

Charity Registration No. 267192

THE RHODODENDRON TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2019

PM+M Solutions for Business LLP
Chartered Accountants
New Century House
Greenbank Technology Park
Blackburn
Lancashire
BB1 5QB

THE RHODODENDRON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|--|
| Trustees | Ms W Anderson Ms S Ray Ms E Baldwin Ms S Oliver |
| Charity number | 267192 |
| Registered office | C/o PM+M Solutions for Business LLP New Century House Greenbank Technology Park Challenge Way Blackburn Lancashire BB1 5QB |
| Independent examiner | PM+M Solutions for Business LLP New Century House Greenbank Technology Park Challenge Way Blackburn Lancashire BB1 5QB |
| Bankers | Nat West 28 Bank Street Rawtenstall BB4 8TS |
| Portfolio Managers | Charles Stanley 25 Luke Street London EC2A 4AR |

THE RHODODENDRON TRUST

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THE RHODODENDRON TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2019

The trustees present their report and financial statements for the year ended 5 April 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The trust funds are held by the trustees on wide discretionary powers for such charitable purposes as the trustees may select. It is currently the policy of the trustees that the trust's donations should be divided as follows: (i) approximately 50% of the donations are made to charities whose work is primarily overseas; (ii) approximately 40% are for UK social welfare charities; (iii) approximately 10% are for UK cultural charities.

The trustees have reviewed the outcomes and the achievements of the activities for the year to ensure that they remain focused on the charitable aims and continue to deliver benefits to the public. We have complied with the duty under the Charities Act to have due regard to the public benefit guidance published by the Charity Commission.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Details of the income and expenditure during the year and the balance sheet at 5 April 2019 are set out on pages 5 and 6.

The trust has continued to support overseas charities, UK charities that promote social welfare and UK cultural charities.

Financial review

During the year the trust's income exceeded charitable distributions and expenses by £2,257 (2018 - £15,528). The trustees have made donations to various charities totalling £57,500 this year (2018 - £56,000).

During the year sales of quoted investments have realised a loss of £635 (2018 – gain of £2,800) and at the year end there was an unrealised gain of £255,539 (2018 – loss £74,880).

The trustees anticipate being able to maintain or moderately increase the level of donations in the year ahead.

Structure, governance and management

The trust was established for charitable purposes on 26 January 1974 and is entered in the Central Register of Charities under registration number 267192.

The trustees who served during the year and up to the date of signature of the financial statements were:

Ms W Anderson

Ms S Ray

Ms E Baldwin

Ms S Oliver

The responsibility to appoint new trustees is held by the existing trustees.

THE RHODODENDRON TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2019

The trustees consider that all the major strategic, business and operational risks to which the charity is exposed, as identified by the trustees, have been reviewed and procedures have been put in place to mitigate those risks.

The trust's investment policy is to achieve a balance between capital growth and rising income, over the medium to long term.

Donations are made from the annual income of the trust, after careful consideration by the trustees of applications received throughout the year.

The trustees regularly consult with their financial and stockbroking advisers, Charles Stanley, before any changes are made to the investment portfolio.

Grant policy and organisation structure

All charitable expenditure is regularly reviewed and approved by the trustees. The funds are fully committed throughout 2019.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which enables the annual donations to be funded out of the annual income of the trust.

Statement of trustees' responsibilities

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

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 year.

In preparing these financial statements, the trustees are required to:

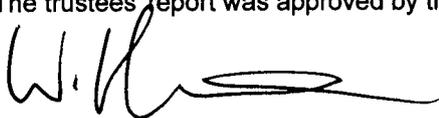
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

THE RHODODENDRON TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2019

The trustees' report was approved by the Board of Trustees.



Ms W Anderson

Trustee

Dated: 4 February 2020

THE RHODODENDRON TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE RHODODENDRON TRUST

I report to the trustees on my examination of the financial statements of The Rhododendron Trust (the charity) for the year ended 5 April 2019.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

PM+M Solutions for Business LLP

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New Century House
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Challenge Way
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Lancashire
BB1 5QB

Dated: 4 February 2020

THE RHODODENDRON TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 5 APRIL 2019

| | | Unrestricted funds 2019 £ | Unrestricted funds 2018 £ |
|--------------------------------------|---|---------------------------------|---------------------------------|
| Income from: | | | |
| Investments | 2 | 75,736 | 84,615 |
| Interest receivable | 3 | 155 | 9 |
| Total income | | 75,891 | 84,624 |
| Expenditure on: | | | |
| Charitable activities | 4 | 57,500 | 56,000 |
| Governance costs | 7 | 16,134 | 13,096 |
| Total resources expended | | 73,634 | 69,096 |
| Net gains/(losses) on investments | 8 | 254,904 | (72,080) |
| Net movement in funds | | 257,161 | (56,552) |
| Fund balances at 6 April 2018 | | 1,993,514 | 2,050,066 |
| Fund balances at 5 April 2019 | | 2,250,675 | 1,993,514 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE RHODODENDRON TRUST

BALANCE SHEET

AS AT 5 APRIL 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|---|-------|-----------|------------------|-----------|------------------|
| Fixed assets | | | | | |
| Investments | 9 | | 2,251,183 | | 1,971,529 |
| Current assets | | | | | |
| Cash at bank and in hand | | 46,192 | | 85,644 | |
| Creditors: amounts falling due within one year | 11 | (46,700) | | (63,659) | |
| Net current (liabilities)/assets | | | (508) | | 21,985 |
| Total assets less current liabilities | | | <u>2,250,675</u> | | <u>1,993,514</u> |
| Income funds | | | | | |
| Unrestricted funds | | | <u>2,250,675</u> | | <u>1,993,514</u> |
| | | | <u>2,250,675</u> | | <u>1,993,514</u> |

The financial statements were approved by the Trustees on 4 February 2020



Ms W Anderson
Trustee

THE RHODODENDRON TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2019

1 Accounting policies

Charity information

The Rhododendron Trust is an unincorporated association governed by a Trust Deed dated 26th January 1974.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Dividends are only accounted for when received. Interest receivable is accounted for on a receipts basis.

1.5 Resources expended

Donations are accounted for when approved for payment by the Trustees. Expenditure is accounted for on an accruals basis and is classified under headings that aggregate all costs related thereto. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs comprise investment management, accountancy and professional fees.

THE RHODODENDRON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2019

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Investments

| | Unrestricted funds | Unrestricted funds |
|--|-----------------------|-----------------------|
| | 2019 | 2018 |
| | £ | £ |
| Income from UK investments | 44,796 | 46,272 |
| Property income distributions | - | 993 |
| Gross interest from UK companies and government stocks | 10,722 | 10,794 |
| Net overseas dividends | 20,218 | 26,556 |
| | <u>75,736</u> | <u>84,615</u> |

THE RHODODENDRON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2019

3 Interest receivable

| | Unrestricted funds | Unrestricted funds |
|------------------------|--------------------|--------------------|
| | 2019 | 2018 |
| | £ | £ |
| Bank interest received | 155 | 9 |

4 Charitable activities

| | 2019 | 2018 |
|-----------|--------|--------|
| | £ | £ |
| Donations | 57,500 | 56,000 |

5 Trustees

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

6 Employees

There were no employees during the year.

7 Governance costs

| | Unrestricted funds | Unrestricted funds |
|------------------|--------------------|--------------------|
| | 2019 | 2018 |
| | £ | £ |
| Accountancy fees | 5,700 | 2,400 |
| Sundry | 10,434 | 10,696 |
| | 16,134 | 13,096 |

8 Net gains/(losses) on investments

| | Unrestricted funds | Unrestricted funds |
|----------------------------|--------------------|--------------------|
| | 2019 | 2018 |
| | £ | £ |
| Revaluation of investments | 254,904 | (72,080) |

THE RHODODENDRON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2019

9 Fixed asset investments

| | Listed investments £ |
|--------------------------|----------------------------|
| Cost or valuation | |
| At 6 April 2018 | 1,971,529 |
| Additions | 89,015 |
| Valuation changes | 255,539 |
| Disposals | (64,900) |
| | <u>2,251,183</u> |
| At 5 April 2019 | <u>2,251,183</u> |
| Carrying amount | |
| At 05 April 2019 | <u><u>2,251,183</u></u> |
| At 05 April 2018 | <u><u>1,971,529</u></u> |

10 Financial instruments

| | 2019 £ | 2018 £ |
|---|------------------|------------------|
| Carrying amount of financial assets | | |
| Equity instruments measured at cost less impairment | <u>2,251,183</u> | <u>1,971,529</u> |
| Carrying amount of financial liabilities | | |
| Measured at amortised cost | <u>46,700</u> | <u>63,659</u> |

11 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|-------------------|----------------------|----------------------|
| Trade creditors | 11,700 | 6,000 |
| Dividends payable | - | 159 |
| Other creditors | <u>35,000</u> | <u>57,500</u> |
| | <u><u>46,700</u></u> | <u><u>63,659</u></u> |

12 Analysis of net assets between funds

| | 2019 £ | 2018 £ |
|---|-------------------------|-------------------------|
| Fund balances at 5 April 2019 are represented by: | | |
| Investments | 2,251,183 | 1,971,529 |
| Current assets/(liabilities) | (508) | 21,985 |
| | <u><u>2,250,675</u></u> | <u><u>1,993,514</u></u> |

THE RHODODENDRON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2019

13 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).