

The Sir John Ritblat Family Foundation

Unaudited Financial Statements

5 April 2017

Charity registration number: 262463

The Sir John Ritblat Family Foundation
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Year ended 5 April 2017

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The Sir John Ritblat Family Foundation

LEGAL AND ADMINISTRATIVE INFORMATION

Year ended 5 April 2017

OBJECTS

The formal objects are detailed in the Trust Deed dated 31 March 1971 amended by supplemental deed dated 18 June 2007 and are described on page 2. The trust was formerly known as The Sir John Ritblat Charitable Trust No 1.

TRUSTEES

Sir John Ritblat
Mr N. S. J. Ritblat
Mr J. W. J. Ritblat
Mr C. B. Wagman

PRINCIPAL OFFICE

Lansdowne House
Berkeley Square
London
W1J 6ER

INDEPENDENT EXAMINER

Sarah Mason FCA
RSM UK Tax and Accounting Limited
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1BP

BANKERS

HSBC Private Bank
78 St James' Street
London
SW1A 1JB

CHARITY REGISTERED NUMBER

262463

The Sir John Ritblat Family Foundation

TRUSTEES' REPORT

Year ended 5 April 2017

The Trustees present their report along with the unaudited financial statements of the charity for the year ended 5 April 2017. The unaudited financial statements have been prepared in accordance with the accounting policies set out on pages 9 to 11 and comply with the charity's trust deed and applicable law.

STRUCTURE AND GOVERNANCE

The Sir John Ritblat Family Foundation was constituted under a trust deed dated 31 March 1971, amended by supplemental deed dated 18 June 2007 and is a registered charity, number 262463. The Trust was established exclusively for charitable purposes by Sir John Ritblat.

The statutory power of appointing new or additional Trustees shall be vested in Sir John Ritblat during his life and the total number of Trustees shall not exceed four. All Trustees served for the period from 6 April 2016 to the date of this report.

The Trustees undertake training as required to ensure that they are aware of their responsibilities.

Objects

The Charity is established to create a fund for the benefit or furtherance of such charitable purposes, charitable institutions or charitable foundations on such terms in such manner and in such shares and proportions as the Trustees may from time to time determine. During the year grants were made at the discretion of the Trustees in accordance with these objectives and recognised in the financial statements as soon as they are approved and the recipient has been notified that they should expect to receive the grant.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

The attached financial statements show the current state of the finances which the Trustees consider to be sound.

The trust incurred charitable expenditure of £144,535 (2016: £253,873) and after gains/losses on investments had a surplus of £62,889 (2016: surplus of £109,366). The reserves balance brought forward at 6 April 2016 was £(59,952) giving a reserves balance at 5 April 2017 of £2,937.

Future Plans

During the year ended 5 April 2018, the Trustees intend to meet the objects of the trust by making further donations for the benefit of charitable institutions.

The funds of the charity are low because grant expenditure in the year to 5 April 2013 was in excess of incoming resources which resulted in a net reduction in the reserves of the Foundation of £989,518 in that year. During that year, a grant of £1m had been made to the London Business School which was financed by an un-secured interest-free loan of £1.25 million from Sir John Ritblat that will only be reduced or repaid at the Trustees' discretion. As at 5 April 2017, the balance on the long term loan outstanding to Sir John Ritblat was £1,624,000 (2016: £1,624,000). The amount and timing of any repayments of this loan are at the absolute discretion of the Trustees and therefore the Trustees are satisfied that the foundation remains a going concern. Any future grant payments are discretionary and the Trustees expect that the funds of the charity will gradually increase going forward via surpluses of voluntary income over expenditure.

The Sir John Ritblat Family Foundation

TRUSTEES' REPORT

Year ended 5 April 2017

Risk Management

The Trustees regularly review the major risks which the charity might face and undertake any steps that might be needed to mitigate these risks.

Grant Making Policy

The Trustees continued to support a wide range of charitable projects as permitted by the Trust's objects.

Public Benefit

The Trustees have considered the Charity Commission's guidance on public benefit when planning the activities of the charity. The Trustees believe that they comply with the Charity Commission guidance in accordance with Charities Act 2011.

Reserves Policy

Excluding the loan from Sir John Ritblat the charity has free reserves, defined as unrestricted net current assets and investments not part of the endowment fund of £1,200,190 (2016: £1,187,758).

This provides sufficient funds to cover management and administration costs and allows the Trustees scope for carrying out the objects of the charity.

Approved by the Trustees on 7th November 2017 and signed on their behalf by:



C. B. Wagman
Trustee

The Sir John Ritblat Family Foundation

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

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 the incoming resources and application of resources of the charity 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 in the Charities SORP;
- make judgments 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;
- 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 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 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.

The Sir John Ritblat Family Foundation

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SIR JOHN RITBLAT FAMILY FOUNDATION

I report on the accounts of the Sir John Ritblat Family Foundation for the year ended 5 April 2017, which are set out on pages 7 to 16.

Respective responsibilities of Trustees and examiner

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Your attention is drawn to the fact that the charity has prepared the accounts (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 been withdrawn.

The Sir John Ritblat Family Foundation

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SIR JOHN RITBLAT FAMILY FOUNDATION

We understand that 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.


~~Sarah Mason~~ FCA DChA

ON BEHALF OF RSM UK TAX AND ACCOUNTING LIMITED

Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1BP

Date: 13 November 2017

The Sir John Ritblat Family Foundation

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 5 April 2017

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds 2017 £	Total Funds 2016 £
Income and endowments from:					
Donations	3	65,194	-	65,194	396,587
Investments	4	36,120	-	36,120	28,695
Total income		<u>101,314</u>	<u>-</u>	<u>101,314</u>	<u>425,282</u>
Expenditure on:					
Charitable activities	6	144,535	-	144,535	253,873
Other		90	-	90	60
Total expenditure		<u>144,625</u>	<u>-</u>	<u>144,625</u>	<u>253,933</u>
Gains/(losses) on investment assets		55,743	50,457	106,200	(61,983)
Net income	5	<u>12,432</u>	<u>50,457</u>	<u>62,889</u>	<u>109,366</u>
Reconciliation of funds					
Total funds brought forward		(436,242)	376,290	(59,952)	(169,318)
Total funds carried forward		<u>(423,810)</u>	<u>426,747</u>	<u>2,937</u>	<u>(59,952)</u>

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The notes on pages 9 to 16 form part of the unaudited financial statements.


The Sir John Ritblat Family Foundation

BALANCE SHEET

5 April 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Fixed asset investments	7	792,000	685,800
CURRENT ASSETS			
Debtors	8	6,963	4,704
Cash at bank		834,874	886,844
		841,837	891,548
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(6,900)	(13,300)
NET CURRENT ASSETS		834,937	878,248
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	10	(1,624,000)	(1,624,000)
NET ASSETS/(LIABILITIES)		2,937	(59,952)
THE FUNDS OF THE CHARITY			
Endowment funds	11	426,747	376,290
Unrestricted funds	12	(423,810)	(436,242)
		2,937	(59,952)

The unaudited financial statements on pages 7 to 16 were approved by the Trustees and authorised for issue on 7th November 2017 and are signed on their behalf by:



C. B. Wagman - Trustee

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The notes on pages 9 to 16 form part of the unaudited financial statements.

The Sir John Ritblat Family Foundation

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The unaudited financial statements have been prepared under the historical cost convention modified to include investments at fair value. They are drawn up in accordance with the Charities Act 2011 and the Statement of Recommended Practice: 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) issued on 16 July 2014.

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

GOING CONCERN

The Trustees are not aware of any material uncertainties related to events or conditions that may cast significant doubt about the ability of the charity to continue as a going concern and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The loan of £1,624,000 included in long term creditors is repayable at the absolute discretion of the Trustees and the charity will pay grants to other organisations only if it has received sufficient income from investments and donations. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

FUNDS STRUCTURE

Expendable endowment funds allow the income to be accumulated and the capital to be spent if the Trustees so determine.

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

INVESTMENT INCOME

Income from investments is accounted for on a receivable basis.

INCOME

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the monetary value of income can be measured with sufficient reliability.

Tax is reclaimed on gift aid where applicable and recognised on a receivable basis.

RECOGNITION OF LIABILITIES

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be reclaimed.

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The Sir John Ritblat Family Foundation

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

1. ACCOUNTING POLICIES (continued)

EXPENDITURE

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Grant commitments are recognised once the grant offer has been approved, the recipient notified of the grant and a legal or constructive obligation thereby created. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the trust.

ALLOCATION OF OVERHEADS AND SUPPORT COSTS

As there are no overhead and support costs incurred in the year, there is no allocation of such costs between charitable activities and governance costs.

CHARITABLE ACTIVITIES

Costs of charitable activities include grants made and associated costs and governance costs.

GOVERNANCE COSTS

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation. These costs include costs related to independent examination fees.

FIXED ASSET INVESTMENTS

Investments are stated at their fair value as at the balance sheet date. The statement of financial activities includes the net gains and losses in respect of fair value movements and disposals throughout the year.

REALISED GAINS AND LOSSES

All investment gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening fair value (purchase value if later). Fair value gains and losses are calculated as the difference between the fair value at the year end and opening fair value (or purchase value if later).

TAXATION

The charity is a registered charity and no liability to taxation arises on the results of its activities as applied for charitable purposes with the exception of investment income, which is taxed at source.

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The Sir John Ritblat Family Foundation

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

1. ACCOUNTING POLICIES (continued)

FINANCIAL INSTRUMENTS

The Foundation's financial assets and liabilities comprise fixed asset investments (refer to fixed asset investments accounting policy), cash at bank and in hand, accrued income, accruals and other loans.

Accrued income which is receivable within one year is initially measured at the transaction price and is subsequently measured at amortised cost, being the transaction price less any amounts settled.

Accruals and other loans are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Foundation makes estimates and assumptions concerning the future. The resulting estimates and assumptions will, by definition, seldom equal the related actual results. The Trustees do not consider there to be any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. EMPLOYEES

There were no employees during the year (2016: nil) and the Trustees are considered to be the key management personnel of the Foundation.

The Trustees received no remuneration or reimbursed expenses during the year (2016: nil). Grants payable are payments made to third parties in the furtherance of the charitable objectives of the trust at the Trustees' discretion.

3. DONATIONS	2017 £	2016 £
General donations	65,194	396,587

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The Sir John Ritblat Family Foundation

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

4.	INCOME FROM INVESTMENTS	2017 £	2016 £
	Other interest received	120	10,695
	Dividends received	36,000	18,000
		<u>36,120</u>	<u>28,695</u>
5.	NET INCOME FOR THE YEAR	2017 £	2016 £
	Net income is stated after charging:		
	Governance costs:		
	Independent examination fee	3,600	3,300
	Other professional fees	2,000	6,700
		<u></u>	<u></u>
6.	CHARITABLE ACTIVITIES	2017 £	2016 £
	GRANT EXPENDITURE		
	ABF The Soldiers Charity	-	2,000
	Alder Hey Children's Charity	-	2,000
	BAPS Swaminarayan Sanstha	-	250
	British Friends of the Art Museums of Israel	500	-
	British Ski & Snowboard National Foundation	-	31,813
	Central Synagogue	2,113	1,663
	Duke of Edinburgh's Award	25,000	-
	Glyndebourne	-	150
	International Council of Museums	-	36
	International Students House	-	20
	Liberal Judaism	-	4,000
	National Trust	48,110	154,015
	Network of Wellbeing	-	1,500
	Restless Development	-	100
	Royal Institute of British Architects	-	1,000
	Total carried forward	<u>75,723</u>	<u>198,547</u>

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The Sir John Ritblat Family Foundation

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

6.	CHARITABLE ACTIVITIES (continued)	2017 £	2016 £
	Total brought forward	75,723	198,547
	Tate Foundation	8,100	7,850
	The Art Fund	2,112	2,113
	The Henry Jackson Society	30,000	20,000
	The New Entrepreneurs Foundation	-	10,000
	The Royal Horticultural Society	-	50
	United Synagogue	-	1,313
	Weizmann UK	23,000	-
	Winston Churchill Memorial Trust Total	-	2,000
	Winston's Wish Total	-	2,000
		<u>138,935</u>	<u>243,873</u>

The total number of grants was 16 (2016: 29) to institutions and none (2016: none) to individuals.

GOVERNANCE COSTS

Independent examination fee	3,600	3,300
Accounting and administration	2,000	6,700
	<u>5,600</u>	<u>10,000</u>

TOTAL CHARITABLE ACTIVITIES	<u>144,535</u>	<u>253,873</u>
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7.	INVESTMENTS	2017 £	2016 £
	Market value at 6 April	685,800	-
	Acquisition	-	747,783
	Net gain/(loss) on revaluation	106,200	(61,983)
		<u>792,000</u>	<u>685,800</u>
	Historical cost at 5 April	<u>747,783</u>	<u>747,783</u>

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The Sir John Ritblat Family Foundation

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

8.	DEBTORS	2017 £	2016 £
	Prepayments and accrued income	6,963	4,704
9.	CREDITORS – Amounts falling due within one year	2017 £	2016 £
	Accruals	6,900	13,300
10.	CREDITORS – Amounts falling due after more than one year	2017 £	2016 £
	Other loans	1,624,000	1,624,000

The other loan balance represents unsecured interest free loans provided by Sir John Ritblat. The timing and amount of any repayments are at the discretion of the Trustees, and therefore the loans may be repayable after more than 5 years.

11. ANALYSIS OF MOVEMENTS IN ENDOWMENT FUND

	At 6 April 2016 £	Income £	Expenditure £	Investment gains £	At 5 April 2017 £
Expendable Endowment	376,290	-	-	50,457	426,747
	At 6 April 2015 £	Income £	Expenditure £	Investment losses £	At 5 April 2016 £
Expendable Endowment	413,678	-	-	(37,388)	376,290

During the year Trustees resolved to apply expendable endowment funds amounting to £nil (2016: £nil) and accordingly no transfer was made to unrestricted funds.

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The Sir John Ritblat Family Foundation

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

12. ANALYSIS OF MOVEMENTS IN UNRESTRICTED FUNDS

	At 6 April 2016 £	Income £	Expenditure £	Investment gains £	At 5 April 2017 £
General funds	(436,242)	101,314	(144,625)	55,743	(423,810)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	At 6 April 2015 £	Income £	Expenditure £	Investment losses £	At 5 April 2016 £
General funds	(582,996)	425,282	(253,933)	(24,595)	(436,242)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Endowment Fund £	Total Funds £
Fund balances at 5 April 2017 are represented by:			
Fixed Assets	365,253	426,747	792,000
Current assets	841,837	-	841,837
Current liabilities	(6,900)	-	(6,900)
Long term liabilities	(1,624,000)	-	(1,624,000)
	<u>(423,810)</u>	<u>426,747</u>	<u>2,937</u>
	<u> </u>	<u> </u>	<u> </u>
	Unrestricted Funds £	Endowment Fund £	Total Funds £
Fund balances at 5 April 2016 are represented by:			
Fixed Assets	309,510	376,290	685,800
Current assets	891,548	-	891,548
Current liabilities	(13,300)	-	(13,300)
Long term liabilities	(1,624,000)	-	(1,624,000)
	<u>(436,242)</u>	<u>376,290</u>	<u>(59,952)</u>
	<u> </u>	<u> </u>	<u> </u>

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.

The Sir John Ritblat Family Foundation

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

For the year ended 5 April 2017

14. RELATED PARTY TRANSACTIONS

As at 5 April 2017, long term creditors include interest free loans totalling £1,624,000 (2016: £1,624,000) from Sir John Ritblat, a Trustee.

In the year to 5 April 2016, Sir John Ritblat advanced an interest free loan of £351,000. There were no new loans advanced in 2017.

The amount and timing of any repayments of these loans are at the absolute discretion of the trustees.

These unaudited financial statements have been subjected to independent examination. See report on pages 5 and 6.