

Rachel Charitable Trust

Financial Statements

30 June 2016

Charity Registration Number: 276441

COHEN ARNOLD

Chartered accountant & statutory auditor

New Burlington House

1075 Finchley Road

London

NW11 0PU

Rachel Charitable Trust
Financial Statements
Year ended 30 June 2016

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Rachel Charitable Trust
Trustees' Annual Report
Year ended 30 June 2016

The trustees present their report and the financial statements of the charity for the year ended 30 June 2016.

Reference and administrative details

Registered charity name Rachel Charitable Trust

Charity registration number 276441

Principal office 5 Wigmore Street
London
W1U 1PB

The trustees

Mr L Noé
Mrs S D Noé
Mr S Kanter LLB Hons

Charity secretary Mr A M Jacobs

Auditor Cohen Arnold
Chartered accountant & statutory auditor
New Burlington House
1075 Finchley Road
London
NW11 0PU

Bankers Metro Bank
1 Southampton Row
London
WC1B 5HA

Solicitors Olswang
90 High Holborn
London
WC1V 6XX

Structure, governance and management

Governing document

The organisation is governed by a Trust Deed dated 9th July 1978.

Appointment Training and Recruitment of Trustees

The organisation is run by the trustees who do not receive any remuneration in their capacity as trustees (see notes 12 and 20).

The statutory power of appointing new trustees or a new trustee is exercisable by the trustees during their joint lives and thereafter by the survivor of them.

Rachel Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 30 June 2016

Structure, governance and management *(continued)*

Risk Management

The trustees have identified and reviewed the major risks to which the Trust is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate those risks.

Financial risk management and policies

The charity holds or issues financial instruments in order to achieve three main objectives being:

- a) to finance its operations
- b) to manage its exposure to interest and currency risks arising from operations and from its sources of finance; and
- c) for generating funds.

In addition various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the charity's operations.

Credit risks

The charity monitors credit risk closely and considers that its current policies of credit risk checks meets its objectives of managing exposure to credit risk.

The charity has no significant concentrations of credit risks. Amounts shown in the balance sheet represent the maximum credit exposure in the event other parties fail to perform their obligations under the financial instruments including charitable loans that are made in the furtherance of charitable objectives.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objectives and activities

Charitable Objects

The charity was established for general charitable purpose and in particular for the relief of poverty and the advancement of religion and religious education.

Aims, Objectives and Activities for Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees identify institutions and organisations which meet its above charitable objects and regularly support a number of these institutions and organisations, not only in England but also worldwide.

The organisations and institutions which are regularly supported by Rachel Charitable Trust are growing and thus there is a continual call for support.

Rachel Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 30 June 2016

Achievements and performance

The main areas of charitable activity are the provision of financial support to organisations engaging in religious education, advancement of religion and philanthropic aid to the needy. Voluntary income was higher than the previous year. Charitable distributions increased in the year and were funded from current year incoming resources.

Planning permission has been obtained in respect of a parcel of land owned by the charity and it is anticipated that this land will be sold for a substantial profit.

Financial review

The charity is dependent on income from investments and voluntary donations. During the year the investment income increased and voluntary income also increased in comparison to the previous year.

Investment Powers and Performance

In accordance with the trust deed, the charity has the power to make any investments which the trustees see fit. The trustees regularly review the charity's position and needs in respect of the investment policy.

Plans for future periods

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory incoming resources.

Grant making policy

The charity accepts applications for grants from representatives of various charities, which are reviewed by the trustees on a regular basis.

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 the trustees think appropriate after considering the future commitments of the charity and the likely administrative costs of the charity for the next year.

Fixed Assets

The movements in fixed assets are fully reflected in the notes to the financial statements.

Land and buildings

The charity's investment properties have been valued by BMO Real Estate Partners LLP, the charity's property advisers and are stated at open market value.

Trustees' responsibilities statement

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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

Rachel Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 30 June 2016

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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions 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 applicable Charities (Accounts and Reports) Regulations, 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.

Auditor

Cohen Arnold have been re-appointed as auditor for the ensuing year.

The trustees' annual report was approved on 25 April 2017 and signed on behalf of the board of trustees by:



Mr A M Jacobs
Charity Secretary

Rachel Charitable Trust
Independent Auditor's Report to the Members of Rachel Charitable Trust
Year ended 30 June 2016

We have audited the financial statements of Rachel Charitable Trust for the year ended 30 June 2016 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2016 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.

Rachel Charitable Trust

Independent Auditor's Report to the Members of Rachel Charitable Trust *(continued)*

Year ended 30 June 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees Annual 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.

New Burlington House
1075 Finchley Road
London
NW11 0PU

25 April 2017


Cohen Arnold

Chartered accountants & statutory auditor

Rachel Charitable Trust
Statement of Financial Activities
30 June 2016

		2016		2015
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	6,459,507	6,459,507	2,708,950
Investment income	5	2,032,576	2,032,576	1,887,445
Total income		<u>8,492,083</u>	<u>8,492,083</u>	<u>4,596,395</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	6	(1,942,956)	(1,942,956)	(1,821,150)
Expenditure on charitable activities	7,8	(5,463,534)	(5,463,534)	(3,252,167)
Total expenditure		<u>(7,406,490)</u>	<u>(7,406,490)</u>	<u>(5,073,317)</u>
Net losses on investments	10	(2,427)	(2,427)	-
Net income/(expenditure)		<u>1,083,166</u>	<u>1,083,166</u>	<u>(476,922)</u>
Other recognised gains and losses				
Fair value movements		873,979	873,979	77,448
Net movement in funds		1,957,145	1,957,145	(399,474)
Reconciliation of funds				
Total funds brought forward		5,024,206	5,024,206	5,423,680
Total funds carried forward		<u>6,981,351</u>	<u>6,981,351</u>	<u>5,024,206</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

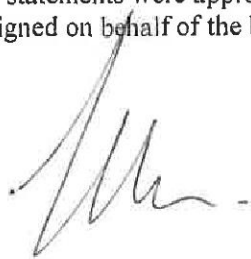
The notes on pages 10 to 17 form part of these financial statements.

Rachel Charitable Trust
Statement of Financial Position
30 June 2016

		2016	2015
		£	£
Fixed assets			
Investments	13	31,286,405	32,613,539
Current assets			
Debtors	14	638,654	244,636
Cash at bank and in hand		816,866	831,839
		<u>1,455,520</u>	<u>1,076,475</u>
Creditors: amounts falling due within one year	15	<u>1,365,814</u>	<u>1,264,055</u>
Net current assets		89,706	(187,580)
Total assets less current liabilities		31,376,111	32,425,959
Creditors: amounts falling due after more than one year	16	<u>24,394,760</u>	<u>27,401,753</u>
Net assets		<u>6,981,351</u>	<u>5,024,206</u>
Funds of the charity			
Unrestricted funds		<u>6,981,351</u>	<u>5,024,206</u>
Total unrestricted funds		<u>6,981,351</u>	<u>5,024,206</u>
Total charity funds	17	<u>6,981,351</u>	<u>5,024,206</u>

These financial statements were approved by the board of trustees and authorised for issue on 16 April 2017, and are signed on behalf of the board by:

Mr L Noé
Trustee



The notes on pages 10 to 17 form part of these financial statements.

Rachel Charitable Trust
Statement of Cash Flows
Year ended 30 June 2016

	2016 £	2015 £
Cash flows from operating activities		
Net income/(expenditure)	1,083,166	(476,922)
<i>Adjustments for:</i>		
Net losses on investments	2,427	—
Dividends, interest and rents from investments	(2,030,991)	(1,886,548)
Other interest receivable and similar income	(1,585)	(897)
Accrued expenses	105,689	308,077
<i>Changes in:</i>		
Trade and other debtors	(394,018)	376,772
Trade and other creditors	(34,673)	(352,677)
Cash generated from operations	(1,269,985)	(2,032,195)
Interest received	1,585	897
Net cash used in operating activities	(1,268,400)	(2,031,298)
Cash flows from investing activities		
Dividends, interest and rents from investments	2,030,991	1,886,548
Purchases of other investments	(28,624)	(76,253)
Proceeds from sale of other investments	2,227,310	—
Net cash from investing activities	4,229,677	1,810,295
Cash flows from financing activities		
Proceeds from borrowings	(2,976,250)	(257,767)
Net cash used in financing activities	(2,976,250)	(257,767)
Net decrease in cash and cash equivalents	(14,973)	(478,770)
Cash and cash equivalents at beginning of year	831,839	1,310,609
Cash and cash equivalents at end of year	816,866	831,839

The notes on pages 10 to 17 form part of these financial statements.

Rachel Charitable Trust
Notes to the Financial Statements
Year ended 30 June 2016

1. General information

The charity is registered charity in England and Wales and is unincorporated.
The address of the principal office is 5 Wigmore Street, London, W1U 1PB.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 21.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Governance Costs

Governance Costs include the cost of the preparation and audit of the financial statements and the cost of any legal advice to the trustees on governance or constitutional matters.

Income tax

The Charity is not liable to direct taxation (Income Tax) on its income which falls within the various exemptions available to registered charities. As a result no Deferred tax is provided on timing differences. The Charity is registered for Value Added Tax (VAT) in respect of its investment properties and is therefore is able to reclaim any input tax it suffers on its property expenses and purchases. Expenditure in the accounts other than on investment property is therefore shown inclusive of VAT where appropriate.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2016

3. Accounting policies *(continued)*
Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for a particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount 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.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

All investment properties are stated at fair valuation.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2016

3. Accounting policies *(continued)*

Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Donations				
General Donations	6,459,507	6,459,507	2,708,950	2,708,950

5. Investment income

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Rental Income	2,030,991	2,030,991	1,886,548	1,886,548
Bank Interest Receivable	1,585	1,585	897	897
	<u>2,032,576</u>	<u>2,032,576</u>	<u>1,887,445</u>	<u>1,887,445</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2016

6. Investment management costs

	Unrestricted Funds	Total Funds 2016	Unrestricted Funds	Total Funds 2015
	£	£	£	£
Rent collection	45,951	45,951	41,412	41,412
Property repairs and maintenance charges	155,720	155,720	29,530	29,530
Rates & Insurance	106,195	106,195	53,207	53,207
Legal & professional fees	100,772	100,772	59,264	59,264
Other portfolio management costs	14,265	14,265	44,459	44,459
Interest payable and bank charges	1,520,053	1,520,053	1,593,278	1,593,278
	<u>1,942,956</u>	<u>1,942,956</u>	<u>1,821,150</u>	<u>1,821,150</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2016	Unrestricted Funds	Total Funds 2015
	£	£	£	£
Charitable donations	5,453,634	5,453,634	3,242,817	3,242,817
Support costs	9,900	9,900	9,350	9,350
	<u>5,463,534</u>	<u>5,463,534</u>	<u>3,252,167</u>	<u>3,252,167</u>

8. Expenditure on charitable activities by activity type

	Grant funding of activities	Support costs	Total funds 2016	Total fund 2015
	£	£	£	£
Charitable donations	5,453,634	—	5,453,634	3,242,817
Governance costs	—	9,900	9,900	9,350
	<u>5,453,634</u>	<u>9,900</u>	<u>5,463,534</u>	<u>3,252,167</u>

The charity has during the year made charitable donations to various institutions and individuals and the donations have been made for general charitable purposes. Disclosure of the various institutions would seriously prejudice the charity and its recipients.

The charitable donations have been detailed in a separate publication entitled - Rachel Charitable Trust - Schedule of Charitable Donations. Copies of this schedule are available to members of the public, at a cost of £25, by writing to the Trustee, Mr L Noe, Rachel Charitable Trust, 5 Wigmore Street, London W1U 1PB by registered post.

9. Analysis of support costs

	Support costs	Total 2016	Total 2015
	£	£	£
Governance costs	<u>9,900</u>	<u>9,900</u>	<u>9,350</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2016

10. Net losses on investments

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Gains/(losses) on other investment assets	<u>2,427</u>	<u>2,427</u>	<u>—</u>	<u>—</u>

11. Auditors remuneration

	2016 £	2015 £
Fees payable for the audit of the financial statements	<u>9,900</u>	<u>9,350</u>

12. Trustee remuneration and expenses

The charity has no staff other than the three trustees and a secretary all of whom give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2015: £nil).

The charity did not meet any expenses (2015: £nil) incurred by the trustees for services provided to the charity.

13. Investments

	Listed investments £	Investment properties £	Other investments £	Total £
Cost or valuation				
At 1 July 2015	9,539	30,400,000	2,204,000	32,613,539
Additions	—	28,624	—	28,624
Disposals	—	—	(2,229,737)	(2,229,737)
Fair value movements	<u>2,866</u>	<u>831,376</u>	<u>39,737</u>	<u>873,979</u>
At 30 June 2016	<u>12,405</u>	<u>31,260,000</u>	<u>14,000</u>	<u>31,286,405</u>
Impairment				
At 1 July 2015 and 30 June 2016			<u>—</u>	<u>—</u>
Carrying amount				
At 30 June 2016	<u>12,405</u>	<u>31,260,000</u>	<u>14,000</u>	<u>31,286,405</u>
At 30 June 2015	<u>9,539</u>	<u>30,400,000</u>	<u>2,204,000</u>	<u>32,613,539</u>

All investments shown above are held at valuation.

Investment properties

The charity's investment properties as at the balance sheet date have been valued by BMO Real Estate Partners LLP, the charity's property advisors and are stated at fair value. Other Non-UK securities are included in the Financial Statements at their fair value as at the balance sheet date. Unlisted securities are valued by the fund manager.

Financial assets held at fair value

The listed share investments are valued at fair value based on stock exchange value as at 30 June 2016.

Rachel Charitable Trust
Notes to the Financial Statements (continued)
Year ended 30 June 2016

14. Debtors

	2016	2015
	£	£
Trade debtors	619,319	237,230
Prepayments and accrued income	19,290	1,849
Other debtors	45	5,557
	<u>638,654</u>	<u>244,636</u>

15. Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	431,878	401,135
Accruals and deferred income	413,766	308,077
Social security and other taxes	166,218	181,888
Other creditors - Rents demanded in advance	353,952	372,955
	<u>1,365,814</u>	<u>1,264,055</u>

The bank loans are secured over the investment properties of the charity.

16. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Bank loans and overdrafts	<u>24,394,760</u>	<u>27,401,753</u>

The charity had long term bank loans with Aviva Commercial Finance Ltd and HSBC Private Bank (UK) Ltd. During the year these loans were taken over by LSREF IV Churchill Investments DAC at varying interest rates which end in 2023, 2026 and 2027. The loans are secured on the investment properties of the charity. After the year end the loans were refinanced by IGC-Longbow Senior Debt SA and United Mizrahi Tefahot Bank.

The charity seeks to reduce its exposure to financial risk by ensuring that most of its exposure to adverse interest rate movements is limited through the use of fixed rate financial liabilities.

Analysis of the maturity of loans is given below:

	2016	2015
	£	£
Amounts falling due within one year		
Bank loans	<u>431,878</u>	<u>401,135</u>
Amounts falling due 1-2 years		
Bank loans	<u>457,222</u>	<u>3,006,253</u>
Amounts falling due 2-5 years		
Bank loans	<u>1,539,126</u>	<u>1,451,764</u>
Amounts falling due after more than 5 years		
Bank loans	<u>22,398,412</u>	<u>22,943,736</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2016

17. Analysis of charitable funds

Unrestricted funds

	At 1 July 2015	Income	Expenditure	Transfers	Gains and losses	At 30 June 2016
	£	£	£	£	£	£
Unrestricted funds	8,127,758	8,492,083	(7,406,490)	2,011,066	(2,427)	11,221,990
Fair value reserve	(3,103,552)	–	–	(2,011,066)	873,979	(4,240,639)
	<u>5,024,206</u>	<u>8,492,083</u>	<u>(7,406,490)</u>	<u>–</u>	<u>871,552</u>	<u>6,981,351</u>

18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2016
	£	£
Tangible fixed assets	31,286,405	31,286,405
Current assets	1,455,520	1,455,520
Creditors less than 1 year	(1,365,814)	(1,365,814)
Creditors greater than 1 year	(24,394,760)	(24,394,760)
Net assets	<u>6,981,351</u>	<u>6,981,351</u>

19. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	<u>873,979</u>	<u>77,448</u>

20. Related parties

Investment property management costs (Note 6) include:

a. £45,951 (2015: £41,412) for asset management services charged by BMO Real Estate Partners LLP. Mr L Noé has an interest in BMO Real Estate Partners LLP. The partnership provided its services at a net discounted charitable rate.

b. £49,920 (2015: £20,464) for legal services charged by Olswang LLP a firm in which Mr S Kanter is a partner. The partnership provided its services at a discounted charitable rate.

Charitable donations (Note 7) include donations totalling £213,732 (2015: £192,122) paid to charities with common trustees.

Donations received (Note 4) includes nil (2015: £625,000) from the trustee, Mr L Noe.

21. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 July 2014.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2016

21. Transition to FRS 102 *(continued)*

Reconciliation of retained funds

	1 July 2014			30 June 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	32,459,839	–	32,459,839	32,613,539	–	32,613,539
Current assets	1,972,300	(40,283)	1,932,017	1,100,038	(23,563)	1,076,475
Creditors less than 1 year	(1,165,288)	–	(1,165,288)	(1,264,055)	–	(1,264,055)
Net current assets	<u>807,012</u>	<u>(40,283)</u>	<u>766,729</u>	<u>(164,017)</u>	<u>(23,563)</u>	<u>(187,580)</u>
Total assets less current liabilities	33,266,851	(40,283)	33,226,568	32,449,522	(23,563)	32,425,959
Creditors greater than 1 year	(27,802,887)	–	(27,802,887)	(27,401,753)	–	(27,401,753)
Net assets	<u>5,463,964</u>	<u>(40,283)</u>	<u>5,423,681</u>	<u>5,047,769</u>	<u>(23,563)</u>	<u>5,024,206</u>
Funds of the charity	<u>5,463,964</u>	<u>(40,283)</u>	<u>5,423,681</u>	<u>5,047,769</u>	<u>(23,563)</u>	<u>5,024,206</u>

Reconciliation of net income or expenditure for the year

	Year ended 30 June 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Income and endowments	4,596,395	–	4,596,395
Expenditure	(5,090,037)	16,720	(5,073,317)
Net income/(expenditure)	<u>(493,642)</u>	<u>16,720</u>	<u>(476,922)</u>

In accordance with FRS 4 finance costs were amortised over the anticipated period of the loans to which they relate in the Statement of Financial Activities and the balance deferred in the Statement of Financial Position.

According to FRS 102, finance costs are written off completely in the year they are incurred. Accordingly, this is reflected in the financial statements and the effect of transition is shown above.