

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2019
for
Reed Family Foundation**

Reed Family Foundation

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Reed Family Foundation

Report of the Trustees for the Year Ended 31 December 2019

The trustees present their report with the financial statements of the charity for the year ended 31 December 2019. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The charity's objectives are to further such exclusivity charitable purposes according to the law of England and Wales as its trustees in their discretion determine from time to time.

The charity makes grants to organisations and individuals for exclusively charitable purposes.

The charity has a grant-making policy in place which sets out priorities for funding, the process the trustees follow in making grants and what is required from grant recipients in terms of monitoring and reporting.

ACHIEVEMENT AND PERFORMANCE

No donations were received in the year and the charity committed to making 3 grants totalling £42,000 (2018: 8 grants totalling £46,350) out of resources brought forward from the previous year.

FINANCIAL REVIEW

Financial position

During the year under review, total income was £4,174 (2018: £3,594) total expenditure was £54,855 (2018: £68,057) and net gains on investments totalled £238,557 (2018: £35,409), resulting in the unrestricted reserves for the year carried forward of £1,441,767 (2018: £1,253,891).

Reserves policy

The charity has significant reserves and the charity pays grants based on its ability to do so taking into account commitments already made. The reserves policy of Reed Family Foundation is to maintain sufficient free reserves (total reserves less restricted funds and fixed assets) to enable the charity to meet these grant making objectives. The current level of free reserves is £127,367.

FUTURE PLANS

The trustees intend to continue to identify projects worthy of charitable support throughout the next financial period. The trustees shall continue to review the grant-making strategy and the priorities for funding.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity's governing document is its Constitution adopted on 1 October 2013 as amended on 20 January 2015, and it is constituted as a "Charitable Incorporated Organisation" (CIO).

Apart from the first trustees, new trustees will be appointed by the founding trustee, Richard Reed in accordance with clause 10 of the governing document. If he ceases to be a trustee, the remaining trustees have power to appoint new trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1154027

Principal address

C/O Womble Bond Dickinson
112 Quayside
St Ann's Wharf
NEWCASTLE
NE1 3DX

Reed Family Foundation

**Report of the Trustees
for the Year Ended 31 December 2019**

Trustees

R Reed
CA Reed
KE May

Independent Examiner

Christopher Beaumont BA(Hons) BFP FCA DChA
Clive Owen LLP
Chartered Accountants
140 Coniscliffe Road
DARLINGTON
Co Durham
DL3 7RT

Approved by order of the board of trustees on 21 August 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'R Reed', written over a horizontal line.

R Reed - Trustee

Independent Examiner's Report to the Trustees of Reed Family Foundation

Independent examiner's report to the trustees of Reed Family Foundation

I report to the charity trustees on my examination of the accounts of Reed Family Foundation (the Trust) for the year ended 31 December 2019.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

Christopher Beaumont BA(Hons) BFP FCA DChA
Clive Owen LLP
Chartered Accountants
140 Coniscliffe Road
DARLINGTON
Co Durham
DL3 7RT

21 August 2020

Reed Family Foundation

**Statement of Financial Activities
for the Year Ended 31 December 2019**

	Notes	2019 Unrestricted fund £	2018 Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	2	4,174	3,594
EXPENDITURE ON			
Raising funds			
Investment management costs	3	9,808	5,967
		<hr/>	<hr/>
		9,808	5,967
Charitable activities			
	4		
Grants payable		42,000	46,350
Support costs of grant making		3,047	15,740
		<hr/>	<hr/>
Total		54,855	68,057
Net gains on investments		238,557	35,409
		<hr/>	<hr/>
NET INCOME/(EXPENDITURE)		187,876	(29,054)
RECONCILIATION OF FUNDS			
Total funds brought forward		1,253,891	1,282,945
		<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>1,441,767</u>	<u>1,253,891</u>

The notes form part of these financial statements

Reed Family Foundation

Balance Sheet 31 December 2019

		2019 Unrestricted fund £	2018 Total funds £
	Notes		
FIXED ASSETS			
Investments	8	1,314,400	1,078,640
CURRENT ASSETS			
Cash at bank		132,392	183,627
CREDITORS			
Amounts falling due within one year	9	(5,025)	(8,376)
NET CURRENT ASSETS		<u>127,367</u>	<u>175,251</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,441,767</u>	<u>1,253,891</u>
NET ASSETS		<u>1,441,767</u>	<u>1,253,891</u>
FUNDS	10		
Unrestricted funds		<u>1,441,767</u>	<u>1,253,891</u>
TOTAL FUNDS		<u>1,441,767</u>	<u>1,253,891</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21 August 2020 and were signed on its behalf by:

Trustee

Reed Family Foundation

Notes to the Financial Statements for the Year Ended 31 December 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Incoming resources

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of these conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. Donations in the Statement of Financial Activities include any associated gift aid.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

All funds held at 31 December 2019 and 31 December 2018 together with all transactions throughout the years related to unrestricted funds.

Financial instruments

The charitable company has financial assets and financial liabilities as basic financial instruments. They are initially recognised at transactions value and subsequently measured as their settlement value, with charges recognised in profit or loss.

Reed Family Foundation

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

1. ACCOUNTING POLICIES - continued

Public benefit

Reed Family Foundation constitutes a public benefit entity as defined by FRS102.

Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued initially at cost and subsequently at fair value (their market value) at the year end. Any gains or losses on revaluation are taken to the Statement of Financial Activities. Where a reliable valuation cannot be obtained investments will be held at cost.

2. INVESTMENT INCOME

	2019	2018
	£	£
Dividends received	3,578	2,956
Bank account interest	596	638
	<u>4,174</u>	<u>3,594</u>

3. INVESTMENT MANAGEMENT COSTS

	2019	2018
	£	£
Investment advice	<u>9,808</u>	<u>5,967</u>

4. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 5)	Support costs (see note 6)	Totals
	£	£	£
Grants payable	42,000	-	42,000
Support costs of grant making	-	3,047	3,047
	<u>42,000</u>	<u>3,047</u>	<u>45,047</u>

5. GRANTS PAYABLE

	2019	2018
	£	£
Grants payable	<u>42,000</u>	<u>46,350</u>

The total grants paid to institutions during the year was as follows:

	2019	2018
	£	£
Africa Prison Project	-	25,000
Gunjar Project	-	1,000
Just Like Us	5,000	5,000
Whitley Fund for Nature	-	10,000
Five Rivers	2,000	1,100
War Child	-	250
One Woman at a Time	-	2,500
Grove School PTA	-	1,500
Greenpeace	35,000	-
	<u>42,000</u>	<u>46,350</u>

Reed Family Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

6. SUPPORT COSTS

	2019	2018
	£	£
Legal & professional fees	4,023	14,251
Independent examination	2,300	2,220
Foreign exchange differences	-3,276	-731
	<u>3,047</u>	<u>15,740</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2019 nor for the year ended 31 December 2018.

8. FIXED ASSET INVESTMENTS

	2019	2018
	£	£
Shares	1,202,434	1,055,904
Other	111,966	22,736
	<u>1,314,400</u>	<u>1,078,640</u>

Additional information as follows:

	Listed investments £
MARKET VALUE	
At 1 January 2019	1,055,904
Additions	176,213
Disposals	(181,332)
Revaluations	151,649
	<u>1,202,434</u>
At 31 December 2019	<u>1,202,434</u>
NET BOOK VALUE	
At 31 December 2019	<u>1,202,434</u>
At 31 December 2018	<u>1,055,904</u>

Investment Summary

	Cost £	Current value £
North America	179,688	338,892
United Kingdom	137,035	203,355
International	411,815	661,187
	<u>728,538</u>	<u>1,203,434</u>
Total	<u>728,538</u>	<u>1,203,434</u>

Reed Family Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

8. FIXED ASSET INVESTMENTS - continued

Investments (neither listed nor unlisted) were as follows:

	2019 £	2018 £
Cash held in portfolio	111,966	22,736

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other creditors	5,025	8,376

10. MOVEMENT IN FUNDS

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	1,253,891	187,876	1,441,767
TOTAL FUNDS	1,253,891	187,876	1,441,767

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,174	(54,855)	238,557	187,876
TOTAL FUNDS	4,174	(54,855)	238,557	187,876

Comparatives for movement in funds

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	1,282,945	(29,054)	1,253,891
TOTAL FUNDS	1,282,945	(29,054)	1,253,891

Reed Family Foundation

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,594	(68,057)	35,409	(29,054)
TOTAL FUNDS	<u>3,594</u>	<u>(68,057)</u>	<u>35,409</u>	<u>(29,054)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.18 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	1,282,945	158,822	1,441,767
TOTAL FUNDS	<u>1,282,945</u>	<u>158,822</u>	<u>1,441,767</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	7,768	(122,912)	273,966	158,822
TOTAL FUNDS	<u>7,768</u>	<u>(122,912)</u>	<u>273,966</u>	<u>158,822</u>

Unrestricted funds are held to make grants to projects worthy of charitable support as identified by the trustees.

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2019 or 31 December 2018.