

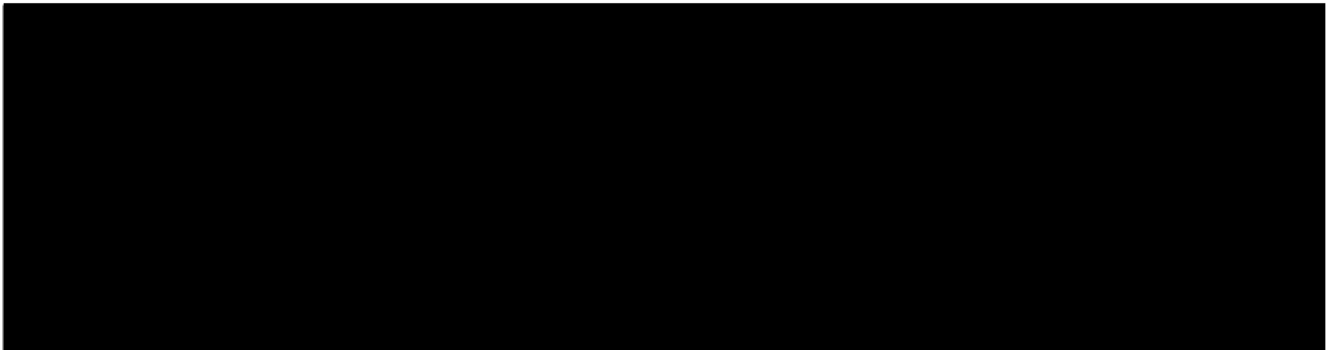
Charity registration number SC048757 (Scotland)

**LADY FLORA HASTINGS TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

# LADY FLORA HASTINGS TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Secretary</b>	Johnston Smillie Ltd 5 South Gyle Crescent Lane Edinburgh EH12 9EG
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<b>Charity number (Scotland)</b>	SC048757
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<b>Auditor</b>	Charles Burrows & Co Chartered Accountants 7 Palmerston Place Edinburgh EH12 5AH
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<b>Bankers</b>	The Bank of Scotland Uberior House 11 Earl Grey Street Edinburgh EH3 9BN
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<b>Solicitors</b>	J & H Mitchell WS 51 Atholl Road Pitlochry Perthshire PH16 5BU
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<b>Investment advisors</b>	Brewin Dolphin Sixth Floor Atria One 144 Morrison Street Edinburgh EH3 8EX
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# **LADY FLORA HASTINGS TRUST**

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# LADY FLORA HASTINGS TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The trustees present their report and financial statements for the year ended 30 September 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) (as amended).

#### **Objectives and activities**

The trust was established under the will of Lady Sophia Crichton-Stuart, Marchioness of Bute by means of a scheme approved by the Court of Session on 5 December 1882. In recognition of the significant social and economic changes which have occurred in the period since the trust was established, various reorganisations have been undertaken. The charity has now been incorporated as a SCIO and operates in accordance with its constitution dated 12 October 2018.

The purpose of the charity is to provide relief to those in need by reason of age, ill health, disability, financial hardship or other disadvantage by the provision of, or assistance with, housing to the following beneficiaries: members and former members of all ranks and ratings and whether or not they are or have been disabled of the Naval, Military and Air Forces and Reserve Forces of the Crown and members and former members as aforesaid of the Merchant Navy and Fishing Fleets; the wives, husbands, civil partners, children or other dependents of such members; and the widows, widowers, children or other dependents of deceased members and former members.

#### **Achievements and performance**

All properties were fully tenanted for the whole of the year. The properties are maintained in good condition with only routine maintenance and repairs expected in the short to medium term. The Trustees will seek to ensure preventative maintenance is carried out thus reducing the requirement for significant repairs in the long term.

The Trustees have maintained links with Veterans Scotland, Veterans Housing Scotland, Scottish Veterans Residences, Haig Homes and Housing Options Scotland (Military Matters) and remain well placed to identify suitable tenants for future tenancies. During the year, the Trustees explored partnerships with suitable housing and homeless charities to make best use of charitable funds.

#### **Financial review**

The charity recorded a surplus for the year before investment losses of £38,596 (2022: £35,915). Net realised and unrealised investment losses amounted to £5,767 (2022: losses of £46,655), giving a net surplus of £32,829 (2022: deficit of £10,740). As a result the free unrestricted reserves of the trust held in the general fund have increased to £651,734 (2022: £618,905). The movement in general funds includes £5,095 of unrealised losses (2022: unrealised losses of £93,487) on the investment portfolio. The property fund remains at £3,195,000. The carrying value of the properties is reviewed annually by the trustees and an external valuation is carried out if the trustees consider it likely that the carrying value is materially different from the current market value.

The charity's reserves policy continues to be under review. The Trustees are satisfied that the current level of free reserves is adequate to ensure that the charity can continue to operate for the foreseeable future. Various options for the application of available funds have been discussed including the option to buy another property or to use available funds to financially support tenants in other ways. No decision will be made until a course of action can be identified which will allow efficient and sustainable use of the charity's assets.

# LADY FLORA HASTINGS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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### **Investment policy and performance**

The Trust investments are managed by Brewin Dolphin under the terms of a discretionary management agreement and are invested on a cautious with risk basis as classified by the investment managers, with the intention of maintaining the real capital value of the fund and applying the income to the purposes of the trust. The Investment Managers attended the October 2023 Trustee meeting and presented an investment performance review. The Trustees will meet the Investment Managers at least once annually and will continue to receive regular investment Reports to measure performance against agreed criteria and benchmarks.

### **Risk management**

As part of their full review of the Trust's operations referred to in Activities and Financial Performance above the Trustees discuss risk at their meetings and consider a risk register which covers the main operational and financial risks facing the Charity including property issues and other issues both financial and operational. Risk is reviewed at least annually or as frequently as other developments or issues may dictate.

### **Plans for the future**

The Trustees continue to look for the best ways to achieve the Charity's aims and objectives in a changing financial environment and where the needs and financial status of the Trust's traditional beneficiaries are changing due to a variety of factors. The Trustees continue to actively consider various options, including partnerships with other charities, for deploying the Trust's funds to greatest effect in pursuit of its objectives.

The continuing effects of political events in the UK and elsewhere, have had a significant impact on the activities and financial positions of organisations in the UK. The principal effects on the Trust has been seen in fluctuations in the value of the charity's investment portfolio due to the disruption in global markets. As the investments are held with a view to the long term, these fluctuations are not a matter of significant concern to the Trustees. At the date of approval of these financial statements, all of the charity's properties are tenanted and whilst it is not possible to predict future events there has been no indication that there will be a significant reduction in income or increase in expenditure in the foreseeable future.

### **Structure, governance and management**

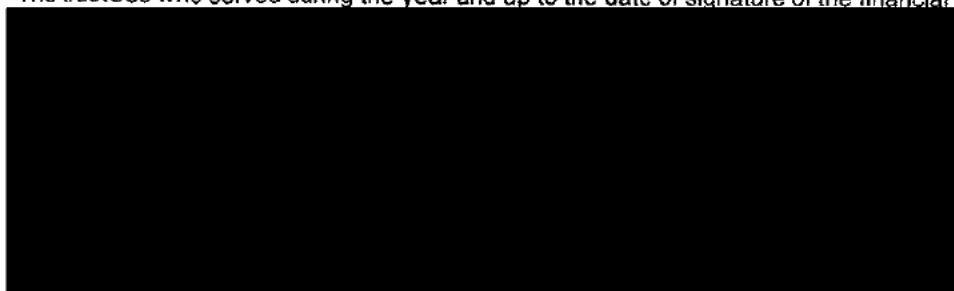
The legal status of the charity is a Scottish Charitable Incorporated Organisation.

Trustees are appointed by the existing Trustees. New trustees are fully briefed on the working of the trust before being invited to take up office.

Trustees meet twice yearly where possible and the Secretaries and Treasurers are tasked with updating the trustees with technical and other developments as they apply to the Trust.

On 12 October 2018 Lady Flora Hastings Trust (SC048757) was established as a Scottish Charitable Incorporated Organisation (SCIO). In the course of the year ended 30 September 2019 the assets and liabilities of Lady Flora Hastings Homes (SC013084) were transferred to the SCIO. Lady Flora Hastings Homes was wound up on 5 November 2019.

The trustees who served during the year and up to the date of signature of the financial statements were:



# **LADY FLORA HASTINGS TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

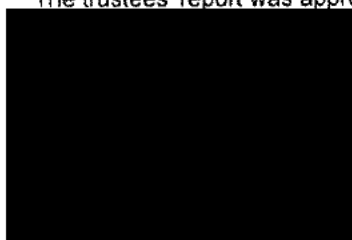
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The Trustees consider the board of trustees as comprising the key personnel of the charity in charge of directing and controlling the charity. The Secretaries and treasurers are charged with the running and operating of the charity on a day to day basis in accordance with delegated powers of authority from the trustees. All trustees give their time freely and no trustee remuneration was paid out in the period.

Details of trustee expenses and related party transactions are disclosed in the financial statements.

Trustees are required to disclose all relevant interests and register them with the Secretaries and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

The trustees' report was approved by the Board of Trustees.



# **LADY FLORA HASTINGS TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

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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 Scotland 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 year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient 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 and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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.

# LADY FLORA HASTINGS TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF LADY FLORA HASTINGS TRUST

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#### Opinion

We have audited the financial statements of Lady Flora Hastings Trust (the 'charity') for the year ended 30 September 2023 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, 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 Financial Reporting Standard 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 September 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The trustees is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.



# LADY FLORA HASTINGS TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF LADY FLORA HASTINGS TRUST

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#### **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' annual report.

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, 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 cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- at the planning stage, we gained an understanding of the legal and regulatory framework applicable to the charity and considered the risks of acts by the charity which were contrary to the applicable laws and regulations;
- we discussed amongst the engagement team the identified laws and regulations and remained alert to any indications of non-compliance.
- during the audit, we focussed on areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements through discussions with trustees and review of minutes of trustees' meetings in the year. We also considered those other laws and regulations that have a direct impact on the preparation of financial statements;
- we inquired of the trustees whether they have knowledge of any actual, suspected or alleged fraud;
- we discussed amongst the engagement team the risk of fraud such as opportunities for fraudulent manipulation of financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

# LADY FLORA HASTINGS TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF LADY FLORA HASTINGS TRUST

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As part of an audit in accordance with ISAs (UK), we exercise professional judgement 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 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 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 (i.e. gives a true and fair view).

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 trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Charles Burrows & Co**

30 April 2024

**Chartered Accountants  
Statutory Auditor**

Chartered Accountants  
7 Palmerston Place  
Edinburgh  
EH12 5AH

Charles Burrows & Co is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# LADY FLORA HASTINGS TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2023

		Unrestricted funds 2023 £	Total 2022 £
	Notes		
<b><u>Income from:</u></b>			
Charitable activities	3	68,628	68,628
Investments	4	14,557	10,910
<b>Total income</b>		<u>83,185</u>	<u>79,538</u>
<b><u>Expenditure on:</u></b>			
Raising funds	5	4,578	5,032
Charitable activities	6	40,011	38,591
<b>Total resources expended</b>		<u>44,589</u>	<u>43,623</u>
Net gains/(losses) on investments	11	(5,767)	(46,655)
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		32,829	(10,740)
Fund balances at 1 October 2022		3,813,905	3,824,645
<b>Fund balances at 30 September 2023</b>		<u>3,846,734</u>	<u>3,813,905</u>

The statement of financial activities includes all gains and losses recognised in the year.

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

# LADY FLORA HASTINGS TRUST

## BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	12	3,195,000		3,195,000	
Investments	13	467,825		477,818	
		<u>3,662,825</u>		<u>3,672,818</u>	
<b>Current assets</b>					
Debtors	14	2,470		2,470	
Cash at bank and in hand		191,929		147,905	
		<u>194,399</u>		<u>150,375</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(10,490)</u>		<u>(9,288)</u>	
Net current assets			183,909		141,087
<b>Total assets less current liabilities</b>			<u>3,846,734</u>		<u>3,813,905</u>
<b>Income funds</b>					
Unrestricted funds					
Designated funds	16	<u>3,846,734</u>		<u>3,813,905</u>	
			<u>3,846,734</u>		<u>3,813,905</u>
			<u>3,846,734</u>		<u>3,813,905</u>

signed by the Trustees on 30 April 2024

# LADY FLORA HASTINGS TRUST

## BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2023

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### 1 Critical accounting estimates and judgements

In the application of the charity'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.

### 2 Accounting policies

#### Charity information

The charity is a registered charity in Scotland and is incorporated as a Scottish Charitable Incorporated Organisation. The address of the principal office is c/o Johnston Smillie Ltd., 5 South Gyle Crescent Lane, Edinburgh EH12 9EG.

#### 2.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 2.3 Charitable funds

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.

The property fund represents the charity's properties, which are included in the accounts at an open market valuation of £3,195,000.

The Charity has no restricted funds.

#### 2.4 Incoming resources

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

# LADY FLORA HASTINGS TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 2 Accounting policies

(Continued)

Donations are recognised when they have been communicated in writing with notification 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 fulfillment 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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset. No legacies were receivable during the year.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and 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.

#### 2.5 Resources expended

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 in the statement of financial activities.

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

The costs of generating funds consist of investment management fees.

The Trustees are of the opinion the Charity has only one charitable activity as such all support and governance costs are allocated to that activity, providing rental accommodation to the Charity's beneficiaries.

#### 2.6 Tangible fixed assets

The trust's properties at Barnshot Road, Edinburgh which are leased to beneficiaries were revalued on an open market value basis in July 2017 by DHKK, an independent firm of Chartered Surveyors. The value is reviewed by the Trustees annually. In the opinion of the trustees, the market value at the balance sheet date is not materially different from this amount.

No depreciation is provided on heritable properties as it is the Charity's practice to maintain the properties in a continual state of sound repair and, in the opinion of the Trustees, the net realizable value of the properties is not less than the carrying value. Provision will be made should any permanent diminution in value occur and as the heritable properties are the main assets owned by the Trust, the Trustees keep this issue under regular review.

Heritable properties	not depreciated
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#### 2.7 Fixed asset investments

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

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

# LADY FLORA HASTINGS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 2 Accounting policies

(Continued)

#### 2.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

#### 2.9 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 3 Charitable activities

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Charitable rental income	68,628	68,628

# LADY FLORA HASTINGS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Income from listed investments	<u>14,557</u>	<u>10,910</u>

### 5 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Investment management	<u>4,578</u>	<u>5,032</u>
	<u>4,578</u>	<u>5,032</u>

### 6 Charitable activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Property management fees	10,087	9,765
Repairs and renewals	12,760	14,243
Insurance	4,828	4,170
Secretaries and treasurers fees	7,218	6,576
Bank charges	238	237
Sundry expenditure	<u>200</u>	<u>-</u>
	35,331	34,991
Share of governance costs (see note 7)	<u>4,680</u>	<u>3,600</u>
	<u>40,011</u>	<u>38,591</u>



# LADY FLORA HASTINGS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 7 Support costs

	Support costs	Governance costs	Unrestricted funds 2023	Unrestricted funds 2022
	£	£	£	£
Audit fees	-	4,680	4,680	3,480
Legal and professional	-	-	-	120
	<u>-</u>	<u>4,680</u>	<u>4,680</u>	<u>3,600</u>
Analysed between				
Charitable activities	-	4,680	4,680	3,600
	<u>-</u>	<u>4,680</u>	<u>4,680</u>	<u>3,600</u>

Governance costs includes payments to the auditors of £4,680 (2022- £3,480) for audit fees.

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2022: none).

### 9 Employees

There were no employees during the year (2022: none).

### 10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 11 Net gains/(losses) on investments

	Unrestricted funds 2023	Unrestricted funds 2022
	£	£
Realised and unrealised gains/(losses)	<u>(5,767)</u>	<u>(46,655)</u>

# LADY FLORA HASTINGS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 12 Tangible fixed assets

	Heritable properties £
<b>Cost or valuation</b>	
At 1 October 2022	3,195,000
At 30 September 2023	3,195,000
<b>Carrying amount</b>	
At 30 September 2023	3,195,000
At 30 September 2022	3,195,000

Properties with a carrying amount of £3,195,000 were revalued at July 2017 by DHKK, independent valuers not connected with the charity on the basis of open market value. The valuation was based on recent market transactions on arm's length terms for similar properties. In the opinion of the trustees, the market value at the balance sheet date is not materially different from this amount.

#### 13 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 October 2022	472,072	5,746	477,818
Additions	115,654	311	115,965
Valuation changes	(5,095)	-	(5,095)
Disposals	(120,863)	-	(120,863)
At 30 September 2023	461,768	6,057	467,825
<b>Carrying amount</b>			
At 30 September 2023	461,768	6,057	467,825
At 30 September 2022	472,072	5,746	477,818

#### 14 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Other debtors	2,470	2,470

# LADY FLORA HASTINGS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 15 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	10,490	9,288

#### 16 Designated funds

The funds of the charity include the following unrestricted funds:

	Balance at 1 October 2022	Movement in funds			Balance at 30 September 2023
	£	Incoming resources £	Resources expended £	Gains and losses £	£
General fund	618,905	83,185	(44,589)	(5,767)	651,734
Property fund	3,195,000	-	-	-	3,195,000
	<u>3,813,905</u>	<u>83,185</u>	<u>(44,589)</u>	<u>(5,767)</u>	<u>3,846,734</u>

##### General fund

The general fund is expendable at the discretion of the trustees in furtherance of the objects of the charity. The general fund is held in part as a general reserve and part as a source of funds available to meet property maintenance and improvement expenditure should additional funds be required that are not available from other sources of income.

##### Property fund

The property fund represents the market value of the charity's heritable property.

#### 17 Related party transactions

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or in kind (2022: £nil).

No expenses were paid to trustees during the year (2022: none).

The charity has trustee indemnity insurance in place as part of its combined policy.

