

THE ALCHEMY FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2024

CHARITY NUMBER: 292500

Contents

Page:

1	Introduction
2-3	Trustees' report
4	Statement of trustees' responsibilities
5	Independent examiner's report
6	Statement of Comprehensive Income
7	Statement of Financial Position
8	Statement of Cash Flow
9-12	Notes to the accounts

The Alchemy Foundation

Introduction

Trustees

Alex Armitage
Tony Elias
Andrew Murison
Caroline Pedley
Lady Annabel M Stilgoe OBE
Holly J M Stilgoe
Jack E Z Stilgoe
Dr Jemima R Stilgoe
Joseph R I Stilgoe
Sir Richard H Z S Stilgoe OBE
Rufus N A Stilgoe

Charity number

292500

Principal address

Trevereux Manor
Limpsfield Chart
Oxted
Surrey
RH8 0TL

Accountants

McKenzies
Chartered Accountants
2 Station Road West
Oxted
Surrey
RH8 9EP

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Solicitors

TWM Solicitors LLP
40 West Street
Reigate
Surrey
RH2 9BT

Investment advisers

Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

The Alchemy Foundation

Report of the trustees for the year ended 5 April 2024

The trustees present their report and accounts for the year ended 5 April 2024.

Structure, Governance and Management

The charity was established, as The Starlight Foundation, by a charitable trust deed on 14 August 1985 under charity number 292500. The name was changed to The Alchemy Foundation on 2 June 1987.

The trustees who have served during the year and since the year end are set out below. Trustees meet as required to discuss the charity. Richard, Rufus and Holly Stilgoe and Caroline Pedley, who are trustees, run the day to day activities of the charity.

The trustees who served during the year were:

Alex Armitage
Tony Elias
Andrew Murison
Caroline Pedley
Lady Annabel M Stilgoe OBE
Holly J M Stilgoe
Jack E Z Stilgoe
Dr Jemima R Stilgoe
Joseph R I Stilgoe
Sir Richard H Z S Stilgoe OBE
Rufus N A Stilgoe

Trustees may serve indefinitely and new trustees may be co-opted by existing trustees. All trustees are advised of their responsibilities under charity law.

Related parties

The Alchemy Foundation is connected to another charity, The Orpheus Centre Trust, with which it co-operates in the pursuit of its charitable objectives.

Risk factors

The trustees make regular reviews of the risks which the charity faces.

The most significant risks facing the charity are:

- (a) Continuing reduction in royalties assigned by Sir Richard Stilgoe
- (b) A reduction in the value of the investments

No influence can be exercised over the first of these. Secondly, a portion of all investments is in the form of prime fixed interest quoted securities thereby being subject to minimal risk as to their value.

Objectives and Public Benefits of the charity

The charity's objects are particularly focused on The Alchemist Scheme (funding the costs of fundraisers assigned to other charities to assist with their fundraising efforts), and causes in the fields of disability, social welfare, prisons and young carers, with a particular focus on making a lasting difference to young people.

Under the terms of the trust deed, the trustees have power to invest monies of the Foundation in any investments they deem fit, to accumulate income and to convert income into capital.

The Alchemy Foundation

Report of the trustees for the year ended 5 April 2024

Review of activities

In furtherance of the charity's objectives, the Foundation made 184 donations during the year.

In line with the objects above, the grant-making policy of the Foundation has been to support a variety of causes, with special emphasis on The Alchemist Scheme whereby the Foundation supported the costs of fundraisers at invited charities including Child Rescue Nepal, Youth Music, The Orpheus Centre and WaterAid. In deciding where grants should be made, the guideline "making a lasting difference to young people" is followed.

The Foundation's income comes from royalties from musicals running outside the United Kingdom. Total income has decreased by £920,605 during the year.

The investment policy of the Foundation has been to take moderate risk.

The Foundation has no employees and therefore no employee costs were incurred during the year.

None of the trustees (or any persons connected with them) received any remuneration or benefits during the year.

Financial review

During the year, incoming resources of £300,505 were received and £341,646 was expended. The net current assets at the end of year amounted to £2,029,946.

Reserves

Reserves are held with the expectation that the Foundation's main source of income, royalties assigned by Richard Stilgoe, will eventually fall. The reserves amounted to £2,029,946 at 5 April 2024.

Sir Richard H Z S Stilgoe OBE
Trustee

2 November 2024

Law applicable to charities in England and Wales require the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year (unless the charity is entitled to prepare accounts on the alternative receipts and payment basis).

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state where applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- 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 accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Independent examiner's report to the trustees of The Alchemy Foundation

I report on the accounts of the Trust for the year ended 5 April 2024, which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes 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 trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Colin McCoy
Chartered Accountant

2 Station Road West
Oxted, Surrey RH8 9EP
2 November 2024

The Alchemy Foundation
Statement of Comprehensive Income
for the year ended 5 April 2024

	Notes	2024 £	2023 £
<u>Incoming resources</u>			
Incoming resources from generated funds:			
Voluntary income	2	279,117	1,214,183
Investment income	3	21,388	6,927
		<hr/>	<hr/>
Total incoming resources		300,505	1,221,110
		<hr/>	<hr/>
<u>Resources expended</u>			
Charitable activities:			
Grants payable	4	340,021	189,625
Management and administration		575	342
Governance costs		1,050	1,050
		<hr/>	<hr/>
Total resources expended	5	341,646	191,017
		<hr/>	<hr/>
Net outgoing resources before other recognised gains and losses		(41,141)	1,030,093
Movement on investment assets	9	74,029	(28,493)
		<hr/>	<hr/>
Net movement in funds		32,888	1,001,600
Reconciliation of funds:			
Total funds brought forward at 6 April 2023		1,997,058	995,458
		<hr/>	<hr/>
Total funds carried forward at 5 April 2024		2,029,946	1,997,058
		<hr/>	<hr/>

The Alchemy Foundation
Statement of Financial Position at 5 April 2024

	Notes	2024 £	2023 £
Assets			
Debtors: amounts falling due with one year	8	4,634	463,495
Investments	9	1,217,902	882,911
Cash at bank		808,460	778,482
		<hr/>	<hr/>
		2,030,996	2,124,888
Creditors: amounts falling due within one year	10	(1,050)	(127,830)
		<hr/>	<hr/>
Total assets less current liabilities		2,029,946	1,997,058
		<hr/> <hr/>	<hr/> <hr/>
Income funds			
Unrestricted funds		2,029,946	1,997,058
		<hr/> <hr/>	<hr/> <hr/>

The accounts were approved by the Trustees on 2 November 2024.

Sir Richard H Z S Stilgoe OBE
Trustee

Tony Elias
Trustee

THE ALCHEMY FOUNDATION
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 5 APRIL 2024

	<u>2024</u>	<u>2023</u>
<u>Cash Flows from Operational activities</u>		
Net (Deficit)/Income for the financial year	(41,141)	1,030,093
Adjustments for:		
Investment activities	(21,388)	(6,927)
Decrease / (increase) in debtors	458,860	(457,669)
Increase / (decrease) in creditors	<u>(126,780)</u>	<u>115,085</u>
<u>Cash from operations</u>	<u>269,551</u>	<u>680,582</u>
Interest paid	-	-
Income taxes paid	-	-
<u>Net cash generated from operational activities</u>	<u>269,551</u>	<u>680,582</u>
<u>Cash Flows from Investing activities</u>		
Purchase of investments	(411,259)	(400,348)
Proceeds from sale of investments	150,297	203,815
Income from investment	28,231	11,215
Investment management fees	(6,842)	(4,288)
Interest received	-	-
<u>Net cash from investing activities</u>	<u>(239,573)</u>	<u>(189,606)</u>
<u>Cash flows from financing activities</u>		
<u>Net cash used in financing activities</u>	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents	29,978	490,976
Cash and cash equivalents at beginning of the year	<u>778,482</u>	<u>287,506</u>
<u>Cash and cash equivalents at the end of the year</u>	<u>808,460</u>	<u>778,482</u>

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and are in accordance with applicable standards, and the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

Incoming resources

Income is accounted for in the period in which the charity is entitled to receipt.

Resources expended

Expenditure is included on an accruals basis.

Investments

All investments are stated at market value at the year-end. Income arising from investments is accounted for in the period when it is receivable.

Governance costs

Governance costs are associated with the governance arrangements of the charity and include the cost of external accountancy fees and legal fees.

2 Donations and gifts

	2024 £	2023 £
Donations and gifts	279,117	1,214,183
	<hr/>	<hr/>

Donations and gifts consist of royalties assigned by Sir Richard Stilgoe and donations from Alchemy Limited which derives its income from royalties assigned by Sir Richard Stilgoe.

3 Investment income

	2024 £	2023 £
Income from listed investments (gross)	14,978	11,215
Less: investment fees	(5,153)	(4,288)
Interest receivable	11,563	-
	<hr/>	<hr/>
	21,388	6,927
	<hr/>	<hr/>

4 Grants payable (184 grants)

2024	2023
£	£

Grants payable can be divided into the following categories:

The Alchemist Scheme	158,929	64,500
Disability- mobility, helplines, access	51,526	17,000
Social welfare – inner city community projects	92,341	70,500
Individuals on behalf of registered charities	7,700	2,400
Respite for carers	10,500	4,500
Penal reform and work with prisoners and their families	6,000	17,025
Other	13,025	13,700
	<hr/>	<hr/>
	340,021	189,625
	<hr/>	<hr/>

5 Total resources expended

2024	2023
£	£

Charitable activities:

Grants payable	340,021	189,625
Management and administration	575	342
	<hr/>	<hr/>
	340,596	189,967

Governance costs:

Accountancy fees	1,050	1,050
	<hr/>	<hr/>
	341,646	191,017
	<hr/>	<hr/>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. The charity has not met any individual expenses incurred by trustees for services provided to the charity during the year.

7 Employees

There were no employees during the year.

8	Debtors	2024	2023
		£	£
	Investment income receivable	1,219	658
	Interest accrued on Coutts Deposit Bank Account	3,415	-
	Royalties receivable	-	462,837
		<hr/>	<hr/>
		4,634	463,495
		<hr/>	<hr/>

9	Current Asset Investments:			2024	2023
				£	£
	Managed Portfolio:	Fixed interest securities	Equities and Alternatives		
	Market value at 6 April 2023	177,319	705,592	882,911	714,871
	Purchases	121,570	289,689	411,259	400,348
	Sales	(122,402)	(27,895)	(150,297)	(203,815)
	Accrued interest at 6 April 2023	-	-	-	-
	Accrued interest at 5 April 2024	-	-	-	-
	Net gains / (losses)	17,043	56,986	74,029	(28,493)
		<hr/>	<hr/>	<hr/>	<hr/>
	Market value at 5 April 2024	193,530	1,024,372	1,217,902	882,911
		<hr/>	<hr/>	<hr/>	<hr/>
	Historical cost at 5 April 2024	197,372	955,863	1,153,235	899,096
		<hr/>	<hr/>	<hr/>	<hr/>

10	Creditors: amounts falling due within one year	2024	2023
		£	£
	Other creditors	1,050	127,830
		<hr/>	<hr/>
		1,050	127,830
		<hr/>	<hr/>

The Alchemy Foundation
Notes forming part of the financial statements for the year ended 5 April 2024

11 Movement of funds

	2024	2023
	£	£
Unrestricted funds:		
At 6 April 2023	1,997,058	995,458
Net movement in funds	32,888	1,001,600
	<hr/>	<hr/>
At 5 April 2024	2,029,946	1,997,058
	<hr/>	<hr/>

Of the above funds £74,029 represents unrealised gain on investments (2023 – unrealised loss of £28,493).

12 Related parties

During the year grants of £59,846 (2023 - £Nil) were made to The Orpheus Centre Trust and donation of £200,000 was received from Alchemy Limited (2023 - £200,001).