

THE KENDRICK FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

CONTENTS

	Page
Report of the Trustee	1-3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Financial Statements	8-11

TRUSTEE:

The Kendrick Trust whose appointed trustees are

Michael Page (Chairman)
Karen Bossom
Marsha Carey - Elms
Claire Connell
Virginia Cullura
Allan Currall
Jean Elliott
Roger Garrick (Secretary)
Jan Nowecki
Michael Wall
Keith Miller

PRINCIPAL ADDRESS:

Kendrick School, London Road, Reading, Berkshire, RG1 5BN

INDEPENDENT EXAMINER:

Holy Brook Associates, Curious Lodge, 1st Floor Pinnacle Building, Tudor Road, Reading,
Berkshire, RG1 1NH

SECRETARY:

Roger Garrick, Company Secretary, The Kendrick Trust Ltd.

BANKERS:

Lloyds TSB, Market Place Branch, 1 Market Place, Reading, Berkshire, RG1 2EQ

SOLICITORS:

Clarkslegal, One Forbury Square, The Forbury, Reading, Berkshire, RG1 3EB

INVESTMENT ADVISORS:

CCLA, Senator House, 85 Queen Victoria Street, London EC4V 4ET

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2022**1. Trust Deed**

The Kendrick Foundation was formed by a Scheme approved by The Charity Commissioners for England and Wales dated 9 March 1998 as modified by subsequent orders dated 23 January 2002, 7 March 2003, 30 March 2004 and 20th December 2017.

2. Registration

The Foundation was registered with the Charity Commissioners for England and Wales on 9 March 1998 and given the registration number 309072.

3. Trustee

The trustee of the Kendrick Foundation is the Kendrick Trust, a company limited by guarantee. The directors of the Kendrick Trust during the year under review were:

Michael Page (Chairman)
Roger Garrick (Secretary)
Karen Bossom
Marsha Carey-Elms
Claire Connell
Virginia Cullura
Allan Currall
Jean Elliott
Jan Nowecki
Michael Wall
Keith Miller

The number of directors within the Kendrick Trust shall not be more than 11 and so long as there shall be less than 2 directors, none of the power or discretions vested in the directors shall be exercisable except for the purpose of appointing a new director or directors.

None of the directors noted above receive remuneration for the time spent on the affairs of the Foundation. Roger Garrick was reimbursed £13 for expenses incurred in filing the annual return for the Kendrick Trust with Companies House. No other out of pocket expenses were paid to, or in respect of, the directors for the year ended 31 March 2022.

Directors are recruited when required from among people with an interest in Kendrick School; nominations may be sought from the Kendrick Parents' Society (KPS) or the Kendrick Old Girls' Association (KOGA). Induction and training is by means of informal mentoring by the chairman and other trustees.

The charity has no employees.

4. Governance

The directors meet as required, generally once or twice per annum, to receive reports, to oversee and recommend payment of grants, to review the Foundation's investment performance in the light of appropriate professional advice and to approve the Foundation's annual accounts and trustee's report. There are two committees of directors. The Grants committee considers and determines applications for grants within the charity's grant-making policy and the Finance Committee regularly reviews investment performance with the Investment Managers. Only very minor decisions are taken without reference to the directors.

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2022**5. Aims and Objectives**

The aims and objectives of the Kendrick Foundation are to advance the education of the beneficiaries, namely the pupils and former pupils of Kendrick Girls' School in Reading.

The charity seeks to carry out its objectives by:-

i) making grants to the school and to current and recent students. The trust normally makes available up to 90% of the previous year's unrestricted income for distribution in the current year.

ii) maintaining the value of its assets for the benefit of future generations of Kendrick pupils and, in particular, to rebuild the capital value previously represented by the playing field sold in 2004.

6. Review of achievements during the year

During the year a donation of £12,500 was made to Kendrick school towards the costs of the refurbishment of the swimming pool. 4 grants, totalling £875, were made during the year to current and former pupils towards their travel costs for projects in Costa Rica and Japan, musical education and gaining veterinary experience

Investment Policy and Performance during the year

CCLA were appointed the Foundation's investment manager at the AGM in June 2015. They manage the Foundation's funds, on a discretionary basis, closely monitored by the trustee. During the year CCLA offered Charities the option of transferring their investments in the CCLA Investment Fund to the CCLA Ethical Investment Fund. The trustees agreed to accept this offer and the transfer to the CCLA Ethical Fund was completed on 2nd July 2021

The investment policy is to achieve a reasonable rate of return in the context of an acceptable level of risk. The value of the investment portfolio increased during the year by £284,434, in a year when the economy was still affected by Covid restriction.

The recoupment fund is required by the Charity Commission, to recoup, over 60 years, the 2004 donation of £2.8m to Kendrick School for new sports facilities. The original £500,000 set aside for this purpose had grown to £1,664,082, at 31st March 2022, £842,690 (103%) above the target of £821,391 needed to recoup the £2.8m evenly over 60 years.

The value of the remaining permanent endowment, which provides the expendable income, is £1,410,227.

7. Public benefit

The Foundation has complied with the duty (set out in section 4 of the Charities Act 2011) to have due regard to public benefit guidance published by the Commission. It exists to support the work of Kendrick School by making grants for activities not covered by standard funding. The Foundation gives annual travel grants to senior students, to encourage them to widen their experience and become more rounded individuals by contributing to a different culture and sharing their skills for the benefit of others.

The Foundation sold land, in 2004, to finance the construction and fitting out of a sports hall at the school. This facility is available to the general public in out-of-school hours, at weekends and in school holidays.

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2022**8. Identification of Major Risks**

The trustee considers the variability of investment returns on the permanent endowment to constitute the charity's major risk. The trustee responds by taking appropriate professional advice and diversifying its investments in accordance with such advice.

9. Trustee's Responsibilities in relation to the financial statements

Law applicable to charities in England and Wales requires the trustee 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. In preparing those financial statements, the trustee is 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 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 business.

10. Reserves Policy

Following the sale of originally endowed land and subsequent donation of £2.8m to the Kendrick School and in accordance with a Charities Commission Order dated 30th March 2004 the trustee initially invested £500,000 in a separate recoupment fund and its policy is to increase the value of this fund, including the reinvestment of income from 72.6% of the units held, so that it reaches a value of £2.8m over 60 years. The trustee's policy in respect of the balance of the endowment fund is to produce an income that is transferred to an unrestricted fund out of which the grants and other proper expenditure of the Foundation can be paid for the foreseeable future. The trustee's normal policy for the unrestricted income fund is that the amount of grants made, in accordance with the Foundation's objectives, shall not exceed 90% of the income in the previous year. Any excess of income over grants made and administration costs paid is carried forward to enable the Foundation, in exceptional circumstances, to provide grants exceeding its normal policy.

12. Accounts

The trustee confirms that the accounts comply with:

- statutory requirements
- the governing document
- the statement of recommended practice "Accounting and Reporting by Charities" issued in 2005.

The trustee is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011. It is 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 trustee on

2022 and signed on its behalf by:

signed.....

MICHAEL PAGE

Chairman of The Kendrick Trust

Independent Examiner's Report to the Trustee of The Kendrick Foundation

I report to the trustees on my examination of the accounts of the Kendrick Foundation for the year ended 31 March 2022 which are set out on pages 5 - 11.

Respective Responsibilities of trustees and examiner

The charity 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 statement

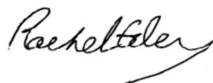
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the 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 material matters have come to my attention which gives me cause to believe that in any material respect:

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



Rachel Eden
Chartered Institute of Management Accountants
Holy Brook Associates
Curious Lounge
1st Floor Pinnacle Building
Tudor Road
Reading
RG1 1NH

Date... 2022-07-21

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Income Fund £	Permanent Endowment Fund £	Total Year Ended 31 March 2022 £	Total Year Ended 31 March 2021 £
Income from:-					
Bank and deposit interest	5	14	-	14	45
Dividend income	6	53,044	-	53,044	50,995
Total incoming resources		53,058	-	53,058	51,040
Expenditure on:-					
Cost of charitable activities	7	13,375	-	13,375	76,000
Administration Costs	8	468	-	468	2,015
Total resources expended		13,843	-	13,843	78,015
Other Recognised Gains and Losses					
Gains/(losses) on investment assets:-					
Realised	9	-	-	-	-
Unrealised	9	-	284,434	284,434	479,828
Net Income / (Expenditure)		39,215	284,434	323,649	452,853
Fund balances at 1 April 2021		13,633	2,789,875	2,803,508	2,350,655
Fund Balances at 31 March 2022		52,848	3,074,309	3,127,157	2,803,508

BALANCE SHEET AS AT 31 MARCH 2022

	Notes	31 March 2022 £	31 March 2021 £
Fixed Assets			
Investments	9	3,074,309	2,789,875
		<u>3,074,309</u>	<u>2,789,875</u>
Current Assets			
Cash held by Investment Manager		50,136	13,078
Cash at Lloyds bank		3,085	2,512
		<u>53,221</u>	<u>15,590</u>
Creditors: falling due within one year	10	<u>(373)</u>	<u>(1,957)</u>
Net Current Assets		<u>52,848</u>	<u>13,633</u>
Total Assets less Current Liabilities		<u>3,127,157</u>	<u>2,803,508</u>
Represented by:			
Unrestricted income fund	11	52,848	13,633
Permanent endowment fund	11	3,074,309	2,789,875
		<u>3,127,157</u>	<u>2,803,508</u>

Approved by the Trustee on

2022 and signed on its behalf by:



20th July 2022

(signed) MICHAEL PAGE

CASH FLOW STATEMENT FOR YEAR ENDED 31 MARCH 2022

	Note	31 March 2022 £	31 March 2021 £
Cash generated for Operating Activities			
Net cash (used in) Operating Activities	14	(15,427)	(77,957)
Cash flows from Investing Activities			
Dividends, interest and rents from investments		53,058	51,040
Purchase of property, plant & equipment		-	-
Net cash provided (used in) investing activities		53,058	51,040
Cash flows from Financing Activities			
Repayments of borrowing		-	-
Net cash provided (used in) financing activities		-	-
Change on cash and cash equivalents in the year		<u>37,631</u>	<u>(26,917)</u>
Cash at bank and in hand at start of year		15,590	42,507
Cash at bank and in hand at end of year		53,221	15,590

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. Accounting Policies

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice : 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) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Kendrick Foundation constitutes a public benefit entity as defined by FRS 102 .

All investments are stated at mid-market value at the balance sheet date. The movement in the Statement of Financial Activities comprises both realised and unrealised gains and losses.

Bank interest is accounted for on an accruals basis.

Investment income is accounted for when received.

Recovery of tax deducted on interest received is accounted for when received

Donations are recognised and applied to the Trust Fund when received.

Grants and donations are accounted for when approved. Administrative expenditure is accounted for on an accruals basis.

Liabilities are recognised on an accruals basis.

2. Permanent Endowment Fund

The permanent endowment fund relates to the value of the land and assets originally donated to the Foundation. The land was disposed of during the year 2004-05. The Charity Commissioners directed by order on 30 March 2004 that £500,000 of the proceeds be invested with the purpose of accumulating a fund of £2.8m over 60 years to recoup the cost of donations to Kendrick School in respect of assisting in construction of new sports facilities. The balance of the permanent endowment fund is applied in accordance with the objects of the Foundation.

3. Income Fund (Unrestricted)

The Income Fund represents funds to be used for the payment of grants, donations and administrative expenses of the Foundation.

4. Donations and Gifts

No donations were received during the year.

5. Bank and Deposit Interest

	Year to 31 March 2022	Year to 31 March 2021
	£	£
Received by Unrestricted Funds	14	45

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Investment Income

	Year to 31 March 2022 £	Year to 31 March 2021 £
CCLA		
Investment Fund	46,584	44,996
Property Fund	6,460	5,999
	<u>53,044</u>	<u>50,995</u>
Investment Income received for Unrestricted Funds	53,044	50,995

7. Cost of Charitable Activities

During the year the Foundation made donations to Kendrick School of £12,500 for the refurbishment of the swimming pool and made grants to 4 students totalling £875.

All charitable expenditure in 2022 and 2021 was from unrestricted funds.

8. Administration Costs

	Year to 31 March 2022 Income Fund £	Endowment Fund £	Total £	Year to 31.3.2021 £
Independent Examiner's remuneration	420	-	420	2,002
Sundry expenses	13	-	13	13
Data Protection Office Fee	35	-	35	-
	<u>468</u>	<u>-</u>	<u>468</u>	<u>2,015</u>
Administration costs y/e 31.3.2021	2,015	-	2,015	

No remuneration was paid to the trustee during the current period or previous years.
There were no employees during the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. **Investments at Market Value**

	Year to 31 March 2022 £	Year to 31 March 2021 £
CCLA – COIF Investment Fund	2,924,663	2,659,667
CCLA – COIF Property Fund	149,646	130,208
	<u>3,074,309</u>	<u>2,789,875</u>

At 31 March 2022 the purchase cost of the investments held was as follows:

Cost of investments	1,849,191	1,849,191
Market value of investments at start of year	2,789,875	2,310,047
Realised gains / (losses)		
Unrealised gains / (losses)	284,434	479,828
Market value of investments at end of year	<u>3,074,309</u>	<u>2,789,875</u>
Asset Allocation of Investments held	%	%
Overseas Equities	60.1	63.8
UK Equities	8.4	9.4
Property	9.5	8.2
Infrastructure & Operating Assets	7.5	8.7
Contractual & Other Income	2.9	2.5
Private Equity & Other	1.5	1.9
Fixed interest	-	0.3
Cash	10.1	5.2
	<u>100.0</u>	<u>100.0</u>

10. **Creditors: falling due within one year**

Accruals	373	1,957
	<u>373</u>	<u>1,957</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Analysis of Fund Balances

	Income Fund £	Permanent Endowment Fund £	Total Funds £
Investments	-	3,079,309	3,079,309
Cash held by Investment Manager	50,136	-	50,136
Cash at Lloyds bank	3,085	-	3,085
Creditors	(373)	-	(373)
	<u>52,848</u>	<u>3,074,309</u>	<u>3,127,157</u>

The Permanent Endowment Fund consists of the following
Recoupment fund

Amount originally invested in 2004	500,000
Income and gains in years 2004 – 2021	999,728
Unrealised investment gains / (losses) in year 2022	164,354

Recoupment Fund at 31 March 2022	1,664,082
Balance of Endowment Fund at 31 March 2022	1,410,227

Total Permanent Endowment Funds	<u>3,074,309</u>
---------------------------------	------------------

12. Post Balance Sheet Events

There were no post balance sheet events

13. Related Party Transactions and Ultimate Controlling Party

The trustee of the Kendrick Foundation is the Kendrick Trust, a company incorporated by guarantee. (Company number 3517162) The directors of the Kendrick Trust, as noted on page 1, are responsible for the management of the Foundation. There were no related party transactions.

14. Reconciliation of net movement in funds to net cash flow from operating activities

	31.3.2022	31.3.2021
Net income / (expenditure) as per the SOFA	323,649	452,853
Adjustments for:-		
Depreciation charges	-	-
Dividends, interest and rents from investments	(53,058)	(51,040)
(Gains) / Losses on investments	(284,434)	(479,828)
(increase) / decrease in debtors	-	-
Increase /(decrease) in creditors	(1,584)	58
Net cash (used in) operating activities	<u>(15,427)</u>	<u>(77,957)</u>

Signature Certificate

Reference number: 3RZJ6-7SAOA-RWYP8-E8ZFX

Signer

Rachel Eden

Email: rachel.eden@hollybrook.com

Sent:

Signed:

Timestamp

21 Jul 2022 20:22:00 UTC

21 Jul 2022 20:22:00 UTC

Signature



IP address: 80.3.208.136

Location: Reading, United Kingdom

Document completed by all parties on:

21 Jul 2022 20:22:00 UTC

Page 1 of 1



Signed with PandaDoc

PandaDoc is a document workflow and certified eSignature solution trusted by 30,000+ companies worldwide.

