASSETS	Notes		
Investments			
Investments	9	1,453,643	1,465,414
Investment property	10	<u>77,593</u>	<u>77,593</u>
		1,531,236	1,543,007
CURRENT ASSETS			
Debtors	11	7,806	-
Investments	12	47,864	47,838
Cash at bank		<u>31,188</u>	<u>139,946</u>
		86,858	187,784
CREDITORS			
Amounts falling due within one year	13	(26,101)	(15,493)
NET CURRENT ASSETS		<u>60,757</u>	<u>172,291</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,591,993	1,715,298
NET ASSETS		<u>1,591,993</u>	<u>1,715,298</u>
FUNDS	14		
Unrestricted funds		<u>1,591,993</u>	<u>1,715,298</u>
TOTAL FUNDS		<u>1,591,993</u>	<u>1,715,298</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

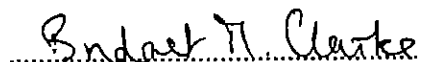
The notes form part of these financial statements

THE FRIENDS OF OCTAVIA

Balance Sheet - continued 31 March 2023

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 December 2021 and were signed on its behalf by:



Ms B Clarke - Trustee



M C Clarke - Trustee

The notes form part of these financial statements

1. GENERAL INFORMATION

The Friends of Octavia is a Company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 290349) and Registrar of Companies (Company Registration Number 1851320) in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is 7 Middle Field, St Johns Wood Park, London, NW8 6ND. The Friends of Octavia provides support to the Octavia Foundation.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern

The financial statements have been prepared on a going concern basis as the Directors believe that no material uncertainties exist. The Directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements.

The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate.

Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from renting out properties to raise funds for the Charity.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest which are recognised when the Charity's right to receive payment is established. Where it is not practicable to identify investment management costs incurred within a

2. ACCOUNTING POLICIES - continued

Income

scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities consist of grants to tenants of Octavia Housing for welfare and educational purposes, and other charitable donations.

Grants payable to third parties are within the charitable objectives. When unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants.

All expenditure is inclusive of irrecoverable VAT.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Financial Instruments

The Charity does not have a material holding in complex financial instruments and only holds basic Financial Instruments. The financial asset and financial liabilities of the Charity are as follows:

Debtors - trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost.

Cash at bank - is classified as a basic financial instrument and measured at face value.

Liabilities - accruals and other creditors will be classified as financial instruments, and are measured at amortised cost.

THE FRIENDS OF OCTAVIA

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

3. INVESTMENT INCOME

	2023	2022
	£	£
Rents received - Adventure playground	11,392	10,999
Dividends receivable	55,816	42,059
Deposit account interest	170	24
	<u>67,378</u>	<u>53,082</u>

4. RAISING FUNDS

Investment management costs

	2023	2022
	£	£
Portfolio management	<u>10,268</u>	<u>10,542</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities £
Education and training grants	300
Octavia tenants grants	<u>46,629</u>
	<u>46,929</u>

6. SUPPORT COSTS

	Governance costs £
Other resources expended	<u>4,438</u>

Support costs, included in the above, are as follows:

	2023 Other resources expended £	2022 Total activities £
Sundries	84	-
Professional fees	13	13
Independent Examination	2,935	2,875
Trustees' Indemnity insurance	1,334	1,265
Bank charges	<u>72</u>	<u>96</u>
	<u>4,438</u>	<u>4,249</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Investment income	<u>53,082</u>
EXPENDITURE ON	
Raising funds	10,542
Charitable activities	
Education and training grants	1,775
Octavia tenants grants	33,355
Other	<u>4,249</u>
Total	<u>49,921</u>
Net gains on investments	<u>25,580</u>
NET INCOME	28,741
RECONCILIATION OF FUNDS	
Total funds brought forward	<u>1,686,557</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,715,298</u>

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2022	1,465,414
Additions	839,365
Disposals	(722,088)
Unrealised gains/(losses)	<u>(129,048)</u>
At 31 March 2023	<u>1,453,643</u>
NET BOOK VALUE	
At 31 March 2023	<u>1,453,643</u>
At 31 March 2022	<u>1,465,414</u>

There were no investment assets outside the UK.

If fixed asset investments had not been included at valuation they would have been included under the historical cost convention at £1,429,893 (2022: £1,316,173).

10. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2022 and 31 March 2023	<u>77,593</u>
NET BOOK VALUE	
At 31 March 2023	<u>77,593</u>
At 31 March 2022	<u>77,593</u>

The figure of £77,593 represents the cost of acquiring one half share in land on the southeast side of St.Johns Wood Terrace, which forms the site of the Adventure Playground, together with associated legal costs. The Funds required to acquire the remaining one half share of the site have been put up by the St.John's Wood Terrace Adventure Playground Association. Under the arrangements agreed between the two parties the charity now holds the whole legal interest in the land and has entered into a Declaration of Trust with the Trustees of St. Johns Wood Terrace Adventure Playground Association under which one half share is held on their behalf. The directors consider that the cost value of this land is a reasonable reflection of its existing use value while the above arrangements remain in being.

THE FRIENDS OF OCTAVIA

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Prepayments and accrued income	<u>7,806</u>	<u>-</u>

12. CURRENT ASSET INVESTMENTS

	2023 £	2022 £
Dealing account	<u>47,864</u>	<u>47,838</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other creditors	610	670
Grant commitments	20,169	11,948
Accrued expenses	<u>5,322</u>	<u>2,875</u>
	<u>26,101</u>	<u>15,493</u>

14. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	1,715,298	(123,305)	1,591,993
TOTAL FUNDS	<u>1,715,298</u>	<u>(123,305)</u>	<u>1,591,993</u>

Net movement in funds, Included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	67,378	(61,635)	(129,048)	(123,305)
TOTAL FUNDS	<u>67,378</u>	<u>(61,635)</u>	<u>(129,048)</u>	<u>(123,305)</u>

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	1,686,557	28,741	1,715,298
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>1,686,557</u>	<u>28,741</u>	<u>1,715,298</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	53,082	(49,921)	25,580	28,741
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>53,082</u>	<u>(49,921)</u>	<u>25,580</u>	<u>28,741</u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.