

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2018
FOR
THE RATES FAMILY CHARITABLE TRUST

Cook & Partners Limited
Manufactory House
Bell Lane
Hertford
Hertfordshire
SG14 1BP

THE RATES FAMILY CHARITABLE TRUST
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Cash Flow Statement	6
Notes to the Cash Flow Statement	7
Notes to the Financial Statements	8 to 11
Detailed Statement of Financial Activities	12

THE RATES FAMILY CHARITABLE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2018**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust is an unincorporated trust, constituted under a trust deed dated 1 February 2007 and is a registered charity, number 1118217.

The Trust was established by an initial settlement from Mr Adrian Rates, the 'Settlor'.

Subsequent to the original settlement a one off unrestricted gift was received from Mr and Mrs Rates.

The Trust does not actively fundraise and seeks to fund charitable organisations and the philanthropic work desired by the donors through the careful stewardship of its existing resources.

The power of appointing new or additional trustees is vested in the Settlor. The Trust Deed provides for a minimum of 3 trustees, to a maximum of 7 trustees. The Trustees meet at least 3 times a year, during which the trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, investments, reserves and risk management policies and performance. The day to day administration of grants and the processing and handling of applications prior to consideration by the Board of Trustees is delegated to D Rates.

The Board keeps the skill requirements for the Trustee Body under review and in the event that a trustee permanently retires or additional new trustees are required will select a new Trustee.

Risk management

The charity trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

Objectives and activities

The objects of the Trust are to such charitable purposes as the Trustees may from time to time in their absolute discretion decide.

Financial review

Total incoming resources for the financial year was £800,048 (2017: £0).

Investment policy and performance

The Trust's current investment strategy is to hold all monetary assets with our bank. Using short term fiduciary placements to maximise interest received on deposits held.

The total return on all investments, based on interest income of £48 (2017: £244), before fees, for 2018 was 0% against a target return of 0.5%, which is disappointing but reflects the current market conditions. The target for the next financial year will be 0.1%.

Reserves policy

The Trust currently has free reserves equal to the value of the Trust's unrestricted funds.

Plans for the future

The Rates Family Charitable Trust is a lasting testimony to the generosity and philanthropic concerns of the donors, the Rates Family. In addition to adhoc charitable awards, by researching deserving charities and programmes the Trust will be seeking to establish some longer term commitments and relationships in future years.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1118217

THE RATES FAMILY CHARITABLE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Principal address

The Old Barn
St Marys Lane
Hertingfordbury
Hertford
Hertfordshire
SG14 2LF

Trustees

A D Rates
Mrs D Rates
S D Fage

Independent examiner

Cook & Partners Limited
Manufactory House
Bell Lane
Hertford
Hertfordshire
SG14 1BP

Solicitors

Thomson Snell & Passmore
3 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1NX

Bankers

CAF Bank
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Approved by order of the board of trustees on 25 October 2019 and signed on its behalf by:

A D Rates - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE RATES FAMILY CHARITABLE TRUST**

Independent examiner's report to the trustees of The Rates Family Charitable Trust

I report to the charity trustees on my examination of the accounts of the The Rates Family Charitable Trust (the Trust) for the year ended 31 December 2018.

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').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies

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.

I have no concerns and have come across no other 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.

Jeffrey Oliver
ACCA
Cook & Partners Limited
Manufactory House
Bell Lane
Hertford
Hertfordshire
SG14 1BP

25 October 2019

THE RATES FAMILY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

		2018 Unrestricted funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	800,000	-
Investment income	3	48	246
Total		800,048	246
 EXPENDITURE ON			
Charitable activities	4		
Grants Awarded		468,700	445,136
Other		1,860	1,061
Total		470,560	446,197
 NET INCOME/(EXPENDITURE)		329,488	(445,951)
 RECONCILIATION OF FUNDS			
Total funds brought forward		543,326	989,277
 TOTAL FUNDS CARRIED FORWARD		872,814	543,326

The notes form part of these financial statements

THE RATES FAMILY CHARITABLE TRUST

BALANCE SHEET
AT 31 DECEMBER 2018

		2018 Unrestricted funds £	2017 Total funds £
	Notes		
CURRENT ASSETS			
Cash at bank		875,615	544,326
CREDITORS			
Amounts falling due within one year	9	(2,801)	(1,000)
NET CURRENT ASSETS		<u>872,814</u>	<u>543,326</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		872,814	543,326
NET ASSETS		<u><u>872,814</u></u>	<u><u>543,326</u></u>
FUNDS	10		
Unrestricted funds		<u>872,814</u>	<u>543,326</u>
TOTAL FUNDS		<u><u>872,814</u></u>	<u><u>543,326</u></u>

The financial statements were approved by the Board of Trustees on 25 October 2019 and were signed on its behalf by:

A D Rates -Trustee

The notes form part of these financial statements

THE RATES FAMILY CHARITABLE TRUST

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	331,241	(445,197)
		<hr/>	<hr/>
Net cash provided by (used in) operating activities		331,241	(445,197)
		<hr/>	<hr/>
Cash flows from investing activities:			
Interest received		48	246
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		48	246
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		331,289	(444,951)
Cash and cash equivalents at the beginning of the reporting period		544,326	989,277
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		875,615	544,326
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

THE RATES FAMILY CHARITABLE TRUST

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	329,488	(445,951)
Adjustments for:		
Interest received	(48)	(246)
Increase in creditors	1,801	1,000
Net cash provided by (used in) operating activities	<u>331,241</u>	<u>(445,197)</u>

THE RATES FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2018**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Funds structure

The terms of the Fund 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.

Incoming resources

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

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

There are currently no costs incurred in the furtherance of the Trust's charitable activities.

Allocation of overhead and support costs

Support costs comprise of all costs including governance and the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination fees.

Taxation

The charity is exempt from tax on its charitable activities.

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Gifts	800,000	-

3. INVESTMENT INCOME

	2018	2017
	£	£
Deposit account interest	48	246

THE RATES FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018

4. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (See note 5)	Totals
	£	£
Grants Awarded	468,700	468,700
	<u> </u>	<u> </u>

5. GRANTS PAYABLE

	2018	2017
	£	£
Grants Awarded	468,700	445,136
	<u> </u>	<u> </u>

The total grants paid to institutions during the year was as follows:

	2018	2017
	£	£
Second Sight	300,000	372,736
The Harrow Development Trust	160,000	-
Francisca van Holthoon	2,000	-
Heath Mount School Trust	6,700	72,400
	<u> </u>	<u> </u>
	468,700	445,136
	<u> </u>	<u> </u>

6. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Other resources expended	60	1,800	1,860
	<u> </u>	<u> </u>	<u> </u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017 .

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2018 nor for the year ended 31 December 2017 .

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Investment income	246
	<u> </u>
Total	246
 EXPENDITURE ON	
Charitable activities	
Grants Awarded	445,136

THE RATES FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
Other	1,061
Total	446,197
NET INCOME/(EXPENDITURE)	(445,951)
RECONCILIATION OF FUNDS	
Total funds brought forward	989,277
TOTAL FUNDS CARRIED FORWARD	543,326

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other creditors	2,801	1,000

10. MOVEMENT IN FUNDS

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	543,326	329,488	872,814
TOTAL FUNDS	543,326	329,488	872,814

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	800,048	(470,560)	329,488
TOTAL FUNDS	800,048	(470,560)	329,488

THE RATES FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted Funds			
General fund	989,277	(445,951)	543,326
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>989,277</u>	<u>(445,951)</u>	<u>543,326</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	246	(446,197)	(445,951)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>246</u>	<u>(446,197)</u>	<u>(445,951)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	989,277	(116,463)	872,814
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>989,277</u>	<u>(116,463)</u>	<u>872,814</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	800,294	(916,757)	(116,463)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>800,294</u>	<u>(916,757)</u>	<u>(116,463)</u>

11. RELATED PARTY DISCLOSURES

The unrestricted gift in 2018 represents monies received from Mr. and Mrs. Rates both of whom act as trustees.

THE RATES FAMILY CHARITABLE TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	800,000	-
Investment income		
Deposit account interest	48	246
Total incoming resources	800,048	246
EXPENDITURE		
Charitable activities		
Grants to institutions	468,700	445,136
Support costs		
Finance		
Bank charges	60	61
Governance costs		
Auditors' remuneration for non audit work	1,800	1,000
Total resources expended	470,560	446,197
Net income/(expenditure)	329,488	(445,951)