

RUGBY SCHOOL COMBINED WAR MEMORIAL FUND

**ANNUAL REPORT
&
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2023

Registered Charity Number 528760

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TRUSTEES AND PROFESSIONAL ADVISORS

Trustees

B J O'Brien (Chairman)
A S Habib (from October 2022)
P R A Green (until November 2023)
G Parker-Jones (from November 2023)
P A Nicholls

Bankers

National Westminster Bank plc
9 North Street
Rugby
Warwickshire
CV21 2FB

Investment Managers

Quilter Cheviot Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4AB

Independent Auditor

Crowe U.K. LLP
4th Floor, St James House
St James Square
Cheltenham
GL50 3PR

Principal Office

The Bursary, Rugby School
10, Little Church Street, Rugby, CV21 3AW

Report of the Trustees for the year ended 30 June 2023

The Trustees of The Rugby School Combined War Memorial Fund ("the Charity") present their Annual Report and the audited financial statements for the year ended 30 June 2023.

The financial statements comply with the Charity's trust deed, with current statutory requirements, with applicable accounting standards in the United Kingdom, with the Charities Statement of Recommended Practice (the Charities SORP (FRS 102)) and with the Charities Act 2011.

PRINCIPAL ACTIVITIES AND OBJECTIVES

In accordance with the Trust Deed as amended by the Charity Commission Scheme dated 5 May 2020, and after payment of any expenses of administration, the Trustees apply the net annual income, and may, if necessary resort to the capital, in making awards to help support pupils at Rugby School, who are in need of financial assistance, to attend or remain at Rugby School.

The Fund will support pupils who are in need of financial assistance to attend Rugby School whose parent, parents or other person of whom they are or were a dependent is, are or have been in the service of Her Majesty's armed forces including volunteer services, and if they so decide (a) to help pupils whose parent, parents or other person of whom they are or were a dependent is, are or have been in any emergency service or the National Health Service (including services funded by NHS bodies), in any case, including volunteer services; and (b) to help such other pupils who are in need of financial assistance to attend Rugby School.

If the net annual income is more than sufficient to meet the above requirements, then the Trustees may apply the residue in the promotion of education in any manner which is charitable in law. The Trustees may, from time to time, resort to the capital of the Fund for this purpose, provided that the capital shall not be reduced below half of the capital for the time being.

PUBLIC BENEFIT OBJECTIVES

In setting the Fund's objectives and planning its activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

REVIEW OF ACTIVITIES

Net expenditure amounted to £22,537 for the year (2022: £26,422). The Fund deploys its funds in making grants to Rugby School in support of bursaries. Bursaries of £47,358 (2022: £44,925) were made to support bursaries for students at Rugby School during the year.

The Restricted Funds may only be used for the specified purposes of making grants in support of bursaries as discussed above.

There are no unrestricted reserves available for the general purpose of the Charity.

Report of the Trustees for the year ended 30 June 2023 *(continued)*

The Fund had no fund-raising activities requiring disclosure under s162A of the Charities Act 2011.

FUTURE PLANS

The Charity's plans for 2023/24 are the continuing activities and objectives as described above.

INVESTMENTS

The Trustees have agreed that the Fund's investment portfolio be managed on a discretionary basis by its Investment Managers subject to policies and objectives that the Trustees establish from time to time.

The principal objective is to maximize the total return of investment growth plus income, whilst allowing an income stream that is at least maintained in real terms (without causing deterioration in the quality of the underlying capital involved). This objective has been achieved in the year to 30 June 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Rugby School Combined War Memorial Fund is regulated under a Scheme made by the Secretary of State for Education and Science, on 30th September 1966, whereby the Rugby War Memorial Fund 1914/18, founded in 1917, and the Rugby School War Memorial Fund 1945, founded in 1946, were amalgamated so as to form one Foundation. The Fund is a registered charity (number 528760).

Trustees

The Fund is managed by Trustees who meet to ensure that the business of the fund is carried out in accordance with its objects.

The Trustees who served the Fund during the year and up to the date of signing these financial statements were:

B J O'Brien	Chairman
A S Habib	
P R A Green	Ex-officio (until November 2023)
G Parker Jones	Ex-officio (from November 2023)
P Nicholls	Ex-officio (Secretary)

The ex-officio Trustees are employees of Rugby School.

All other Trustees are nominated by the Governing Body of Rugby School.

Report of the Trustees for the year ended 30 June 2023 *(continued)*

Organisational Management

The day-to-day running of the Fund is delegated to the Head Master and Chief Operating Officer of Rugby School, as Key Management Personnel. No remuneration has been paid by the Fund to the Key Management Personnel.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

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

The law applicable to charities in England and Wales 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 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;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. 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.

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditors.

Approved by the Trustees at their meeting on 22 November 2023 and signed by order of the Trustees:



P A Nicholls

Trustee

Independent Auditor's Report to the Trustees of The Rugby School Combined War Memorial Fund

Opinion

We have audited the financial statements of The Rugby School Combined War Memorial Fund for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 June 2023 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Independent Auditor's Report to the Trustees of the Rugby School General Charitable Trust *(continued)*

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient and proper accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 5, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the Trustees of the Rugby School General Charitable Trust *(continued)*

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity for fraud. The laws and regulations we considered in this context was the General data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Risk, Compliance and Safeguarding Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report 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 the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor

4th Floor, St James' House
St James' Square, Cheltenham
Gloucestershire, GL50 3PR

Date: 20 December 2023

Crowe U.K. LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of Financial Activities for the year ended 30 June 2023

	Note	Restricted Funds Year 2023 £	Year 2022 £
INCOME FROM:			
Investment income		31,619	26,322
EXPENDITURE ON:			
Raising Funds			
Investment management charges		6,798	7,819
Charitable activities			
Bursaries to students at Rugby School		47,358	44,925
Total Expenditure		54,156	52,744
Net Expenditure		(22,537)	(26,422)
Net gains/(losses) on investments	5	237,091	(234,171)
NET INCOME AND MOVEMENT IN FUNDS		214,554	(260,593)
Reconciliation of Funds:			
Balance brought forward at 1 July		1,878,573	2,139,166
Balance carried forward at 30 June	9	2,093,127	1,878,573

The notes on pages 11 to 14 form part of these financial statements.


Balance Sheet as at 30 June 2023

	Note	2023 £	2022 £
INVESTMENTS	5	2,082,645	1,852,029
CURRENT ASSETS			
Bank		181	253
Investments - deposits	6	214,506	182,887
		<u>214,687</u>	<u>183,140</u>
Creditors: amounts due within one year	7	(204,205)	(156,596)
NET CURRENT ASSETS		<u>10,482</u>	<u>26,544</u>
NET ASSETS		<u>2,093,127</u>	<u>1,878,573</u>
TOTAL RESTRICTED FUNDS	9	<u>2,093,127</u>	<u>1,878,573</u>

The financial statements were approved by the Trustees on 22 November 2023 and are signed on their behalf by:



 B O'Brien
 Chairman



 P A Nicholls
 Trustee

The notes on pages 11 to 14 form part of these financial statements.

Notes to the Financial Statements for the year ended 30 June 2023

1. PRINCIPAL ACCOUNTING POLICIES

Legal Status of the Fund

The fund is a Charity, registered in England and Wales (charity number 528760), operating from premises at the Bursary, Rugby School, Rugby, Warwickshire.

Basis of Accounting

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and the Charities Statement of Recommended Practice (the Charities SORP (FRS 102)) and the Charities Act 2011. A summary of the principal accounting policies, which have been applied consistently, are set out below.

The financial statements have been prepared on a Going Concern basis, as the company has no requirements for external funding outside of the group. The Charity participates in a cash pooling facility in order to maximise the assets of the group. The Trustees are therefore confident that the company has adequate resources to continue in operation existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate for the preparation of the financial statements, under the historical cost convention except that investments held as fixed assets are carried at market value at the balance sheet date.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 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 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Investments and Investment Income

Investments are included at closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposal are reported in the Statement of Financial Activities. Income from investments is included, together with the related tax credit, in the period in which it is received.

Cash-flow Statement

The Charity is exempt from the requirement to prepare a cash-flow statement by virtue of its size.

Expenditure

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

Recognition of Liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Notes to the Financial Statements for the year ended 30 June 2023 *(continued)***Fund Accounting**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The funds are used to provide bursaries to help the children of Old Rugbeians in the forces and children of those who serve in the emergency services, who are in need of financial assistance, to attend or remain at Rugby School.

Taxation

The Fund is not liable to corporation tax on primary purpose activities due to its charitable status.

Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of investments which are held at fair value.

Key Judgements and Assumptions

Estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other reasonable factors relevant to the circumstances. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

2. EXPENDITURE

Audit fees are met by the Governing Body of Rugby School.

3. EMPLOYEE, TRUSTEE AND KEY MANAGEMENT PERSONNEL

No staff were employed or paid by the Fund during the current or previous period. No costs in this regard have been included as these are immaterial. No Trustee or Key Management Personnel received any remuneration or reimbursement of expenses from the Fund during the year. Any Key Management Personnel were paid by Rugby School.

4. TAXATION

The Fund is a registered Charity and, as such, is entitled to certain tax exemptions on income and profit from investments.

5. INVESTMENTS

	2023
	£
Balance at 1 July	1,852,029
Additions	260,248
Movement in cash held in capital account	(80,241)
Disposals at net proceeds	(186,483)
Revaluation gains	237,091
Balance at 30 June	<u>2,082,645</u>
 Listed on the UK Stock Exchange	 1,984,614
Cash deposits	<u>98,031</u>
	<u>2,082,645</u>

All investments relate to the restricted fund.

Notes to the Financial Statements for the year ended 30 June 2023 *(continued)*

6. INVESTMENTS - DEPOSITS

	2023	2022
	£	£
Investments - deposits	<u>214,506</u>	<u>182,887</u>

7. CREDITORS

	2023	2022
	£	£
Owed to Rugby School	202,205	154,846
Other accruals	<u>2,000</u>	<u>1,750</u>
	<u>204,205</u>	<u>156,596</u>

8. FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Financial Assets held at fair value through profit or loss	2,082,645	1,852,029

9. RESTRICTED FUNDS

(a) Current year movement in restricted funds:

	Balance at 1 July 2022	Income	Expenditure	Investment (losses) /gains	Balance at 30 June 2023
	£	£	£	£	£
Restricted fund	<u>1,878,573</u>	<u>31,619</u>	<u>(54,156)</u>	<u>237,091</u>	<u>2,093,127</u>

(b) Prior year movement in restricted funds:

	Balance at 1 July 2021	Income	Expenditure	Investment (losses) /gains	Balance at 30 June 2022
	£	£	£	£	£
Restricted fund	<u>2,139,166</u>	<u>26,322</u>	<u>(52,744)</u>	<u>(234,171)</u>	<u>1,878,573</u>

The funds are used to provide bursaries to help the children who are in need of financial assistance, to attend or remain at Rugby School in line with the Charity Commission Scheme dated 5 May 2020.

10. RELATED PARTIES

Audit fees are met by the Governing Body of Rugby School. There are no other related party transactions.

Notes to the Financial Statements for the year ended 30 June 2023 *(continued)*

11. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Governing Body of Rugby School, a charity registered in the United Kingdom (charity registration number: 528752) which operates two Schools in the furtherance of its charitable objects. A copy of their accounts may be obtained from the registered office at Rugby School, The Bursary, 10, Little Church Street, Rugby, CV21 3AW.