

Company registration number: 10633216
Charity registration number: 1172471

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2022



THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

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THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 28 FEBRUARY 2022

Trustees	D Lonsdale M Kostov H Sarmadi
Company registered number	10633216
Charity registered number	1172471
Registered office	34 Sekforde Street London EC1R 0HA
Company secretary	D Lonsdale
Independent Examiner	MHA MacIntyre Hudson Chartered Accountants 6th Floor 2 London Wall Place London EC2Y 5AU

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

TRUSTEES' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2022

The Trustees present their annual report together with the financial statements of the Sekforde House Trust for the year 1 March 2021 to 28 February 2022. The Annual Report serves the purposes of both a Trustees' report and a Directors' Report under company law. The Trustees confirm that the Annual Report and Financial Statements of the Charitable Company comply with the current statutory requirements, the requirements of the Charitable Company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Since the Trust qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Purpose and Objectives

The Trust was inspired by Mr Lonsdale's grandmother, Professor Dame Kathleen Lonsdale FRS. She was the youngest of ten children from an impoverished Irish family but received a scholarship at the age of 16 in 1919 which enabled her to attend university in London. Without this scholarship she would not have been able to pursue her scientific career.

The purpose and objectives of the Trust, as per its Memorandum and Articles of Association, are to advance education by making grants to students and by engaging in other activities that will enable children and young people to have access to good education.

In setting objectives and planning for current and future activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Activities and Achievements

The main activities undertaken in relation to Trust's purposes as per its governing document and for the furtherance of public benefit are those of grant-giving.

The main achievements of the Trust in the year to 28 February 2022 are as follows:

Grant giving

During the year, the Trust has made grants of £92,782 to university students. The Trust has made a grant of £20,000 to Mount Kelly College in Tavistock, to fund bursaries for students from the Cumberland school in the London Borough of Newham which does not have a 6th form. The Trust also made grants of £27,500 in support of the school building project described below. Accordingly, the total grant expenditure for the year was £140,282.

School building project

In early 2019, the Trust began to build a six class room secondary school in Baluchestan, Iran. Baluchestan is an extremely remote and rural province. It is the second largest province by land area. It borders Pakistan and Afghanistan. It is extremely poor and neglected. Few children receive secondary education and the provision is extremely inadequate for girls.

The Trustees David Lonsdale and Mihail Kostov are concerned about the rate of progress being made and have been informed that the project is "on hold" by Hadi Sarmadi who is responsible for the delivery of the project. They have been assured by Hadi Sarmadi that the school will be built and that he will ensure that it is completed and will function as a well-run secondary school.

THE SEKFORDE HOUSE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2022

Financial review

On 3rd April 2021 the Trustee, David Lonsdale, donated a 30 year leasehold to the Sekforde House Trust of 35B Tierney Road, London, SW2. The property is a two bedroom flat which provides rental income to the Trust and which has been recognised as an addition to investment property in the current financial year. The value of the leasehold as at the date of the donation was calculated as being £300,000.

The Trust received rental income in the year of £13,200 from the above property. The Trust also received £200 in income by means of a bank adjustment. The Trust incurred £25 in bank fees and £4,800 in accountancy fees. Total support costs were therefore £4,825. As at 28 February 2022, the Trust held unrestricted reserves of £512,501 (2021: £344,208).

Financial risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Grant-making:

Each year the Trust invites students with places at the City University and UCL to apply for scholarships. The reason for limiting applications to two universities is to prevent the Trust being overwhelmed with applications that it would be unable to handle. It has occasionally disapproved this general limitation for an exceptional person or situation.

The selection criteria are advertised by the universities. They are:

- (i) Outstanding academic or other ability;
- (ii) Serious financial need;
- (iii) A desire and ability to make the world fairer and/or more sustainable.

The applications are reduced to 15 or so and these are all interviewed. The Trust pays reasonable costs of attending the interview. Four external interviewers join the Trustees and have an equal say in the selection. During 21/22, these external reviewers included a solicitor and councillor, the manager of the Sekforde, a PHD student and scholar, and a local artist.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Trust to be able to continue as a going concern.

Reserves policy

The Trust aims to retain sufficient funding to meet all future obligations as at the Balance Sheet date. At present all activities are funded by Trustee donations given freely on a "as needed" basis, or from rental income generated on investment properties. The Trust has no financial commitments as grants are given at the discretion of the Trustees. As such, no formal reserves policy is required at this time.

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2022

Structure, governance and management

Constitution

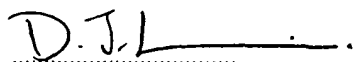
The Trust was incorporated on 22 February 2017 and is a Company Limited by Guarantee registered with the Registrar of Companies for England and Wales (Registration number 10633216) and is a Charity registered with the Charity Commission (Registration number 1172471). The Trust is governed by its Memorandum and Articles of Association.

Recruitment and appointment of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. The Trustees are aware of the Charity Commission guidance on the role and responsibilities of Trustees and seek further advice as required. The Trustees consider that the Trustee board comprises an appropriate mix of individuals with complementary skills and experience so as to meet the needs of the Trust. Induction is given by the Chair on the roles and responsibilities of Trustees and the operations of the Trust. Ongoing training needs are met by the Trust on an ad hoc basis.

This report has been prepared taking advantage of the small companies' exemption of the Companies Act 2006.

Approved by order of the Members of the Board of Trustees on 24/11/2022 and signed on their behalf by:



D Lonsdale
Chair

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2022

Independent Examiner's Report to the Trustees of The Sekforde House Trust ('the Trust')

I report to the Charity Trustees on my examination of the accounts of the Trust for the year ended 28 February 2022.

Responsibilities and Basis of Report

As the Trustees of the Trust (and its Directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Trust's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.


Independent Examiner's Statement

Since the Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe, in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no 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.

Signed: 

Dated: 30/11/2022

Stuart McKay BSc FCA DChA

MHA MacIntyre Hudson
Chartered Accountants
6th Floor
2 London Wall Place
London
EC2Y 5AU

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income:				
Donations	9	300,000	300,000	-
Rental income		13,200	13,200	-
Other income		200	200	-
Total income		313,400	313,400	-
Expenditure on:				
Grants to individuals	3	92,782	92,782	63,829
Grants to institutions	3	47,500	47,500	10,000
Independent Examiners remuneration	4	4,800	4,800	4,920
Professional fees		-	-	1,980
Professional fees - sale of investment property		-	-	3,591
Bank fees		25	25	-
Total expenditure		145,107	145,107	84,320
Net movement in funds before other recognised gains/(losses)		168,293	168,293	(84,320)
Losses on revaluation of fixed assets		-	-	(18,772)
Net movement in funds		168,293	168,293	(103,092)
Reconciliation of funds:				
Total funds brought forward		344,208	344,208	447,300
Net movement in funds		168,293	168,293	(103,092)
Total funds carried forward		512,501	512,501	344,208

The Statement of Financial Activities includes all gains and losses recognised in the year.

In the previous accounting period all income and expenditure was allocated to Unrestricted funds.

The notes on pages 8 - 13 form part of these financial statements.

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)
REGISTERED NUMBER: 10633216

BALANCE SHEET
AS AT 28 FEBRUARY 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Investment property	6		300,000		-
			<u>300,000</u>		<u>-</u>
Current assets					
Debtors	7	33,917		100,137	
Cash at bank and in hand		183,384		253,791	
		<u>217,301</u>		<u>353,928</u>	
Creditors: amounts falling due within one year	8	(4,800)		(9,720)	
Net current assets			<u>212,501</u>		<u>344,208</u>
Total net assets			<u><u>512,501</u></u>		<u><u>344,208</u></u>
Charity funds					
Unrestricted funds			512,501		344,208
Total funds			<u><u>512,501</u></u>		<u><u>344,208</u></u>

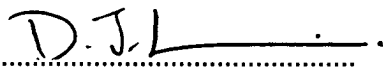
The Trust was entitled to exemption from audit under section 477 of the Companies Act 2006.

The Members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
D Lonsdale
Chair
Date: 24/11/2022

The notes on pages 8 to 13 form part of these financial statements.

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

1. General information

The Sekforde House Trust is a private charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number: 1172471) and Registrar of Companies (Company Registration Number: 10633216) in England and Wales.

In the event of the Trust being wound up the liability in respect of the guarantee is limited to £1 per Member of the Trust.

The address of the registered office is given in the Trust information on page 1 of these financial statements. The nature of the Trust's operations and principal activities are detailed in the Trustees Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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) and the Companies Act 2006.

The Sekforde House Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in pounds sterling which is the presentational and functional currency of the Trust and amounts are rounded to the nearest pound.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Trust to be able to continue as a going concern.

2.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Trust's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Trust which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Trust's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Investment properties

Investment properties are carried at realisable value determined by the Trustees and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in realisable value are recognised in the Statement of Financial Activities.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Trust only holds basic Financial Instruments. The financial assets and financial liabilities of the Trust are as follows:

Debtors - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 7. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 8.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

3. Analysis of grants

	Grants to Institutions 2022 £	Grants to Individuals 2022 £	Total funds 2022 £
Advancement of education	<u>47,500</u>	<u>92,782</u>	<u>140,282</u>

During the accounting period the Trust made 13 (2021 - 7) grants to individuals to fund scholarships. Grants totalling £27,500 were also provided in support of the School building project in Baluchestan, Iran and £20,000 to the Mount Kelly College; further details of which have been provided in the Trustees Report.

	Grants to Institutions 2021 £	Grants to Individuals 2021 £	Total funds 2021 £
Advancement of education	<u>10,000</u>	<u>63,829</u>	<u>73,829</u>

The Trust has made the following material grants to institutions during the year:

	2022 £	2021 £
Name of institution		
School building project in Baluchestan, Iran	27,500	10,000
Mount Kelly College	20,000	-
	<u>47,500</u>	<u>10,000</u>

4. Independent examiner's remuneration

The independent examiner's remuneration is comprised of an independent examiners fee of £3,300 (2021 - £3,390), and preparation of statutory accounts of £1,500 (2021 - £1,530).

5. Staff costs, Trustees' remuneration and expenses

The Trust does not have employees and the Trustees are considered to be the Trust's Key Management Personnel.

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 28 February 2022, no Trustee expenses have been incurred (2021 - £NIL).

THE SEKFORDE HOUSE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

6. Investment property

	Leasehold investment property £
Valuation	
Additions	300,000
At 28 February 2022	300,000

In April 2021, the Trustee David Lonsdale donated a 30 year leasehold in a property at 35B Tierney Road, London, to the Trust. The leasehold at the date of the donation was valued at £300,000.

7. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	33,917	100,137
	33,917	100,137

During the prior year, the investment property at Rudloe Road, London was sold, and sales proceeds of £431,228 were recognised, excluding costs of sale. Upon completion, the proceeds from the sale of the property were received by the Trustee David Lonsdale, and are being transferred to the Trust in regular instalments. As at the 28th February 2022, an outstanding balance of £33,917 (2021: £100,137) has been recognised. Further details can be found in Note 9 to the financial statements.

THE SEKFORDE HOUSE TRUST
(A Company Limited by Guarantee and Registered Charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

8. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	-	4,800
Accruals	4,800	4,920
	4,800	9,720

9. Related party transactions

During the year, The Sekforde House Trust was gifted a 30 year leasehold in a property at 35B Tierney Road, London by one of it's Trustees, David Lonsdale. The leasehold as at the date of the gift was valued at £300,000 and this sum has been recognised as an unrestricted donation in the current year financial statements.

During the prior year, an investment property at Rudloe Road, London was sold, and a sale of £431,228 was recognised, excluding costs of sale. Upon completion, the funds from the sale of the property were received by the Trustee David Lonsdale, and are being transferred to the Trust in regular instalments. As at the 28th February 2022, an outstanding balance of £33,917 has been recognised as an Other Debtor, which will be repaid in full in the following financial year.