

RED HILL CHARITABLE TRUST
REPORTS AND ACCOUNTS
FOR THE YEAR ENDED
31 AUGUST 2021

Registered charity number: 307891

RED HILL CHARITABLE TRUST

Address:	Globe House, Eclipse Park, Sittingbourne Road Maidstone Kent ME14 3EN
Trustees:	R Law (Chairman) A Bunting R Barton J Moore M Startup K Moule A Adams P Jones OBE S Prendergast N Clark
Associate trustees:	R Piggott E Leitch
Treasurer:	M Startup
Independent examiner:	B Cuddington FCA Pennine Bower 16 Lancet Lane Maidstone Kent ME15 9RX
Bankers	Barclays Bank Plc Maidstone - North Kent Group Leicester LE87 2BB
Discretionary Fund Manager	Rathbone Investment Management Limited 1 Curzon Street London W1J 5FB
Registered Charity No.	307891

RED HILL CHARITABLE TRUST

REPORT OF THE TRUSTEES

For the year ended 31 August 2021

The trustees present their annual report and financial statements of the charity for the year ended 31 August 2021. 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 Reporting by Charities: Statement of Recommended Practice applicable to charities.

Structure, governance and management

Red Hill Charitable Trust is governed by the trust deed dated 9 September 1997 and is a registered charity (number 307891). The Trustees govern the charity.

Objectives and activities and public benefit

The objective of the Trust is the promotion of education including social and physical training of persons under the age of 25 who are resident in the area of benefit and who have emotional or behavioural difficulties and disorders.

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

Recruitment and appointment of trustees

The trustees who have served through the period are set out on page 1.

Trustees are chosen for their knowledge in education or for other specialist knowledge required to operate a successful charity.

Activities, performance and financial review

During the period under review 23 grants payments were made to the organisations set out on page 8 of the accounts. The grants were made in accordance with the charitable objectives and amounted to £70,482 for the year (2020 - £92,252).

The results for the year are set out in statement of financial activities on page 4. Unrestricted income when including total income applied to unrestricted funds was £48,451. Unrestricted expenditure was £74,265 and there was a deficit for the year of £25,814, which was taken out of reserves brought forward of £65,900. Unrestricted funds carried forward amounted to £40,086.

The permanent endowment, due to the growth in value of investments, at 31 August 2021 is £3,410,326. Of this £548,328 represents the unapplied total return at 31 August 2021.

Investment policy

The permanent endowment is invested to produce the best return with an acceptable level of risk. The capital generates income which can be used in accordance with the charity's objectives. The investment policy is set by the trustees who consider the income requirement, the risk profile and the investment managers view of the market prospects in the longer term.

The trustees meet the investment manager annually to review performance and to discuss investment policy.

RED HILL CHARITABLE TRUST

REPORT OF THE TRUSTEES

For the year ended 31 August 2021
(continued)

Total return

The initial values of the trust for investment and the unapplied total return (UTR) were established by a decision of the board of trustees to approve the proposal that total return basis of investment be adopted on 10 March 2021 to take effect from 1 April 2021.

The initial value of the investment was proposed on the basis of the initial investment at 31 August 2013 increased by the increase in CPI to 31 August 2020. This gave a UTR figure of £111,150.

It was agreed with the investment advisors that £21,000 per quarter be applied to income from the total return made each quarter.

The charity received advice from Rathbones on investment policy and total return investing.

Risk management

The trustees have examined the major risks to which the charity is exposed and systems have been established to mitigate these risks.

Approved by the trustees on 9 March 2022



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R LAW
CHAIRMAN OF TRUSTEES

RED HILL CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2021

	Notes	Unrestricted funds	Permanent endowment	Total funds	Total funds 31.08.2020
INCOME					
Investment income		27,451	21,950	49,401	67,318
Total income applied to unrestricted funds		21,000	(21,000)	-	-
Total income resources		<u>48,451</u>	<u>950</u>	<u>49,401</u>	<u>67,318</u>
EXPENDITURE					
Charitable activities					
Grants for charitable purposes	2	70,482	-	70,482	92,252
Investment management fees		-	22,550	22,550	21,354
Other charitable expenditure	3	3,783	-	3,783	4,866
Total resources expended		<u>74,265</u>	<u>22,550</u>	<u>96,815</u>	<u>118,472</u>
NET EXPENDITURE BEFORE INVESTMENT GAINS AND LOSSES					
		(25,814)	(21,600)	(47,414)	(51,154)
GAINS/(LOSSES) ON INVESTMENTS					
		-	458,778	458,778	(62,940)
NET MOVEMENT IN FUNDS					
		(25,814)	437,178	411,364	(114,094)
TOTAL FUNDS BROUGHT FORWARD					
		65,900	2,973,148	3,039,048	3,153,142
TOTAL FUNDS CARRIED FORWARD					
		<u>£40,086</u>	<u>£3,410,326</u>	<u>£3,450,412</u>	<u>£3,039,048</u>


RED HILL CHARITABLE TRUST

BALANCE SHEET

For the year ended 31 August 2021

	Notes		<u>31.08.2020</u>
FIXED ASSET INVESTMENTS	4	3,410,325	2,973,148
CURRENT ASSETS			
Debtors and prepayments		1,409	939
Bank and cash balances		39,678	65,961
		<u>41,087</u>	<u>66,900</u>
CREDITORS: Amounts falling due within one year		<u>1,000</u>	<u>1,000</u>
NET CURRENT ASSETS		40,087	65,900
NET ASSETS		<u>£3,450,412</u>	<u>£3,039,048</u>
TRUST FUNDS			
Permanent endowment	5	3,410,326	2,973,148
Unrestricted funds	5	40,086	65,900
		<u>£3,450,412</u>	<u>£3,039,048</u>

The accounts set out on pages 6 to 11 were approved by the trustees on 9 March 2022 and signed on their behalf by :



MIKE STARTUP
TREASURER

RED HILL CHARITABLE TRUST

NOTES TO THE ACCOUNTS

31 AUGUST 2021

1. ACCOUNTING POLICIES

General information and basis of preparation

The Red Hill Charitable Trust is a charity registered with the Charity Commission in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Report of the Trustees on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 (FRS102) issued on 16 July 2014, Charities SORP 2019 (FRS 102), FRS 102 section 1A and the Financial Reporting Standard applicable in the United Kingdom and the Charities Act 2011.

The charity has taken advantage of the exemption not to produce a cash flow statement under FRS 102 Section 1A and SORP 2019.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fund accounting and structure

The funds held by the charity are divided between the permanent endowment (held in investments) and unrestricted funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Income recognition

Donations, legacies and other forms of voluntary income are recognised as income when receivable, except insofar as they are incapable of financial measurement.

Income from investments is recognised when receivable.

RED HILL CHARITABLE TRUST

NOTES TO THE ACCOUNTS

31 AUGUST 2021

(continued)

1. ACCOUNTING POLICIES (continued)

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grant expenditure is recognised when awarded to the recipient. (The expense is included on an accruals basis in the year in which a legal or constructive obligation to pay the grant arises).

Costs of raising funds are investment management fees which are charged against the permanent endowment as the cost of capital maintenance.

Charitable activities include expenditure associated with the making of grants and donations and include both the direct costs and indirect costs relating to these activities, on an accruals basis.

Irrecoverable VAT is charged against the category of resource expended for which it was incurred.

Investments

Investments are recognised at fair value which is normally the transaction price excluding transaction costs. Subsequently they are measured at fair value with changes recognised in 'net gains/losses on investments' in the Statement of Financial Activities if shares are publically traded or their fair value can otherwise be measured reliably. Fair value for the purpose of the accounts is based on a portfolio valuation dated 31 August 2021 prepared by the stockbrokers, Rathbones.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

RED HILL CHARITABLE TRUST

NOTES TO THE ACCOUNTS

31 AUGUST 2021

(continued)

31.08.2021

2. GRANTS FOR CHARITABLE PURPOSES

The Centre School, Cambridge	1,730
Countryside Alliance, Kent	2,250
Sandwich Infant School	3,700
Homewood School	6,500
Transforming Lives for Good	4,900
Step by Step Nursery	3,000
Childhood First	5,000
Wilderness Foundation	3,850
EDT	1,700
Children's House, Birling	3,500
Ashford Oaks Community Primary School	5,000
Tower Tiny Tots	2,162
Goldilocks Nursery	2,500
Hythe Bay Nursery	1,000
Blue Smile	2,500
Eastry Church of England Primary School	2,850
Oarsome Chance	4,000
Arts Depot	2,300
The Young Vic Theatre	2,500
Playbox Day Nursery	700
Biddenden Playschool	3,700
Little Explorers Nursery	3,840
Wye Under Fives Pre-School	1,300
	<hr/>
	£70,482

RED HILL CHARITABLE TRUST

NOTES TO THE ACCOUNTS

31 AUGUST 2021

(continued)

3. OTHER CHARITABLE EXPENDITURE

	Unrestricted Funds	Permanent endowment	<u>31.08.2021</u>	<u>31.08.2020</u>
Independent examination fee	360	-	360	360
Insurance	1,133	-	1,133	1,098
Administration costs	2,290	-	2,290	3,408
	<u>£3,783</u>	<u>£-</u>	<u>£3,783</u>	<u>£4,866</u>

No remuneration or expenses were paid to any Trustee.

4. FIXED ASSETS INVESTMENTS

	<u>31.08.2021</u>	<u>31.08.2020</u>
Market value at 1 September 2020:		
Investments	2,883,170	2,860,143
Acquisitions	2,491,563	1,031,302
Disposals	(2,488,400)	(945,335)
Revaluation to market value	458,778	(62,940)
Market value at 31 August 2021	3,345,111	2,883,170
Cash	65,214	89,978
	<u>£3,410,325</u>	<u>£2,973,148</u>

Investments at market value comprised:

	<u>31.08.2021</u>	<u>31.08.2020</u>
Equities	2,914,357	2,017,176
Fixed interest securities	430,754	865,994
Cash	65,214	89,978
	<u>£3,410,325</u>	<u>£2,973,148</u>

RED HILL CHARITABLE TRUST

NOTES TO THE ACCOUNTS

31 AUGUST 2021

(continued)

4. FIXED ASSETS INVESTMENTS (CONTINUED)

Investments that accounted for more than 5% of the total were as follows:

	<u>31.08.2021</u>	<u>31.08.2020</u>
J P Morgan Asset Managers UK Equity Care E Net income	248,308	161,161
Lazard Fund Managers UK Omega EA Inc	174,143	-
Ninety One Fund Managers Series 1 UK Alpha J net income	253,071	-
Findlay Park Plc American Fund	182,289	-
SPDR Series Trust S & P 500 ETF	198,187	-
J P Morgan Assets Managers Japan Net C Income	219,266	-
J P Morgan Asset Managers US Equity Inc Hgd Net K	-	245,951
SPDR Series Trust S & P US Div Aristocrats	-	271,742
Link Fund Solutions Trojan Inc S Inc	-	191,838
Aberdeen Standard Fund Managers Global Index Linked Bond	-	14,807
Twenty-four Global Funds Corporate Bond 1 Dist.	-	157,880
	<u>£1,275,264</u>	<u>£1,043,379</u>

RED HILL CHARITABLE TRUST

NOTES TO THE ACCOUNTS

31 AUGUST 2021

(continued)

5. MOVEMENT IN FUNDS

	Balance 01.09.2020	Income	Expenses	Gains on investments	Balance 31.08.2021
Unrestricted fund	65,900	48,451	(74,265)	-	40,086
Permanent Endowment fund	2,973,148	950	(22,550)	458,778	3,410,326
	£3,039,048	£49,401	£(96,815)	£458,778	£3,450,412

Movement in funds for the year ended 31 August 2020

	Balance 01.09.2020	Income	Expenses	Losses on investments	Balance 31.08.2021
Unrestricted fund	95,700	67,318	(97,118)	-	65,900
Permanent Endowment fund	3,057,442	-	(21,354)	(62,940)	2,973,148
	£3,153,142	£67,318	£(118,472)	£(62,940)	£3,039,048

6. TOTAL RETURN

	Permanent endowment	Unapplied total return	Total endowment
At date of adoption 31 March 2021			
Trust for investment	2,861,998	-	2,861,998
Unapplied total return	-	111,150	111,150
Total	2,861,998	111,150	2,973,148
Movements in reporting period			
Investment return : dividends and interest	-	21,950	21,950
Investment return : realised and unrealised gains and losses	-	458,778	458,778
Less: Investment management costs	-	(22,550)	(22,500)
Total	-	458,178	458,178
Unapplied total return allocated to income in the reporting period	-	(21,000)	(21,000)
Net movement in the reporting period	-	437,178	437,178
At end of the reporting period			
Trust for investment	2,861,998	-	2,861,998
Unapplied total return	-	548,328	548,328
	£2,861,998	£548,328	£3,410,326

RED HILL CHARITABLE TRUST
REPORT OF THE INDEPENDENT EXAMINER
TO THE TRUSTEES OF RED HILL CHARITABLE TRUST
FOR THE YEAR ENDED 31 AUGUST 2021

I report to the trustees on my examination of the financial statements of Red Hill Charitable Trust (the charity) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statements of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements to be reached.

Pennine Bower
16 Lancet Lane
Maidstone
Kent
ME15 9RX



B CUDDINGTON FCA
Chartered Accountant

Date: 17 Nov 2022