

**NATHAN KARET CHARITABLE TRUST**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 5 APRIL 2019**

**BAGINSKY COHEN**

**CHARTERED ACCOUNTANTS**

# **NATHAN KARET CHARITABLE TRUST**

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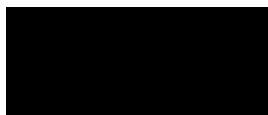
## **NATHAN KARET CHARITABLE TRUST**

### **REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 5 APRIL 2019**

**Trustees** IAN A N KARET  
FIONA E KARET

**Charity registered number** 286708

**Principal office**



**Independent auditors** BAGINSKY COHEN  
930 HIGH ROAD  
LONDON  
N12 9RT

**Bankers** LLOYDS BANK  
FINCHLEY BRANCH  
359 REGENTS PARK ROAD  
LONDON  
N3 1DN

## **NATHAN KARET CHARITABLE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2019**

The Trustees present their annual report together with the audited financial statements of the Nathan Karet Charitable Trust for the year 6 April 2018 to 5 April 2019.

#### **OBJECTIVES AND ACTIVITIES**

##### **a. Policies and objectives**

The objectives of the Trust are to pay to or apply the income of the Trust Fund and also so much of the capital of the Trust Funds as the Trustees may from time to time determine to such Charities or such Charitable Purposes and in such proportions and in such manner and subject to such terms and conditions as the Trustees may in their absolute unfettered discretion determine.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### **ACHIEVEMENTS AND PERFORMANCE**

a. The Trust has continued to support the Arts and Charities providing assistance to those in need

#### **FINANCIAL REVIEW**

##### **a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

##### **b. Reserves policy**

At 5 April 2019 the reserves amounted to £1,804,830 (2018: £394,139). It is the trustees policy to distribute the income arising from the Capital Invested to various causes as and when the need arises.

##### **c. Principal funding**

During the period, the Charity received donations of £1,458,485 in pursuance of its charitable objects.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **a. Constitution**

Nathan Karet Charitable Trust is a registered charity, number 286708, and is constituted under a Trust deed.

##### **b. Methods of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

#### **PLANS FOR THE FUTURE**

The Charity aims to continue to make donations to causes that the Trustees deem appropriate.

## **NATHAN KARET CHARITABLE TRUST**

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

#### **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 & 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

#### **Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### **Auditors**

The auditors, Baginsky Cohen, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 30 January 2020 and signed on their behalf by:

**IAN A N KARET**  
(Chair of Trustees)

## **NATHAN KARET CHARITABLE TRUST**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATHAN KARET CHARITABLE TRUST**

#### **Opinion**

We have audited the financial statements of Nathan Karet Charitable Trust (the 'charity') for the year ended 5 April 2019 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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.

## **NATHAN KARET CHARITABLE TRUST**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATHAN KARET CHARITABLE TRUST (CONTINUED)**

#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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.

#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of trustees**

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

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

## **NATHAN KARET CHARITABLE TRUST**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATHAN KARET CHARITABLE TRUST (CONTINUED)**

#### **Auditors' responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**BAGINSKY COHEN**  
930 HIGH ROAD  
LONDON  
N12 9RT

30 January 2020



# **NATHAN KARET CHARITABLE TRUST**

## **STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2019**

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>INCOME FROM:</b>				
Donations and legacies	2	1,558,485	1,558,485	14,480
<b>EXPENDITURE ON:</b>				
Charitable activities	3	47,201	47,201	10,200
<b>NET MOVEMENT IN FUNDS</b>				
		1,511,284	1,511,284	4,280
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		394,139	394,139	389,859
Net movement in funds		1,511,284	1,511,284	4,280
<b>TOTAL FUNDS CARRIED FORWARD</b>				
		1,905,423	1,905,423	394,139

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

The notes on pages 9 to 12 form part of these financial statements.

# **NATHAN KARET CHARITABLE TRUST**

## **BALANCE SHEET AS AT 5 APRIL 2019**

	Note	2019 £	2018 £
<b>CURRENT ASSETS</b>			
Debtors	6	100,000	-
Cash at bank and in hand		1,807,830	395,339
		<u>1,907,830</u>	<u>395,339</u>
Creditors: amounts falling due within one year	7	(2,407)	(1,200)
		<u>1,905,423</u>	<u>394,139</u>
<b>NET CURRENT ASSETS</b>			
<b>TOTAL NET ASSETS</b>		<u><u>1,905,423</u></u>	<u><u>394,139</u></u>
<b>CHARITY FUNDS</b>			
Unrestricted funds	8	1,905,423	394,139
<b>TOTAL FUNDS</b>		<u><u>1,905,423</u></u>	<u><u>394,139</u></u>

The financial statements were approved and authorised for issue by the Trustees on 30 January 2020 and signed on their behalf by:

**IAN A N KARET**  
(Chair of Trustees)

The notes on pages 9 to 12 form part of these financial statements.

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

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Nathan Karet Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 INCOME**

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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**1.3 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

## NATHAN KARET CHARITABLE TRUST

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

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.4 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.5 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.6 LIABILITIES AND PROVISIONS

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

##### 1.7 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 1.8 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

#### 2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	1,453,267	1,453,267	11,000
Gift aid	102,750	102,750	1,500
Income bond interest	2,468	2,468	1,980
	<u>1,558,485</u>	<u>1,558,485</u>	<u>14,480</u>

# NATHAN KARET CHARITABLE TRUST

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

### 3. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

#### Summary by fund type

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations to other charities	45,401	45,401	9,000
Audit costs and accountancy	1,800	1,800	1,200
	<u>47,201</u>	<u>47,201</u>	<u>10,200</u>

### 4. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<u>1,200</u>	<u>1,200</u>

### 5. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 5 April 2019, no Trustee expenses have been incurred (2018 - £NIL).

### 6. DEBTORS

	2019 £	2018 £
<b>DUE WITHIN ONE YEAR</b>		
Prepayments and accrued income	100,000	-
	<u>100,000</u>	<u>-</u>

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other creditors	<u>2,407</u>	<u>1,200</u>

# **NATHAN KARET CHARITABLE TRUST**

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

### **8. STATEMENT OF FUNDS**

#### **STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 6 April 2018 £	Income £	Expenditure £	Balance at 5 April 2019 £
<b>UNRESTRICTED FUNDS</b>				
General Funds - all funds	394,139	1,558,485	(47,201)	1,905,423