



Enabling
young
people to
progress

Annual Report and Financial Statements

30 June 2019

Charity Registration Number 1136337

Company Limited by Guarantee
Registration number 07226633 (England and Wales)

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Reference and administrative information about the charity and its advisers

Registered Company Number: 07226633

Registered Charity No: 1136337

Board of Governors:

Ex-officio (1): Reverend David Ingall (Rector of St Sepulchre-without-Newgate in the City of London)

Nominated by the Churchwardens of Elizabeth Gallagher (appointed 3 December 2018)

the Ecclesiastical Parish of St
Sepulchre-without-Newgate (2): Dr Sotonye Odugbemi (resigned 1 July 2019)
(Term 4 years)

Nominated by the Council of Mrs Shannon Farrington (resigned 19 June 2019)

Almoners of Christ's Hospital (2): Mr Gerald Rothwell
(Term 4 years)

Mr Ben Monaghan (nominated 20 September 2019)

Nominated by the Corporation of the Mr Michael Hudson
City of London (1): (Term 4 years)

Nominated by the Council of the Ms Lorna Russell
London Borough of Camden (1):
(Term 4 years)

Nominated by the Council of the Cllr. Vivien Cutler (appointed 6 December 2018)
London Borough of Islington (1):
(Term 4 years)

Co-opted: (5) (Term 5 years) Mr Michael Bennett (Chairman)

Mrs Jo Emmerson

Mr Mark Jessett

Mr John Tickle (resigned 12 December 2018)

Mr Alistair Wilson (appointed 3 December 2018)

Clerk and Company Secretary: Andrew Fuller (resigned 1 October 2018)

Suzanna Nagle (appointed 2 October 2018, resigned 08 February 2019)

Stephen Rowland-Jones (appointed 8 February 2019)

Registered Office: 6 Trull Farm Buildings, Trull, Tetbury, Gloucestershire, GL8 8SQ

Auditor: Buzzacott LLP
130, Wood Street
London EC2V 6DL

Reference and administrative information about the charity and its advisers

Bankers:	Lloyds Bank 1st Floor 39 Threadneedle Street London EC2R 8AU	Nationwide BS Kings Park Road Moulton Park Northampton NN3 6NW
Solicitors:	Investment Property advice: IBB Solicitors Capital Court 30 Windsor Street Uxbridge Middlesex UB8 1AB	Charity advice: Bond Dickinson LLP 4 More London Riverside London SE1 2AU
Investment advisers:	Cazenove Capital Management Ltd 1 London Wall Place, London Wall, Barbican, EC2Y 5AU	Waverton Investment Management Ltd 16 Babmaes Street London SW1Y 6AH
Investment property advisers:	Avison Young UK LLP Becket House 36 Old Jewry London EC2R 8DD	

The Board of Governors, who are the trustees of Richard Reeve's Foundation, for the purposes of charity law, present their annual report with the financial statements for the year ended 30 June 2019.

This has been prepared in accordance with Part 8 of the Charities Act 2011. The report is also a directors' report required by s415 of the Companies Act 2006. All of the Governors are also directors of the charitable company for the purposes of company law. The financial statements have been prepared in accordance with the accounting policies set out on pages 21 to 24 of the attached financial statements and comply with the charitable company's governing document, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Structure, Governance and Management

Legal status

Richard Reeve's Foundation is a charitable company limited by guarantee, incorporated on 17 April 2010 and entered on the Central Register of Charities on 14 June 2010. It was established to hold the non-permanently endowed assets and undertake the day-to-day activities of the Richard Reeve's Endowment Charity ('the Scheme Charity') from 21 July 2010. The permanent endowment assets are retained by the Scheme Charity pursuant to the terms of a Scheme of the Charity Commissioners, which became effective on 1 August 2010 and appointed Richard Reeve's Foundation as sole Corporate Trustee of the Scheme Charity.

The Scheme Charity (Charity No: 312504) is constituted under a Scheme of the Charity Commissioners dated 4 October 1991. The original charity was founded in 1706 by the will of Richard Reeve when he died on 31 August 1702. His will required that these monies be used for *"the education and maintenance of poor children of the parish of St Sepulchre's and bringing them up in the fear of God and putting them forth apprentices for some calling for their future good and for the suppressing of vice and immorality..."*. While the area of benefit has been expanded to encompass the City of London and the London Boroughs of Camden and Islington and the objects have been amended and restated by a Charity Commission Scheme, Richard Reeve's original intentions are still the guiding principles for all the grant-making of the Governors today.

Structure, Governance and Management (continued)

Board of Governors

The Foundation's current Articles of Association state that the Board of Governors shall comprise not more than thirteen persons: one Ex-Officio Governor being the Rector for the time being of the Ecclesiastical Parish of St. Sepulchre-without-Newgate or otherwise the principal officiating Minister for the time being of the church of St Sepulchre in the City of London; two Governors nominated by the Churchwardens of the Ecclesiastical Parish of St Sepulchre-without-Newgate; two Governors nominated by the Council of Almoners of Christ's Hospital; one Governor nominated by the Corporation of the City of London; one Governor nominated by the Council of the London Borough of Camden; one Governor nominated by the Council of the London Borough of Islington and not more than five co-opted Governors.

All nominated Governors are appointed for a term of four years and Co-opted Governors for a term of five years.

General responsibilities of Governors are considered to be:

1. Strategic – defining and approving the Foundation's Mission in accordance with the charitable objects set out in its articles of association, strategic direction and aims, arriving at appropriate policy decisions to take them forward and evaluating performance against agreed targets;
2. Stewardship – to have responsibility for the Foundation's assets, their preservation and exploitation and assessment of risks;
3. Monitoring – to oversee the effective management of the Foundation and its services, including the appointment of employees and external advisors;
4. Promotion and advocacy of the Foundation to external clients, partners and stakeholders and fostering relationships with grantee organisations;
5. Governance – ensuring that Governor business is conducted effectively and that recommended good governance is followed;
6. Attendance – the Board meets at least four times a year.

Governor selection process

When a vacancy exists, the Chairman and other members of the Governance Committee, considers the skills and personal profile that would best contribute to the needs of the Foundation.

During the year three Governors resigned and three Governors were appointed.

Structure, Governance and Management (continued)

Governor induction and training

The Foundation recognises that new Governors must be made aware of its charitable purposes, modus operandi, plans, problems and challenges. All new Governors, (Co-opted, Nominated, Ex-officio) receive an induction pack of key documentation and are invited to a briefing meeting with the Chair of Governors and Clerk before their first Board meeting. All Governors are required to confirm their eligibility to act and the Foundation maintains a Register of Interests – updated annually – to ensure any conflicts of interest are identified.

Where it would be helpful, other steps such as the provision of training and/or the appointment of another Governor to act as mentor, may be taken. Attendance at external training events, where these will facilitate their responsibilities as Governors, is also encouraged.

Key management personnel

The key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the Governors together with the Clerk to the Governors. No Governor receives any remuneration from the Foundation. The Clerk to the Governors is an employee of The Trust Partnership and is remunerated appropriately.

The former Clerk, Andrew Fuller, (who was an employee of the Foundation) retired in August 2018 and The Trust Partnership was engaged to administer the Foundation on behalf of the Governors. Suzanna Nagle from the Trust Partnership was appointed Clerk to the Governors and in February 2019 she was replaced by Stephen Rowland-Jones.

Management

Traditionally the Board has three principal committees to better discharge functions relating to the administration and management of the Foundation:

1. Investment & Finance Committee – The purpose of this Committee is to advise the Board of Governors on the financial health of the charity, oversee the effective utilisation of the Foundation's financial assets, consider the adequacy of risk management as well as have responsibility for the external audit.
2. Strategy Committee – Its purpose is to advise the Board of Governors on the Foundation's grant-making priorities and the strategy employed to achieve them, agree the main terms of each grant award, monitor and evaluate progress and achievements.
3. Governance Committee – Its purpose is to keep under review the governance arrangements of the Foundation and ensure that the Foundation has a governance structure that is appropriate. The Committee meets as and when necessary.

Structure, Governance and Management (continued)

Management (continued)

Other sub-committees and working groups are constituted on an ad-hoc basis as required. However, during the year the Governors reviewed the principal committees and in so doing, dissolved the Strategy Committee and established a Grants Committee to better review and manage grants. At the same time the Governors reviewed Terms of Reference for the Committees.

Objectives and activities

The **objects** of the charity as set out in the 1991 Scheme are:

To advance or assist in the education or care of Beneficiaries, either individually or collectively, in particular (but not exclusively) by:

- i. awarding to beneficiaries' exhibitions, bursaries, grants and maintenance allowances tenable to any school, university, college of education or other institution of further (including professional and technical) education approved for the purpose by the Governors;
- ii. assisting beneficiaries to train or equip themselves for a trade, profession, service or other occupation whereby they may support themselves;
- iii. providing or assisting in the provision of facilities for education, leisure-time activities, help or training for beneficiaries;
- iv. providing care, help or training for beneficiaries who are delinquent, deprived or in moral danger;
- v. assisting any school, college or other educational establishment attended by Beneficiaries which is conducted by a charity or is wholly or partially supported from public funds;
- vi. assisting other charities or voluntary organisations which provide or which undertake in return to provide facilities for education, care, help or training for Beneficiaries.

The Foundation's beneficiaries are children and young persons of not more than 25 years of age who are in need of financial assistance and:

- i. who or whose parents live or work, or formerly lived or worked in the area of benefit; or
- ii. who are students of, or have been accepted as students of, educational institutions in the area of benefit;
- iii. provided that in special cases persons of not more than 40 years of age who are otherwise qualified may be deemed to be beneficiaries for the purposes of these presents.

Area of benefit

The Richard Reeve's Foundation's area of benefit is the London Boroughs of Islington and Camden and the City of London.

Objectives and activities (continued)

Activities

The Foundation seeks to fulfil its charitable objects by making grants to a small number of partner organisations to deliver assistance to people in our area of benefit through projects that maximise value for our beneficiaries through education and training. Projects are usually funded for up to three years so as to increase their effectiveness and impact.

Operational Risk management

The Foundation maintains a Risk Register which is reviewed annually by Governors and updated as necessary. Governors are satisfied that appropriate mechanisms are in place to minimise and mitigate the main operational and business risks. The Grants committee maintains a risk register in respect of individual grants.

The Foundation's financial controls have been reviewed and necessary procedural changes taken to mitigate identified risks. The Governors have managed the investment and property transactions so as to maintain grant making capability and ensure sufficient reserves to meet commitments. The Investment & Finance Committee reviews the risk register annually and reports to the Board annually.

During the year, the Board of Governors reviewed the Foundation's Data Protection policies to make sure they are compliant with the new General Data Protection Regulations (GDPR).

The two most significant risks identified by the Foundation and the plan for tackling these are:

1. *Grantmaking - There may be a reputational/delivery risk to the Foundation if grants paid are misappropriated by the recipients and do not reach their intended beneficiaries, or if the funded programmes/projects fail to deliver their expected outcomes, particularly in light of the increase in grants which is expected as part of the new grantmaking strategy.* This risk is mitigated through maintaining strong relationships with grant recipients and requiring regular reports from recipients on the activities undertaken, as well as seeking involvement and 'buy-in' from the end-users and beneficiaries of the grants. The risk is further mitigated by the establishment of the Grants Committee which will ensure better ongoing scrutiny of funded projects and the delivery of agreed objectives in a timely fashion.
2. *Income levels from investments (property, stock market and cash) being significantly lower than budget as a result of a major economic and financial crash over a prolonged period impacting the Foundation's ability to meet grant commitments.* This is mitigated by having a suitably diversified portfolio of investments managed professionally, together with an appropriate reserves policy, and by ensuring income forecasts are not over-optimistic when constructing budgets.

Objectives and activities (continued)

Grant making – our strategic focus

The Governors want the work of the Foundation to reflect the spirit of the original bequest made by Richard Reeve over three centuries ago and for it to contribute to a more lasting beneficial impact on the lives of individuals and society as a whole, within our current area of benefit. London has of course changed beyond recognition over the past 300 years, but unfortunately too many young people are still not getting off to a good start in life by receiving a good standard of basic education, thereby leading to a less fulfilling life and poor employment prospects.

The Foundation has two key strategic aims:

1. Raising Literacy & Numeracy

The target group consists of Early Years and Primary School children. The outcomes sought from projects we support are that every child achieves the standard set out in the National Curriculum, Key Stages 1 and 2. The focus is on primary schools where disadvantage, as measured by either the Free School Meal ratio or Pupil Premium Grant ratio, is in excess of 30%.

2. Progression into Work

The target group comprises disadvantaged 16-24-year olds and others attending schools and higher and further education institutions. The primary objective of this strand of the Foundation's strategy is to support young people's progression into work, with an emphasis on enabling them to gain entry into sustainable employment that offers job satisfaction, retention and the prospect of career progression and self-improvement.

In addition to the above two main areas of strategic focus, the following grant making activities form part of the Foundation's strategy, with Music having been incorporated from 1 July 2016, after the merger of Finsbury Educational Foundation with Richard Reeve's Foundation:

3. Music

No new grants were awarded during 2018/19, pending the outcome of a review into whether music could contribute to achieve the objects of the Foundation having regard to the main strategic aims RRF is seeking in literacy & numeracy and progression into work. Grants to which the Foundation had committed in prior years, subject to conditions have, however, now been paid and these are reflected in note 4 to the financial statements.

4. Maintenance Grants (Continuity item)

In recognition of the Foundation's historical focus on providing maintenance grants to students whose financial situation threatens their continued attendance on their course, annual block grants are given to City & Islington College and City University to disburse to students in need. The grant to City University is for the benefit of NHS students only.

Objectives and activities (continued)

5. Christ's Hospital (Heritage item)

The Foundation has been closely associated with Christ's Hospital (the Bluecoat School) for over 100 years and makes an annual grant to support the school. This enables the Foundation to sponsor one child from a disadvantaged background (a presentee), to attend the school, from any primary school in Islington, Camden or the City. In addition, a support grant for clothing, equipment, trips, etc. is made to help support current Richard Reeve's presentees.

During the year, Governors decided to increase the annual donation in line with the cost of a presentee so that in future we can make one presentation a year.

Achievements and performance

In total, grants were awarded to 40 organisations (2017/18: 16) and 131 grants (2017/18: 106) were made through our block grant strand to individuals. The majority of our grant-giving spend was made on 'Literacy & Numeracy' projects, with £686,683 spent on 12 projects (2017/18: £361,043 on 7 projects) and £605,959 on 22 projects (2017/18: £212,695 on 5 projects) under the 'Progression into Work' programme

Demand Led Funding

There is a real funding crisis in schools across the country. Many of the primary schools in our area of benefit are struggling to meet the increasing needs of children from diverse and challenging backgrounds. Budget constraints together with the high cost of staffing, premises and providing essential learning resources, means only a tiny proportion is left to provide additional resources.

In response, the Foundation devised a new approach to grant-giving under this aim, called 'Demand-Led Funding', which was approved at the June 2018 board meeting. This initiative represents a departure from the Foundation's traditional approach of responding to unsolicited applications from intermediaries proposing to work in certain schools. Instead, we are dealing directly with two consortia of schools, one in Camden and one in Islington, and responding directly to the demands made on behalf of our beneficiaries, by the institutions closest to them and most aware of their actual needs. In this way, it is hoped our funds will be used more effectively and efficiently. The Foundation will be able to compare the effectiveness of the demand-led approach with our traditional model.

Achievements and performance (continued)

Numeracy and Literacy

The Foundation continued to support the Partners in Learning project with delivery partners SHINE and School Home Support. In January 2017, the Foundation, in concert with SHINE Trust, paid for an online maths programme called 'Hegarty Maths' to improve maths outcomes for Y6 students, to be deployed in 6 primary schools with high Free School Meal eligibility in Camden. The Demand Led Funding initiative contributed to the achievement of this strategic aim.

Progression into Work

This is a more challenging area and the difficulties encountered by three of the four beneficiary organisations in securing placements for beneficiaries under the Earn While You Learn programme resulted in the termination, by agreement, of three grants. By contrast, the Careers Education and Guidance programme is progressing well and although one school has dropped out, all other participating schools are utilising the grant to fund increased and improved resource in this crucial area. The establishment of the Grants Committee has seen a positive difference and increased engagement with beneficiary organisations.

Plans for the future

Broadly speaking plans for the future include a reduction in the number of active grant-funded projects but with increased engagement by the Foundation's Governors. The practise of a lead school within a consortium has shown to be effective and this approach will continue to feature. Equally, a more robust approach to ensure agreed objectives and outcomes are achieved will increase the value gained from each grant award.

It is not anticipated there will be any divergence from the key aims of improving Literacy & Numeracy and supporting Progression into Work but the Governors remain flexible and prepared to support other demands within the beneficial area, wherever and whenever they arise.

More specifically, some projects that provide support to children and their families, such as Family Support Practitioners and Saturday schooling, have been refined and will continue for the next three years. The staffing has been brought "in-house" and directly answerable to the participating schools which should result in improved relationships and improved and more effective outcomes.

Investment activity and performance

The charity's investment policy is set out on page 12.

In all the listed investments rose by 0.6% during the year and generated income of £973,508, an income yield of 3.0%. Net realised and unrealised gains totalled £304,383, giving an overall total return of 3.9%.

The year ended 30 June 2019 proved to be more challenging for investment markets in general. The summer of 2018 was a relatively benign period for markets, but the last three months of 2018 saw markets in general suffer weakness from a combination of factors including the escalation of the trade and tariff dispute between the US and China, continuing uncertainty over the outcome of the Brexit negotiations and general worries over a possible period of slower economic growth and possible stagnation across the leading global economies. During the first half of 2019, much of the ground lost was recovered to leave many markets in a broadly neutral position over the twelve-month period, but still nervous about future growth prospects in a period of considerable uncertainty.

Financial review

The Foundation's results for the year are set out in the statement of financial activities on page 18.

Gross income generated from investments during the year amounted to £1,291,174 a decrease of £73,124 from the previous year (2018: £1,364,298). Operational costs were tightly controlled which enabled the Foundation to restrict the operating ratio to 7% (2018: 9%). Total expenditure before grants fell to £199,438 (2018: £235,325) while the remaining funds available for grant giving fell to £1,091,736 (2018: £1,110,973).

A full listing of grants awarded in the year is shown in note 4 of the financial statements. The Foundation awarded grants totalling £1,400,257 (2018: £657,563) during the year. The balance left unspent at 30 June 2019 decreased the amount of previously unspent reserves, which has been the focus of the Foundation's deliberations on developing its Progression into Work strategy, as described on page 8. Subject to successful negotiations with suppliers, we expect the cumulative surplus to be expended over the next few years.

The freehold interests in 40 Beak Street and 1-3 Upper James Street, London have been valued by Avison Young UK LLP, Chartered Surveyors and International Property Consultants, as External Valuers, at £5,950,000 and £5,775,000 respectively, as at 30 June 2019. The valuations were prepared on the basis of Fair Value and in accordance with the requirements of the RICS Valuation – Global Standards 2017.

Overall, net assets totalled £46,598,101 (2018: £46,577,239).

Financial review (continued)

Reserves policy

Governors are tolerant of temporary fluctuations in capital values but they monitor short term cashflow in order to meet operating expenses and optimise the level of grants. The Foundation's ability to operate and its grant making capability are wholly dependent on income from investments. In order to continue to operate effectively, the Governors consider that they should maintain free reserves of £200,000.

The Governors have agreed that the free reserves will be held on deposit or in other readily-realizable short-term investments.

At 30 June 2019, the free reserves of the Foundation stood at £2,170,546 (2018: £2,364,864). This is in excess of the level required by the reserves policy.

Investment policy

The Foundation has been a grant-making body since 1706 and the Governors wish to maintain its long-term grant-making ability in real terms. The investment policy is therefore structured towards this aim. In recent years Governors have taken measures to diversify asset allocation, which was previously dominated by a small number of direct property holdings. Grants are paid out of investment income earned on our endowment.

The Governors appoint and delegate management of the bulk of their non-property investment portfolio to authorised investment managers. Where the Governors delegate their investment powers their objective is to maintain the capital value and income of stock market investments in real terms and this will be measured on a five-year timescale. In any one year, the Governors prefer to keep any variation in income to within + or -10%, due to their grant-making obligations. Some investment may be made directly by the Investment & Finance Committee subject to Board approval. The Governors appoint property and legal advisers, as required, to assist them in the management of specific issues relating to the Foundation's investments or other activities.

The Foundation does not have an ethical investment policy but Governors are mindful of the Foundation's origins in a Christian tradition, which will continue to influence decision-making. This Policy has been established under the powers given to the Governors by the Trustee Act 2000 and any investment managers appointed will be made aware of this fact and of their obligation to fulfil the Governors statutory duty of care.

A proportion of our resources that may be needed for immediate working purposes, together with the free reserves, is held in liquid assets and kept under review by the Foundation's Investment & Finance Committee.

The investment managers report quarterly to Governors and the Investment & Finance Committee regularly review their performance.

The Governors review the Foundation's investment policy annually.

Financial review (continued)

Investment policy (continued)

The Governors are targeting an initial income yield of 3% which is expected to grow over time. It is expected that the fund's total return should match or exceed the change in the Consumer Price Index plus 4% measured over rolling five-year periods. The Foundation has a medium to high tolerance for risk of capital over the longer term providing its annual income targets can be met within the parameters shown above.

Fundraising

The charity generates all of its income through its investments and does not undertake any fundraising activity.

Statement of Governors' responsibilities

The Governors (who are also directors for the purposes of company law) are responsible for preparing the Governors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors 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, including the income and expenditure, of the charity for that year. In preparing these financial statements, the Governors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material 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 Governors are responsible for keeping proper accounting records that 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 Companies Act 2006. 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.

Each Governor confirms that:

- ◆ so far as he/she is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ he/she has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Statement of Governors' responsibilities (continued)

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Governors:

Michael Bennett

Gerald Rothwell

Governor:

Governor:

Approved on: 15.01.20

Independent auditor's report to the Members of Richard Reeve's Foundation

Opinion

We have audited the financial statements of Richard Reeve's Foundation (the 'charitable company') for the year ended 30 June 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the to the financial statements, and the principal 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 charitable company's affairs as at 30 June 2019 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 Companies Act 2006.

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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Governors' 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Governors' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Governors' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records; or
- ◆ certain disclosures of Governors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption and from the requirement to prepare a strategic report.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors (who are also the directors of the charitable company for the purposes of company law) 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 Governors 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 Governors are responsible for assessing the charitable company'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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP 06.02.20

Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 30 June 2019
(including and income and expenditure account)

	Notes	Unrestricted funds £	Endowment funds £	2019 Total funds £	Unrestricted funds £	Endowment funds £	2018 Total funds £
Income							
Investment income	1	1,291,174	—	1,291,174	1,346,298	—	1,346,298
Total income		1,291,174	—	1,291,174	1,346,298	—	1,346,298
Expenditure							
Cost of raising funds	2	212	114,203	114,415	9,971	107,336	117,307
Expenditure on charitable activities	3	1,485,280	—	1,485,280	775,581	—	775,581
Total expenditure		1,485,492	114,203	1,599,695	785,552	107,336	892,888
Net (expenditure) income before gains on investments							
	7	(194,318)	(114,203)	(308,521)	560,746	(107,336)	453,410
Net gains on listed investments	12	—	304,383	304,383	—	1,121,853	1,121,853
Revaluation of investment property	11	—	25,000	25,000	—	2,473,000	2,473,000
Net (expenditure) income for the year and net movement in funds		(194,318)	215,180	20,862	560,746	3,487,517	4,048,263
Reconciliation of funds:							
Balances brought forward at 1 July		2,364,864	44,212,375	46,577,239	1,804,118	40,724,858	42,528,976
Balances carried forward at 30 June		2,170,546	44,427,555	46,598,101	2,364,864	44,212,375	46,577,239

All of the charity's activities derived from continuing operations during the above financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet at 30 June 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible fixed assets	10		—		—
Investment properties	11		11,725,000		11,700,000
Listed investments	12		33,365,367		33,157,875
Total fixed assets			45,090,367		44,857,875
Current assets					
Debtors	13	54,600		5,231	
Short term deposits		1,599,233		1,843,048	
Cash at bank		17,582		19,484	
Total current assets		1,671,415		1,867,763	
Liabilities					
Creditors: amounts falling due within one year	14	(163,681)		(148,399)	
Net current assets			1,507,734		1,719,364
Total net assets			46,598,101		46,577,239
The funds of the charity					
Unrestricted funds					
. Accumulated income fund			2,170,546		2,364,864
Endowment fund			44,427,555		44,212,375
	15		46,598,101		46,577,239

Approved by the Governors
and signed on their behalf by:

Governor: Michael Bennett

Governor: Gerald Rothwell

Approved on: 15.01.20

Richard Reeve's Foundation - Company registration number 07226633 (England and Wales)

Statement of cashflows 30 June 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash used in ordinary operating activities	A	(1,633,782)	(899,809)
Cash flows from investing activities:			
Investment income		1,291,174	1,346,298
Proceeds from the disposal of investments		4,200,078	2,718,090
Purchase of investments and investment properties		(4,098,491)	(2,873,110)
Net cash provided by investing activities		1,392,761	1,191,278
Change in cash and cash equivalents in the year		(241,021)	291,469
Cash and cash equivalents at 1 July	B	2,597,354	2,305,885
Cash and cash equivalents at 30 June	B	2,356,333	2,597,354

Notes to the statement of cash flows for the year to 30 June

A Reconciliation of net movement in funds to net cash used in ordinary operating activities

	2019 £	2018 £
Net movement in funds (as per the statement of financial activities)	20,862	4,048,263
Adjustments for:		
Gains on listed investments and investment property	(329,383)	(3,594,853)
Investment income	(1,291,174)	(1,346,298)
Decrease in debtors	(49,369)	(3,328)
Increase (decrease) in creditors	15,282	(3,593)
Net cash used in ordinary operating activities	(1,633,782)	(899,809)

B Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	17,582	19,484
Short term deposits	1,599,233	1,843,048
Cash held by investment managers (note 12)	739,518	734,822
Total cash and cash equivalents	2,356,333	2,597,354

Principal accounting policies Year to 30 June 2019

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 30 June 2019 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Governors and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the liability for multi-year grant commitments;
- ◆ estimating the useful economic life of tangible fixed assets; and
- ◆ estimating the market value of investment properties.

Assessment of going concern

The Governors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Governors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Governors of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Governors are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 30 June 2019, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Governors' report for more information).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises rental income, dividends and interest received and other income.

Rental income is recognised in the period to which the income relates.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and includes attributable VAT which cannot be recovered.

Expenditure comprises the following:

- a. The costs of raising funds consist of the fees paid to investment managers in connection with the management of the charity's listed investments, and the costs connected with the charity's investment properties including the fees paid to property managers in connection with their management.
- b. Charitable activities comprise grants payable and support costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions. Grants approved but not paid at the end of the financial period are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the financial statements.

Repayments of repayable grants are accounted for on a cash received basis.

Support costs represent indirect charitable expenditure in order to carry out the grant making activities of the charity. The costs do not directly relate to the amount of time spent on processing and monitoring grants and so have not been allocated across grants payable to organisations, students and individuals respectively.

Principal accounting policies Year to 30 June 2019

Tangible fixed assets

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided on all tangible fixed assets, except investment properties, at rates calculated to write off cost on a straight-line basis over their expected useful economic lives as follows:

Furniture, fixtures and equipment over 5 years

Investment properties

Properties held for investment purposes are included in these financial statements at open market value. The valuation has been determined by the Governors, with professional assistance.

A formal valuation of 40 Beak Street and 1/3 Upper James Street, was last made in June 2018. This valuation has been updated at 30 June 2019 to reflect market conditions and Governors are content that the current book values of both properties are realistic and concur with advice from professional advisors Avison Young.

Gains (or losses) arising on property disposal is recognised through the statement of financial activities and is determined as the difference between the sales proceeds and the carrying value of the asset.

Listed investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains (losses) are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise).

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term

Principal accounting policies Year to 30 June 2019

deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

The accumulated income fund, as part of unrestricted funds, represents those monies which are freely available for application towards achieving any charitable purpose that falls within the Foundation's charitable objects.

Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

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

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost

1 Investment income

	Unrestricted funds £	Endowment fund £	2019 Total funds £
Property rental income	309,227	—	309,227
Investment income	973,508	—	973,508
Bank deposit interest	8,379	—	8,379
Other	60	—	60
2019 Total funds	1,291,174	—	1,291,174

	Unrestricted funds £	Endowment fund £	2018 Total funds £
Property rental income	278,654	—	278,654
Investment income	987,353	—	987,353
Bank deposit interest	5,291	—	5,291
Other	75,000	—	75,000
2018 Total funds	1,346,298	—	1,346,298

2 Cost of raising funds

	Unrestricted funds £	Endowment fund £	2019 Total funds £
Costs of managing investment property	212	—	212
Costs of managing listed investments	—	114,203	114,203
2019 Total funds	212	114,203	114,415

	Unrestricted funds £	Endowment fund £	2018 Total funds £
Costs of managing investment property	9,971	—	9,971
Costs of managing listed investments	—	107,336	107,336
2018 Total funds	9,971	107,336	117,307

3 Charitable activities

	Unrestricted funds £	Endowment fund £	2019 Total funds £
Grant funding of activities (note 4)	1,400,257	—	1,400,257
Support costs			
Staff remuneration (note 8)	7,132	—	7,132
Premises costs	4,000	—	4,000
Office expenses	8,377	—	8,377
Professional fees	56,558	—	56,558
Governance costs (note 6)	8,956	—	8,956
	85,023	—	85,023
2019 Total funds	1,485,280	—	1,485,280

	Unrestricted funds £	Endowment fund £	2018 Total funds £
<i>Grant funding of activities (note 4)</i>	657,563	—	657,563
<i>Support costs</i>			
<i>Staff remuneration (note 8)</i>	47,430	—	47,430
<i>Premises costs</i>	7,300	—	7,300
<i>Office expenses</i>	10,941	—	10,941
<i>Professional fees</i>	41,290	—	41,290
<i>Governance costs (note 6)</i>	11,057	—	11,057
	118,018	—	118,018
<i>2018 Total funds</i>	775,581	—	775,581

4 Grant funding of activities

	2019 £	2018 £
Grants payable to organisations		
Literacy and numeracy:		
School Home Support		
. Camden Centre for Learning	31,612	20,439
. Partners in Learning	—	125,000
SHINE Trust		
. Partners in Learning	105,000	90,000

Notes to the financial statements 30 June 2019

4 Grant funding of activities (continued)

	2019 £	2018 £
Grants payable to organisations (continued)		
Hegarty Maths	50,000	50,000
Rhyl Primary School	—	52,400
The Shakespeare Globe Trust	22,868	22,204
London Borough of Islington, Summer Reading	—	1,000
Eleanor Palmer Primary School	46,300	—
Torriano Primary School	31,000	—
Action Tutoring	54,000	—
Pakeman Primary School	220,555	—
OUP	99,348	—
Netley Primary School	25,000	—
London Borough of Islington	1,000	—
Progression into work:		
Islington Giving	102,923	102,923
BIG Alliance	50,000	50,000
Elfrida Rathbone Camden	—	37,392
Centrepont	22,789	22,380
Careers Education and Guidance Programme		
. London Borough of Camden	31,590	—
. Samuel Rhodes School	17,316	—
. Hampstead School	24,112	—
. SMMA	32,892	—
. EGA School	65,500	—
. LSU School	18,166	—
. NR College	33,148	—
. Haverstock School	15,250	—
. Parliament Hill School	23,957	—
. William Ellis School	4,332	—
. Highbury Fields	3,938	—
. Career Ready	40,000	—
. London Borough of Islington	30,000	—
. COLAI	18,950	—
‘Earn While You Learn’ Grants		
. Inspire EBP	13,985	—
. LTSB	20,000	—
. St Giles Trust	33,900	—
. RSBC	3,211	—
Heritage:		
Christ’s Hospital	55,040	21,000
Music:		
Camden Music Trust	11,825	11,825
Total grants to organisations	1,359,507	606,563

4 Grant funding of activities (continued)

	2019 £	2018 £
Grants payable to individuals attending:		
City University (block grant)	25,000	25,000
City and Islington College (block grant)	15,750	22,000
Other grants payable to individuals		
Block grant administered by Christ's Hospital	—	4,000
Total grants payable to individuals	40,750	51,000
Total grants payable	1,400,257	657,563

5 Grant commitments

At 30 June 2019 the charity had committed to make the following grants in future years, subject to fulfilment of conditions:

	2019-20 £	2020-21 £	2021-22 £	2022-23 £
Camden Music Trust	11,825	—	—	—
Earn while you learn	20,000	—	—	—
Careers and Education Guidance	182,285	69,966	—	—
Pakeman Primary School	13,500	—	—	—
Hegarty Maths	4,800	—	—	—
Eleanor Palmer Primary School	37,300	—	—	—
Islington Primary Consortium	199,000	199,000	—	—
Pakeman / New North Academy Clusters	105,000	105,000	105,000	—
New North Academy	100,000	—	—	—
Thornhill Primary School	20,000	—	—	—
Pakeman (ex SHS)	120,000	120,000	120,000	—
Elizabeth Garrett Anderson	55,000	—	—	—
Christ's Hospital	39,000	—	—	—
City University	25,000	25,000	25,000	25,000
City and Islington College	25,000	25,000	—	—
	957,710	543,966	250,000	25,000

Payment of these grants is subject to annual review; they may be discontinued if the projects cease to operate or have unsatisfactory outcomes and will be dependent on the charity's financial position at the time. No provision has been made for future grants in these financial statements.

6 Governance costs

	2019 £	2018 £
Audit and accounting	8,900	8,430
Governors' travel expenses	56	428
Legal fees	—	2,199
	8,956	11,057

7 Net (expenditure) income before gains on investments

Net (expenditure) income before revaluations and investment asset disposals is stated after charging:

	2019 £	2018 £
Auditor's remuneration		
. Statutory audit		
- Current year charge	8,900	8,430
. Accountancy services	—	4,753
Staff costs (note 8)	7,132	47,430

8 Staff costs and remuneration of Governors and key management personnel

	2019 £	2018 £
Staff costs during the period were as follows:		
Wages and salaries	6,505	41,655
Social security costs	—	2,188
Pension costs	627	3,587
	7,132	47,430

The Foundation had one employee in the year (2018 - one). No employee earned £60,000 per annum or more during the year (2018 - none).

The Governors consider that they, together with the Clerk to the Governors, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The total remuneration (including taxable benefits and employer's pension and National Insurance contributions) of the key management personnel for the year was £7,132 (2018 - £47,430).

No Governor has received any remuneration (directly or indirectly) from the Foundation (2018 - £nil). £56 was reimbursed to one governor for during the year for travel expenses (2018 - £428).

9 Taxation

Richard Reeve's Foundation is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

	Furniture and equipment £
Cost	
At 1 July 2018 and 30 June 2019	<u>2,184</u>
Depreciation	
At 1 July 2018 and 30 June 2019	<u>2,184</u>
Net book value	
At 30 June 2019	—
At 30 June 2018	<u>—</u>

11 Investment properties

	2019 £	2018 £
At valuation		
At 1 July	11,700,000	9,227,000
Revaluation during the year	25,000	2,473,000
At 30 June	<u>11,725,000</u>	<u>11,700,000</u>

The freehold properties were valued by the Governors based on professional advice on an open market basis as at 30 June 2019, as follows:

	2019 £	2018 £
40 Beak Street	5,950,000	5,925,000
1/3 Upper James Street	5,775,000	5,775,000
	<u>11,725,000</u>	<u>11,700,000</u>

The Foundation's properties were purchased in 1708. The historical cost of the properties shown in the financial statements is not known but would be minimal in today's money. The Foundation capitalises improvements to the properties. The historical cost of improvements to 40 Beak Street is £1,158,767.

Notes to the financial statements 30 June 2019

12 Listed investments

	2019 £	2018 £
At 1 July	32,423,053	31,146,180
Additions	4,098,491	2,873,110
Disposals (proceeds: £4,200,078 realised losses: £467,741)	(4,667,819)	(2,776,001)
Unrealised gains	772,124	1,179,764
Market value at 30 June	32,625,849	32,423,053
Cash held by investment manager for reinvestment	739,518	734,822
	33,365,367	33,157,875
Historical cost of listed investments at 30 June	27,256,045	27,240,586
	Total 2019 £	Total 2018 £
Listed investments comprise:		
UK fixed interest	4,304,434	4,064,551
UK Equities	6,566,833	7,670,863
Overseas fixed interest	139,859	137,397
Overseas equities	17,177,308	16,288,196
Portfolio funds	1,040,012	943,141
Hedge funds	—	297,845
Property	1,229,517	1,237,799
Others	2,167,886	1,783,261
	32,625,849	32,423,053

The following investments were individually more than 5% of the Foundation's listed investments:

Units	£	%
3,590,000 The Equity Income Trust for Charities	1,830,182	5.6

13 Debtors

	2019 £	2018 £
Rent debtors	54,000	—
Other debtors and prepayments	600	5,231
	54,600	5,231

14 Creditors

	2019 £	2018 £
Grants payable	649	—
Other creditors	21,761	6,371
VAT payable	15,607	14,227
Accruals	38,048	50,935
Deferred income	87,616	76,866
	163,681	148,399

15 Analysis of net assets between funds

	Unrestricted funds £	Endowment fund £	Total £
Fund balances at 30 June 2019			
are represented by:			
Investment properties	—	11,725,000	11,725,000
Listed investments	662,812	32,702,555	33,365,367
Short term deposits	1,599,233	—	1,599,233
Other net current liabilities	(91,499)	—	(91,499)
	<u>2,170,546</u>	<u>44,427,555</u>	<u>46,598,101</u>

	<i>Unrestricted funds £</i>	<i>Endowment fund £</i>	<i>Total £</i>
<i>Fund balances at 30 June 2018</i>			
<i>are represented by:</i>			
<i>Investment properties</i>	<i>—</i>	<i>11,700,000</i>	<i>11,700,000</i>
<i>Listed investments</i>	<i>645,500</i>	<i>32,512,375</i>	<i>33,157,875</i>
<i>Short term deposits</i>	<i>1,843,048</i>	<i>—</i>	<i>1,843,048</i>
<i>Other net current liabilities</i>	<i>(123,689)</i>	<i>—</i>	<i>(123,684)</i>
	<u><i>2,364,864</i></u>	<u><i>44,212,375</i></u>	<u><i>46,577,239</i></u>

Endowment fund

The historical value of the original endowment is not known, but would be minimal in today's money.

These are capital assets and are not available for distribution.

The total unrealised gains as at 30 June constitute movements on revaluation and are as follows:

	2019 £	2018 £
Unrealised gains included above:		
On investment properties	10,566,233	10,541,233
On listed investments	5,369,804	5,182,467
Total unrealised gains at 30 June	<u>15,936,037</u>	<u>15,723,700</u>
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 July	15,723,700	13,240,582
Less: in respect to disposals in the year	(584,787)	(1,169,646)
	<u>15,138,913</u>	<u>12,070,936</u>
Add: net gains arising on revaluation in the year	797,124	3,652,764
Total unrealised gains at 30 June	<u>15,936,037</u>	<u>15,723,700</u>

Notes to the financial statements 30 June 2019

16 Lease commitments

As at 30 June 2019 the charity had no commitments (2018 – £nil).

17 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up, members are required to contribute an amount not exceeding £1.