

CHARITY REGISTRATION NUMBER: 276441

Rachel Charitable Trust

Financial Statements

30 June 2018

COHEN ARNOLD

Chartered accountants & statutory auditor

New Burlington House

1075 Finchley Road

London

NW11 0PU

Rachel Charitable Trust
Financial Statements
Year ended 30 June 2018

	Page
Trustees' annual report	1
Independent auditor's report to the members	5
Statement of financial activities	8
Statement of financial position	9
Statement of cash flows	10
Notes to the financial statements	11

Rachel Charitable Trust

Trustees' Annual Report

Year ended 30 June 2018

The trustees present their report and the financial statements of the charity for the year ended 30 June 2018.

Reference and administrative details

Registered charity name Rachel Charitable Trust

Charity registration number 276441

Principal office Fourth Floor
30 Market Place
London
W1W 8AP

The trustees

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

Charity secretary Mr R Chalk

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

Bankers Metro Bank
1 Southampton Row
London
WC1B 5HA

Solicitors Fladgate LLP
16 Great Queen Street
London
WC2B 5DG

Structure, governance and management

Governing document

The organisation is governed by a Trust Deed dated 9 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 Note 12).

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 2018

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. In doing so the charity has complied with its duty to act for the public benefit in accordance with Section 4 of the Charities Act 2006.

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 2018

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. Charitable distributions increased in the year and were funded from current year incoming resources.

Planning permission was obtained in respect of a parcel of land owned by the charity, following which it was sold after the year end at a profit of circa £100,000.

Financial review

The charity is dependent on income from investments and voluntary donations. During the year the investment and voluntary income decreased in comparison to the previous year. Nevertheless charitable distributions did increase during the 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.

At the year end the charity had unrestricted funds totalling £21,128,742.

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 Capreon (UK) Limited, 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 2018

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.

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

The trustees' annual report was approved on 1 April 2019 and signed on behalf of the board of trustees by:



Mr R Chalk
Charity secretary

Rachel Charitable Trust
Independent Auditor's Report to the Members of Rachel Charitable Trust
Year ended 30 June 2018

Opinion

We have audited the financial statements of Rachel Charitable Trust (the 'charity') for the year ended 30 June 2018 which comprise the statement of financial activities, statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 auditor's 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 UK, including the FRC'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.

Rachel Charitable Trust

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

Year ended 30 June 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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
- adequate 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 and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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.

Rachel Charitable Trust

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

Year ended 30 June 2018

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Dov Harris FCA (Senior Statutory Auditor)

For and on behalf of
Cohen Arnold
Chartered accountants & statutory auditor

New Burlington House
1075 Finchley Road
London
NW11 0PU

1 April 2019

Rachel Charitable Trust
Statement of Financial Activities
Year ended 30 June 2018

		2018	2017
	Note	Unrestricted funds £	Total funds £
Income and endowments			
Donations and legacies	4	3,842,627	7,081,198
Investment income	5	2,249,075	2,435,869
Other income	6	—	5,830,861
Total income		<u>6,091,702</u>	<u>15,347,928</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	7	(1,151,090)	(1,526,623)
Expenditure on charitable activities	8,9	(4,964,134)	(3,158,479)
Total expenditure		<u>(6,115,224)</u>	<u>(4,685,102)</u>
Net gains on investments	11	15,456	213,529
Net (expenditure)/income		<u>(8,066)</u>	<u>10,876,355</u>
Other recognised gains and losses			
Fair value movements		(748,784)	4,027,885
Net movement in funds		(756,850)	14,904,240
Reconciliation of funds			
Total funds brought forward		21,885,592	6,981,352
Total funds carried forward		<u>21,128,742</u>	<u>21,885,592</u>

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

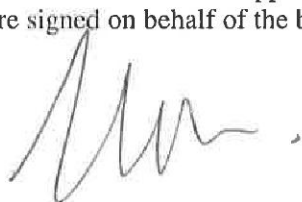
The notes on pages 11 to 19 form part of these financial statements.

Rachel Charitable Trust
Statement of Financial Position
30 June 2018

		2018		2017	
	Note	£	£	£	£
Fixed assets					
Investments	13		40,158,933		40,933,472
Current assets					
Debtors	14	1,075,354		1,253,658	
Cash at bank and in hand		993,822		838,925	
		<u>2,069,176</u>		<u>2,092,583</u>	
Creditors: amounts falling due within one year	15	<u>(21,099,367)</u>		<u>(2,366,736)</u>	
Net current liabilities			<u>(19,030,191)</u>		<u>(274,153)</u>
Total assets less current liabilities			<u>21,128,742</u>		<u>40,659,319</u>
Creditors: amounts falling due after more than one year	16		—		<u>(18,773,727)</u>
Net assets			<u>21,128,742</u>		<u>21,885,592</u>
Funds of the charity					
Unrestricted funds			<u>21,128,742</u>		<u>21,885,592</u>
Total charity funds	18		<u>21,128,742</u>		<u>21,885,592</u>

These financial statements were approved by the board of trustees and authorised for issue on 1 April 2019, and are signed on behalf of the board by:

Mr L Noé
Trustee



Rachel Charitable Trust
Statement of Cash Flows
Year ended 30 June 2018

	2018 £	2017 £
Cash flows from operating activities		
Net (expenditure)/income	(8,066)	10,876,355
<i>Adjustments for:</i>		
Net gains on investments	(15,456)	(213,529)
Dividends, interest and rents from investments	(2,246,912)	(2,435,132)
Other interest receivable and similar income	(2,163)	(737)
Accrued expenses/(income)	7,319	(270,471)
<i>Changes in:</i>		
Trade and other debtors	178,304	(615,004)
Trade and other creditors	(48,415)	1,703,272
Cash generated from operations	(2,135,389)	9,044,754
Interest received	2,163	737
Net cash (used in)/from operating activities	(2,133,226)	9,045,491
Cash flows from investing activities		
Dividends, interest and rents from investments	2,246,912	2,435,132
Purchases of other investments	(236,869)	(6,342,250)
Proceeds from sale of other investments	278,080	936,597
Net cash from/(used in) investing activities	2,288,123	(2,970,521)
Cash flows from financing activities		
Proceeds from borrowings	—	(6,052,911)
Net cash used in financing activities	—	(6,052,911)
Net increase in cash and cash equivalents	154,897	22,059
Cash and cash equivalents at beginning of year	838,925	816,866
Cash and cash equivalents at end of year	993,822	838,925

The notes on pages 11 to 19 form part of these financial statements.

Rachel Charitable Trust
Notes to the Financial Statements
Year ended 30 June 2018

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 4th Floor, 30 Market Place, London, W1W 8AP.

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.

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 2018

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 is accounted for only when received.
- 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.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2018

3. Accounting policies *(continued)*

Investment property

All investment properties are stated at fair valuation.

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.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

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.

Finance costs are being amortised over 3 years.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2018

3. Accounting policies *(continued)*

Financial instruments *(Continued)*

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 2018 £	Unrestricted Funds £	Total Funds 2017 £
Donations				
General Donations	3,842,627	3,842,627	7,081,198	7,081,198

5. Investment income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Rental Income	2,071,436	2,071,436	2,306,658	2,306,658
Income from Fixed asset investment	175,476	175,476	128,474	128,474
Bank Interest Receivable	2,163	2,163	699	699
Other interest	—	—	38	38
	2,249,075	2,249,075	2,435,869	2,435,869

6. Other income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Loan write down on refinancing	—	—	5,830,861	5,830,861

7. Investment management costs

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Management costs	54,152	54,152	54,220	54,220
Property repairs and maintenance charges	56,762	56,762	114,046	114,046
Rates & Insurance	61,214	61,214	63,133	63,133
Legal & professional fees	121,886	121,886	132,660	132,660
Other portfolio management costs	44,646	44,646	12,666	12,666
Interest payable and bank charges	812,430	812,430	1,149,898	1,149,898
	1,151,090	1,151,090	1,526,623	1,526,623

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2018

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Donations made	4,961,384	4,961,384	3,142,184	3,142,184
Support costs	2,750	2,750	16,295	16,295
	<u>4,964,134</u>	<u>4,964,134</u>	<u>3,158,479</u>	<u>3,158,479</u>

9. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2018 £	Total fund 2017 £
Donations made	4,961,384	2,750	4,964,134	3,158,479

All donations were made to charitable institutions whose objects are in line with the objects of the charity which include the relief of poverty, advancement of religion and religious education.

Included in the charitable activities are the following material grants made during the year:

	£
Kemach Kidum Miktzoe Chareidi	1,164,733
Kisharon	574,506
Amabrill Ltd	367,500
Remodifyz Trust	367,500
Sabeno Ltd	367,500
Other donations less than £350,000	2,119,645
Total	<u>4,961,384</u>

The full list of charitable donations has 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 Noé, Rachel Charitable Trust, Fourth Floor, 30 Market Place, London W1W 8AP by registered post.

10. Analysis of support costs

	Analysis of support cost - Audit fees £	Total 2018 £	Total 2017 £
Audit fees	<u>2,750</u>	<u>2,750</u>	<u>16,295</u>

11. Net gains on investments

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Gains/(losses) on investments	<u>15,456</u>	<u>15,456</u>	<u>213,529</u>	<u>213,529</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2018

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 (2017: £nil).

The charity did not meet any expenses (2017: £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 2017	2,988,972	37,930,000	14,500	40,933,472
Additions	147,275	89,594	—	236,869
Disposals	—	(240,000)	(22,624)	(262,624)
Fair value movements	(667,314)	(89,594)	8,124	(748,784)
At 30 June 2018	2,468,933	37,690,000	—	40,158,933
Impairment				
At 1 July 2017 and 30 June 2018			—	—
Carrying amount				
At 30 June 2018	2,468,933	37,690,000	—	40,158,933
At 30 June 2017	2,988,972	37,930,000	14,500	40,933,472

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 Capreon (UK) Limited - 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.

Financial assets held at fair value

The listed share investments are valued at fair value based on stock exchange value as at 30 June 2018.

14. Debtors

	2018 £	2017 £
Trade debtors	723,626	778,645
Prepayments and accrued income	303,934	460,071
Other debtors	47,794	14,942
	1,075,354	1,253,658

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2018

15. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	18,773,727	–
Accruals and deferred income	150,613	143,294
Social security and other taxes	93,365	99,722
Trustee's loan account	1,700,000	1,700,000
Other creditors	381,662	423,720
	<u>21,099,367</u>	<u>2,366,736</u>

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

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.

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

	2018 £	2017 £
Bank loans and overdrafts	–	18,773,727

17. Deferred income

	2018 £	2017 £
At 1 July 2017	420,521	353,952
Amount released to income	(420,521)	(353,952)
Amount deferred in year	369,712	420,521
At 30 June 2018	<u>369,712</u>	<u>420,521</u>

Deferred income arises from rents received in advance.

18. Analysis of charitable funds

Unrestricted funds

	At 1 July 2017 £	Income £	Expenditure £	Gains and losses £	At 30 June 2018 £
General funds	<u>21,885,592</u>	<u>6,091,702</u>	<u>(6,115,224)</u>	<u>(733,328)</u>	<u>21,128,742</u>

	At 1 July 2016 £	Income £	Expenditure £	Gains and losses £	At 30 June 2017 £
General funds	<u>6,981,352</u>	<u>15,347,928</u>	<u>(4,685,102)</u>	<u>4,241,414</u>	<u>21,885,592</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2018

19. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2018 £
Tangible fixed assets	40,158,933	40,158,933
Current assets	2,069,176	2,069,176
Creditors less than 1 year	(21,099,367)	(21,099,367)
Creditors greater than 1 year	—	—
Net assets	21,128,742	21,128,742

	Unrestricted Funds £	Total Funds 2017 £
Tangible fixed assets	40,933,472	40,933,472
Current assets	2,092,583	2,092,583
Creditors less than 1 year	(2,366,736)	(2,366,736)
Creditors greater than 1 year	(18,773,727)	(18,773,727)
Net assets	21,885,592	21,885,592

20. Financial instruments

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

	2018 £	2017 £
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	40,158,933	40,933,472
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	2,069,176	2,092,583
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	21,099,367	21,140,463

21. Operating lease commitments

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2018 £	2017 £
Not later than 1 year	1,346,766	1,753,864
Later than 1 year and not later than 5 years	3,481,079	3,936,285
Later than 5 years	894,637	966,367
	5,722,482	6,656,516

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2018

22. Related parties

Investment property management costs (Note 7) include £49,803 (2017: £223,518) for legal services charged by CMS Cameron McKenna Nabarro 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 9) include donations totalling £801,856 (2017: £272,741) paid to charities with common trustees and £1,102,500 (2017: £1,900) to charities whose trustees are related to the trustees of Rachel Charitable Trust.

Donations received (Note 4) include the following:

	Relationship	2018 £	2017 £
Mr L Noé	Trustee	500,000	625,000
Mrs S D Noé	Trustee	–	97,500
Estate of Mr S Noé	Father of Mr L Noé	1,150,000	–
Remodifyz Trust		40,000	–

Trustees are related to the trustees of Rachel Charitable Trust.

During the year, Rachel Charitable Trust sold a property to the aforementioned Remodifyz Trust for £260,000. The transaction was at open market value.