

ALFRED CAPLIN CHARITY SETTLEMENT

REPORT AND ACCOUNTS

YEAR ENDED 5 APRIL 2018

ALFRED CAPLIN CHARITY SETTLEMENT

I N D E X

Year ended 5 April 2018

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ALFRED CAPLIN CHARITY SETTLEMENT

G E N E R A L I N F O R M A T I O N

Year ended 5 April 2018

Trustees	Justin Sydney Kaplan Sarah Patricia Ann Caplin
Address	3 Orme Square London W2 4RS
Independent examiner	S J Wakefield ACA Dixon Wilson 22 Chancery Lane London WC2A 1LS
Charity number	254328

ALFRED CAPLIN CHARITY SETTLEMENT

TRUSTEES' ANNUAL REPORT

Year ended 5 April 2018

The trustees submit the annual report together with the accounts of the charity for the year to 5 April 2018. The accounts comply with current statutory requirements and are in compliance with the relevant provisions of the Charities Act 2011, the Trust Deed and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015). The report should be read in conjunction with the general information provided on page 2.

Administrative information

The Alfred Caplin Charity Settlement is a charity registered with the Charity Commission, registration number 254328. It is governed by a trust deed dated 8 August 1967. The address of the charity is shown on page 2.

Trustees

The trustees who have served during the year are those shown on page 2.

The power of appointing new trustees to the settlement is vested in the settlor, Alfred Caplin, during his life and thereafter is vested in the trustees in accordance with the terms of the trust deed.

Candidates for the position of replacement trustee are in practice selected by members of the Caplin and Kaplan families.

Investments

Under the trust deed, the trustees may invest any monies in the purchase of any investments, wherever situated, not being investments involving personal liability and whether or not authorised by law for the investment of trust monies.

Trustees may invest in the purchase of freehold or leasehold land as they shall in their absolute discretion think fit.

The investment policy of the trustees is to maintain a balance between income and capital growth.

Objectives and activities for the public benefit

The object of the charity, as set out in the trust deed, is to pay or apply the income and (if the trustees think fit), the capital of the trust fund for the benefit of such charitable purposes or charitable institutions as the trustees select.

The trustees, having regard to the public benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011, consider that the purpose and activities of the charity satisfy the requirements of the public benefit test set out in section 4 of the same act.

Organisation

The charity's affairs are carried on by the settlement's trustees, who meet as necessary for this purpose.

Review of activities and results

The trustees consider the current financial position to be satisfactory. There is sufficient cash and income from investments to provide support for their chosen charitable causes.

During the year, the charity made net donations of £107,750 (2017 - £71,000) for charitable purposes. Investments at the year end had a market value of £210,297 (2017 - £243,172).

ALFRED CAPLIN CHARITY SETTLEMENT

TRUSTEES' ANNUAL REPORT

Year ended 5 April 2018

Reserves

It is the trustees' policy not to retain reserves as the charity's overheads are low.

The trustees have the power to transfer funds from the Expendable Endowment Fund to make larger donations than distributing from the Unrestricted Income Fund alone would allow if they think it will allow the settlement to better meet its charitable objectives for the public benefit.

The carried forward Unrestricted Income Fund deficit at 5 April 2018 was £96,481 (2017 - £44,311). The deficit on the Unrestricted Income Fund increased during the year and this was principally due to spending on charitable activities exceeding investment income generated. The trustees intend to make a transfer from the Expendable Endowment Fund to the Unrestricted Income Fund to cover this deficit.

Risk management

The principal risks faced by the charity lie in the level of investment return and risks from ineffective grant making. The trustees continually review the holdings within the investment portfolio and restrict donations to registered charities.

By order of the trustees



JUSTIN SYDNEY KAPLAN
Trustee

6/11/2018

ALFRED CAPLIN CHARITY SETTLEMENT

INDEPENDENT EXAMINER'S REPORT

Year ended 5 April 2018

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ALFRED CAPLIN CHARITY SETTLEMENT

I report on the accounts of the charity for the year ended 5 April 2018, which are set out on pages 6 to 13.

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'). You are satisfied that an audit is not required for this year under charity law and that an independent examination is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act. Dixon Wilson, a firm of Chartered Accountants of which I am an employee has provided bookkeeping services to the Trust and I have applied the FRC's Revised Ethical Standard in carrying out my examination.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters than an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no 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.



S J WAKEFIELD ACA

Dixon Wilson

22 Chancery Lane

London WC2A 1LS

12 NOVEMBER 2018

ALFRED CAPLIN CHARITY SETTLEMENT

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 5 April 2018

	Note	Unrestricted Income Fund £	Expendable Endowment Fund £	2018 £	2017 £
Income and endowments from:					
<i>Investments</i>	2	12,798	-	12,798	28,129
Expenditure on:					
<i>Charitable activities</i>	3	109,279	-	109,279	72,440
Total		109,279	-	109,279	72,440
Net expenditure before gains and losses on investments					
		(96,481)	-	(96,481)	(44,311)
Net (losses)/gains on investments					
		-	(2,838)	(2,838)	24,134
Net expenditure					
		(96,481)	(2,838)	(99,319)	(20,177)
Transfers between funds					
		44,311	(44,311)	-	-
Net movement in funds					
		(52,170)	(47,149)	(99,319)	(20,177)
Reconciliation of funds:					
Total funds brought forward (page 7)	7	(44,311)	389,605	345,294	365,471
Total funds carried forward (page 7)	6,7	(96,481)	342,456	245,975	345,294

ALFRED CAPLIN CHARITY SETTLEMENT**BALANCE SHEET****At 5 April 2018**

	Note	2018 £	2017 £
Fixed assets:			
Investments	4	210,297	243,172
Current assets:			
Cash at bank and in hand		40,178	105,002
Liabilities:			
Creditors: amounts falling due within one year	5	(4,500)	(2,880)
Net current assets		35,678	102,122
Net assets		245,975	345,294
The funds of the charity:			
Unrestricted income fund (page 6)	6,7	(96,481)	(44,311)
Expendable endowment fund (page 6)	6,7	342,456	389,605
Total charity funds	6,7	245,975	345,294

The financial statements on pages 6 to 13 were approved by the Trustees on 6th November 2018.


SARAH PATRICIA ANN CAPLIN
Trustee


JUSTIN SYDNEY KAPLAN
Trustee

ALFRED CAPLIN CHARITY SETTLEMENT

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2018

I. Accounting policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with 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 and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the trust's ability to continue as a going concern. There are no significant areas of adjustment and key assumptions that affect items in the accounts. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the trust are the level of investment return and the performance of investment markets (see the risk management section of the trustees' annual report for more information).

(b) Funds structure

The charity has an expendable endowment fund created by a gift. The income of this trust is unrestricted. The terms of the endowment allow the capital of the fund 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. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

(c) Income recognition

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.

Donations are recognised when the trust 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 those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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 the 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.

ALFRED CAPLIN CHARITY SETTLEMENT

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2018

(d) Expenditure recognition

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 settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the trust. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside the control of the trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised as its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the trust that would permit the trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the trust.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Support and governance costs

The charity does not incur support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Governance costs relate to charitable activities.

(g) Charitable activities

Costs of charitable activities include grants made and governance costs as shown in note 3.

ALFRED CAPLIN CHARITY SETTLEMENT

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2018

(h) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The trust does not acquire put options, derivatives, or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(i) Realised gains and losses

All 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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Investment income	2018 £	2017 £
Dividends from listed investments	12,798	28,126
Interest on cash deposits	-	3
	<u>12,798</u>	<u>28,129</u>

Investment income in both years was attributable to the Unrestricted Income Fund.

ALFRED CAPLIN CHARITY SETTLEMENT

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2018

3. Analysis of expenditure on charitable activities	2018	2017
	£	£
<i>Grants made to charitable institutions:</i>		
Arts 4 Dementia	1,000	-
Chai Cancer Care	7,500	500
Community Security Trust	-	5,000
Demand Design & Manufacture for Disability	-	2,500
ENO (Harewood Artists Fund)	2,000	-
Freedom from Torture	5,000	5,000
Holocaust Educational Trust	16,000	-
Jewish Blind & Disabled	-	2,000
Jewish Care	3,000	-
Landmark Trust	250	-
Magen David Adom UK	3,500	2,500
Migration Museum Project	32,000	27,000
Norwood Ravenswood	15,000	14,000
Purcell School for Young Musicians	2,500	2,000
Royal Free Hospital	5,000	-
Royal National Orthopaedic Hospital	-	2,500
Royal Opera House	-	1,000
Sir Simon Milton Foundation	2,000	-
The Mayor of London's Fund for Young Musicians	1,000	-
United Jewish Israel Appeal (UJIA)	2,500	-
United Synagogue	5,500	7,000
World Jewish Relief	3,500	-
Young Minds	500	-
	<u>107,750</u>	<u>71,000</u>
<i>Governance costs allocated to charitable activities:</i>		
Independent Examiner's fees	1,529	1,440
	<u>1,529</u>	<u>1,440</u>
Total	<u>109,279</u>	<u>72,440</u>

Charitable expenditure in both years was attributable to the Unrestricted Income Fund.

ALFRED CAPLIN CHARITY SETTLEMENT

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2018

4. Fixed asset investments	2018 £	2017 £
Market value brought forward at 6 April 2017	243,172	342,506
Disposal proceeds	(30,037)	(123,468)
Net (losses)/gains on revaluation and disposal	(2,838)	24,134
Market value carried forward at 5 April 2018	<u>210,297</u>	<u>243,172</u>
Historical cost	<u>93,402</u>	<u>116,578</u>
Investments at fair value consists of:		
UK listed equities	171,105	205,852
UK real estate investment trusts	39,192	37,320
Market value carried forward at 5 April 2018	<u>210,297</u>	<u>243,172</u>

All investments are carried at fair value. Investments are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value. Asset sales and purchases are recognised at the date of trade at cost.

The charity relies in part on dividend yield to finance its work and therefore volatility in yields is a risk to the charity. Liquidity risk is considered to be low as all assets are traded in markets with good liquidity.

Net gains/(losses) on revaluation and disposal of investments in both years were attributable to the Expendable Endowment Fund.

5. Creditors: amounts falling due within one year	2018 £	2017 £
Donations and grants payable	3,000	-
Independent examiner's fee accrual	1,500	1,440
Independent examiner's fee creditor	-	1,440
	<u>4,500</u>	<u>2,880</u>

6. Analysis of net assets between funds	Unrestricted income fund £	Expendable endowment fund £	Total £
Fixed assets	-	210,297	210,297
Net current (liabilities)/assets	(96,481)	132,159	35,678
	<u>(96,481)</u>	<u>342,456</u>	<u>245,975</u>

ALFRED CAPLIN CHARITY SETTLEMENT**NOTES TO THE FINANCIAL STATEMENTS****Year ended 5 April 2018****7. Analysis of charitable funds**

	Balance brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Carried forward £
Unrestricted Income Fund	(44,311)	12,798	(109,279)	44,311	-	(96,481)
Expendable Endowment Fund	389,605	-	-	(44,311)	(2,838)	342,456
Total	<u>345,294</u>	<u>12,798</u>	<u>(109,279)</u>	<u>-</u>	<u>(2,838)</u>	<u>245,975</u>

Analysis of charitable funds – previous year

	Balance brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Carried forward £
Unrestricted Income Fund	(112,663)	28,129	(72,440)	112,663	-	(44,311)
Expendable Endowment Fund	478,134	-	-	(112,663)	24,134	389,605
Total	<u>365,471</u>	<u>28,129</u>	<u>(72,440)</u>	<u>-</u>	<u>24,134</u>	<u>345,294</u>

8. Related party disclosures

The trustees received no emoluments or reimbursement of expenses for their services to the charity in the current or previous year.