

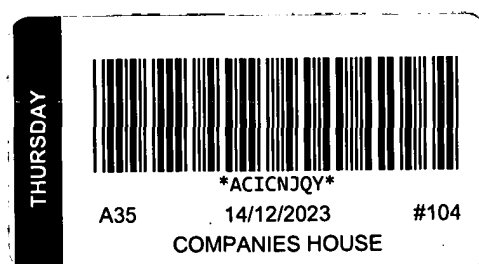
Company registration number: 10633216
Charity registration number: 1172471

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

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2023



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 2023

| | |
|----------------------------------|--|
| 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 |
| Accountant | MHA 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 2023

The trustees present their annual report together with the financial statements of the Sekforde House Trust for the year 1st March 2022 to 28th February 2023. The Annual Report serves the purpose of both a Trustees' Report and a Directors' Report under Company Law. The Trustees confirm the Annual Report and Financial Statements of the Charitable comply with the current statutory requirements, the requirements of the Charitable Company's governing document and 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).

Since the charity qualifies as small under Section 382 of the Companies Act 2008, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulation 2013 has been omitted.

Purpose and Objectives

The Trust was inspired by the chairman Mr David 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 a scientific career.

The purpose and objectives of the Trust as per the 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 the 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 the Trusts purpose 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 February 2023 are as follows:

Grant giving

During the past year, the Trust has made grants of £174,000 to university students. These consisted of six scholarships of £18,000, one of £16,000, two of £15,000 and four of £5,000. It has made a grant of £30,000 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. Accordingly, it made total charitable grants of £204,000 during the year.

School building project

In early 2019, the Trust began to build a six-classroom 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 remain 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 trustees have decided not to make any further financial contributions to the school project and will continue to press for information about the school and will hold Hadi Sarmadi to account for the money that he received on trust.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2023

Financial Review

On 3rd April 2021 the Trustee David Lonsdale donated a 30-year long leasehold to the Sekforde House Trust of 35B Tierney Road London SW2. The property is a two-bedroom property which provides rental income to the Trust of £1,200 per month. The value of the leasehold at the date of the donation was calculated as being £300,000.

The trust received rental income in the year of £14,400 from the above property. The trust received private donations of £750 from individuals other than David Lonsdale.

The trust incurred accountancy fees of £3,600.

On 7th and 22nd September 2022, David Lonsdale met on behalf of the Trust, costs of interviewees attending interviews from overseas and accommodation in London in the total sum of £2,600.

On 7th November 2022, David Lonsdale made a payment of £40,737.00 being in respect of debts owed of £33,917 and on account of income received from 35B Tierney Rd (as above). He further donated a sum of £20 to clear the balance owed to David by the charity.

As of 28th February 2023, the Trust held unrestricted reserves of £317,471 (2022: £512,501).

Financial risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the 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 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 disappplied 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 and these are interviewed. The trust pays reasonable costs of attending interview. Four external interviewers join the trustees and have an equal say in the selection. The external interviewers include a solicitor and a councillor.

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 is sufficient with the level of reserved for the Trust to be able to continue as a going concern.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2023

Reserves Policy

The Trust aims to retain sufficient funding to meet all future obligations at the Balance Sheet date. At present all activities are funded by Trustee donations given on a "as needed basis" (apart from the income from property). The Trust has no financial commitments as grants are given at the discretion of the Trustees. As such no formal reserve policy is required at this time.

Structure governance and management

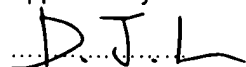
Constitution

The Trust was incorporated on 22nd February 2017 and is a Company Limited by Guarantee 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 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 board comprises an appropriate mix of individuals with complimentary skills and experiences so as to meet the needs of the charity. Induction is given by the chairman on the roles and responsibilities of Trustees and the operation of the charity.

The 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 and signed on their behalf by:



David Lonsdale
(Chairman of trustees)

Date: 08/12/2023

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 2023**

| | Note | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------------------|------|------------------------------------|-----------------------------|-----------------------------|
| Income: | | | | |
| Donations | | 750 | 750 | 300,000 |
| Rental income | 8 | 14,400 | 14,400 | 13,200 |
| Other income | | - | - | 200 |
| Charitable Gift from D Lonsdale | | 20 | 20 | - |
| Total income | | 15,170 | 15,170 | 313,400 |
| Expenditure on: | | | | |
| Grants to individuals | 3 | 174,000 | 174,000 | 92,782 |
| Grants to institutions | 3 | 30,000 | 30,000 | 47,500 |
| Accountancy and Examination fees | | 3,600 | 3,600 | 4,800 |
| Bank fees | | - | - | 25 |
| Interview expenses | | 2,600 | 2,600 | - |
| Total expenditure | | 210,200 | 210,200 | 145,107 |
| Net movement in funds | | (195,030) | (195,030) | 168,293 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 512,501 | 512,501 | 344,208 |
| Net movement in funds | | (195,030) | (195,030) | 168,293 |
| Total funds carried forward | | 317,471 | 317,471 | 512,501 |

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 2023

| | Note | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|--|------|---------------|-----------------------|----------------|-----------------------|
| Fixed assets | | | | | |
| Investment property | 5 | | 300,000 | | 300,000 |
| | | | <u>300,000</u> | | <u>300,000</u> |
| Current assets | | | | | |
| Debtors | 6 | - | | 33,917 | |
| | | <u>-</u> | | <u>33,917</u> | |
| Cash at bank and in hand | | 21,071 | | 183,384 | |
| | | <u>21,071</u> | | <u>183,384</u> | |
| Creditors: amounts falling due within one year | 7 | (3,600) | | (4,800) | |
| Net current assets | | | <u>317,471</u> | | <u>512,501</u> |
| Total net assets | | | <u><u>317,471</u></u> | | <u><u>512,501</u></u> |
| Charity funds | | | | | |
| Unrestricted funds | | | 317,471 | | 512,501 |
| Total funds | | | <u><u>317,471</u></u> | | <u><u>512,501</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:

THE SEKFORDE HOUSE TRUST

(A Company Limited by Guarantee and Registered Charity)

REGISTERED NUMBER: 10633216

BALANCE SHEET (CONTINUED)

AS AT 28 FEBRUARY 2023

D.J.L

D Lonsdale

Chair

Date: 08/12/2023

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 2023

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

2. Accounting policies (continued)

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.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

2. Accounting policies (continued)

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.

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 7.

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 2023

3. Analysis of grants

| | Grants to Institutions 2023 £ | Grants to Individuals 2023 £ | Total funds 2023 £ |
|--------------------------|--|---|---------------------------------------|
| Advancement of education | <u>30,000</u> | <u>174,000</u> | <u>204,000</u> |

During the accounting period the Trust made 13 (2022 - 13) grants to individuals to fund scholarships. A grant of £30,000 to the Mount Kelly College was also made; further details of which have been provided in the Trustees Report.

| | 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> |

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

| | 2023 £ | 2022 £ |
|--|-------------------|-------------------|
| Name of institution | | |
| School building project in Baluchestan, Iran | - | 27,500 |
| Mount Kelly College | 30,000 | 20,000 |
| | <u>30,000</u> | <u>47,500</u> |

4. 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 (2022 - £NIL).

During the year ended 28 February 2023, no Trustee expenses have been incurred (2022 - £NIL).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023**

5. Investment property

| | Leasehold investment property £ |
|---------------------|--|
| Valuation | |
| At 1 March 2022 | 300,000 |
| At 28 February 2023 | <u>300,000</u> |

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.

6. Debtors

| | 2023 £ | 2022 £ |
|----------------------------|-----------|---------------|
| Due within one year | | |
| Other debtors | - | 33,917 |
| | <u>-</u> | <u>33,917</u> |

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 transferred to the Trust in regular instalments. The outstanding balance owed to the trust by David of £33,917 was cleared in the 22/23 financial year.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

7. Creditors: Amounts falling due within one year

| | 2023 | 2022 |
|----------|--------------|--------------|
| | £ | £ |
| Accruals | 3,600 | 4,800 |

8. Related party transactions

In the prior 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. This property has been used to generate annual rental income of 2023 - £14,400 (2022: £13,200). The amount is received in David's personal bank account and recognised as an outstanding balance owed by David to the charity.

From his personal account David has also made payments directly to the recipients to cover expenses for two candidates to attend the interview in London of £2,600 and one minor scholarship of £5,000. These are recognised as charitable gifts from David and therefore deducted from his outstanding balance to the charity.

To clear the outstanding amounts, a lump sum transfer was made from David's personal bank to the charity bank account of £40,737.

At year ended 28 February 2023, the balance owed to David by the charity is £20. David has agreed to donate this sum to the charity so the balance can be cleared. In 2022 £33,917 was owed by David to the charity.