

Charity registration number 326026

THE MICHAEL O'SULLIVAN CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C M Austin F O'Mahony R Chamberlain
Charity number	326026
Registered office	Blue Hills Three Gates Lane Haslemere Surrey GU27 2ET
Independent examiner	Azets Audit Services Gladstone House 77-79 High Street Egham Surrey United Kingdom TW20 9HY
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Statement of cash flows	6
Notes to the financial statements	7 - 13

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2022

The Trustees present their annual report and financial statements for the year ended 5 April 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed dated 15 January 1982, the Charities Act 2011 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).

Objectives and activities

The charity's principal activity continues to be that of making grants to charitable or other organisations chosen by the trustees, within the UK, as a way of providing benefits.

The charity's aim is to support people with disabilities or epilepsy.

To further its aim, the charity makes donations to organisations that work with people with epilepsy or disabilities.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The charity donated funds totalling £81,377 (2021: £14,000) to six (2021: one) organisations during the year.

Financial review

The charitable fund showed a surplus of £34,028 (2021: £3,878,336) for the year, resulting in overall reserves being carried forward of £4,408,704 (2021: £4,374,726). The surplus is primarily due to gains made on the charity's investment portfolios, rental income and a legacy.

As at 5 April 2022, the charity held £4,408,704 (2021: £4,374,676) of unrestricted funds and £50 (2021: £50) of restricted funds.

The charity's investment strategy during the year was to use moderate to low risk investment portfolios, managed through a fund manager, to provide a mixture of capital growth and income.

The charity does not raise funds from the general public and so is not registered with the Fundraising Regulator.

The trustees have set a formal reserves policy to ensure that income received is distributed annually via donation and/or grant, keeping a sum aside for routine expenses. These distributions will focus on charities who support people with disability or epilepsy.

With the receipt of a substantial legacy, the trustees will be reviewing the future activities and strategy of the charity in the 2022-23 and 2023-24 financial years. As part of that review, the reserves policy will also be re-evaluated.

The trustees do not currently maintain a risk register.

Structure, governance and management

The Charity was established under Deed of Trust on 15 January 1982.

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

C M Austin
F O'Mahony
R Chamberlain

In the process of appointing and recruiting new trustees into the charity, the existing trustees would seek recommendations from professional advisors.

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

The trustees meet in person or hold conference calls twice per year. Requests for donations are collated as received, and analysis of these and of the charities making the requests carried out. The trustees will then discuss the requests before deciding whether to approve donation. It is anticipated that the majority of donations will be made to charities chosen by the Trust, but the charity will be open to requests being made. C Austin carries out the day-to-day administration of the charity's affairs.

The trustees are the key management personnel of the charity. The charity reimbursed one trustee for the amount of £2,879 for purchases made on the charity's behalf (2021: no trustees received reimbursed expenses).

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

C M Austin
Trustee

2 November 2022

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MICHAEL O'SULLIVAN CHARITABLE TRUST

I report to the Trustees on my examination of the financial statements of The Michael O'Sullivan Charitable Trust (the charity) for the year ended 5 April 2022.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Paul Creasey FCA
Azets Audit Services

Gladstone House
77-79 High Street
Egham
Surrey
TW20 9HY
United Kingdom

Dated: 15 December 2022

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	62,936	-	62,936	3,789,350	-	3,789,350
Investments	4	47,891	-	47,891	9,345	-	9,345
Total income		<u>110,827</u>	<u>-</u>	<u>110,827</u>	<u>3,798,695</u>	<u>-</u>	<u>3,798,695</u>
Expenditure on:							
Raising funds	5	4,162	-	4,162	3,789	-	3,789
Charitable activities	6	87,234	-	87,234	18,200	-	18,200
Total expenditure		<u>91,396</u>	<u>-</u>	<u>91,396</u>	<u>21,989</u>	<u>-</u>	<u>21,989</u>
Net gains/(losses) on investments		14,597	-	14,597	101,630	-	101,630
Net movement in funds		<u>34,028</u>	<u>-</u>	<u>34,028</u>	<u>3,878,336</u>	<u>-</u>	<u>3,878,336</u>
Fund balances at 6 April 2021		4,374,676	50	4,374,726	496,340	50	496,390
Fund balances at 5 April 2022		<u><u>4,408,704</u></u>	<u><u>50</u></u>	<u><u>4,408,754</u></u>	<u><u>4,374,676</u></u>	<u><u>50</u></u>	<u><u>4,374,726</u></u>

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

All income and expenditure derive from continuing activities.

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

BALANCE SHEET

AS AT 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investment properties	10	985,000		-	
Investments	11	3,397,387		587,490	
			4,382,387		587,490
Current assets					
Debtors	13	579		3,789,929	
Cash at bank and in hand	8	28,187		2,527	
			28,766		3,792,456
Creditors: amounts falling due within one year					
	15	(2,399)		(5,220)	
Net current assets			26,367		3,787,236
Total assets less current liabilities					
			4,408,754		4,374,726
Income funds					
Restricted funds			50		50
<u>Unrestricted funds</u>					
General unrestricted funds		4,052,791		4,099,245	
Revaluation reserve		355,913		275,431	
			4,408,704		4,374,676
			4,408,754		4,374,726

The financial statements were approved by the Trustees on 2 November 2022

C M Austin
Trustee

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	19		(31,281)		(20,789)
Investing activities					
Purchase of investments		(2,799,792)		(6,152)	
Proceeds on disposal of investments		2,808,842		9,393	
Investment income received		47,891		7,618	
Net cash generated from investing activities			56,941		10,859
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			25,660		(9,930)
Cash and cash equivalents at beginning of year			2,527		12,457
Cash and cash equivalents at end of year			28,187		2,527

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

1 Accounting policies

Charity information

The Michael O'Sullivan Charitable Trust is an unincorporated trust, registered with the Charity Commission in England and Wales. The principal office is disclosed on page 1.

1.1 Accounting convention

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice. The charity is a Public Benefit Entity as defined by FRS 102.

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, except for investments which are included at fair value. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Charitable funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.4 Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy and are recognised in the period to which they relate.

Dividends and interest are included in the Statement of Financial Activities when received.

All income is shown net of any irrecoverable tax deductions.

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.

1.5 Expenditure

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 accrual basis. All expenses including support costs and governance costs are allocated or apportioned to applicable expenditure headings.

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

1 Accounting policies

(Continued)

Resources expended comprise:

- Charitable Activities as disclosed in the SOFA are as follows: expenditure on charitable activities and other resources expended.

The costs of charitable activities include direct expenditure. The accounting treatments for these are as follows:

- The charitable activities flow from the Charity's vision and purpose, which are highlighted in the Trustees' Report.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash at bank and in hand includes cash and short term highly liquid investments with an original maturity date of three months or less.

1.9 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.10 Creditors and provisions

Creditors and provisions are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the past obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their transaction price after allowing for any trade discounts due unless the arrangement constituted a financing transaction in which case the transaction is measured at present value of future payments discounted at the prevailing market rate of interest. Other financial liabilities are initially measured fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest rate method.

2 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 MICHAEL O'SULLIVAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Legacies receivable	62,936	3,789,350
	<u>62,936</u>	<u>3,789,350</u>

During the 2020-21 financial year, the Trust was notified of a legacy and recognised the income based on its expected receivable amount which was subsequently received in early 2022. The value of the cash and assets actually received exceeded expectations. The additional amount is reflected under legacies above.

4 Investments

	Unrestricted funds	Total
	2022	2021
	£	£
Rental income	40,375	-
Income from managed portfolio	7,515	9,337
Bank and other interest receivable	1	8
	<u>47,891</u>	<u>9,345</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Investment management	4,162	3,789
	<u>4,162</u>	<u>3,789</u>

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

6 Charitable activities

	2022 £	2021 £
Donations	81,377	14,000
Audit and Independent Examination fees	2,387	4,200
Repairs & maintenance	2,365	-
Legal & professional fees	1,080	-
Ground rent expense	25	-
	<u>87,234</u>	<u>18,200</u>

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor and associates:

	2022 £	2021 £
Audit of the charity's annual accounts	-	4,200
	<u>-</u>	<u>4,200</u>
Non-audit services		
Independent examination of the charity's annual accounts	2,400	-
	<u>2,400</u>	<u>-</u>

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. The Trustees are also the Key Management Personnel of the charity,

The charity reimbursed one trustee for the amount of £2,879 for purchases made on the charity's behalf (2021: no trustees received reimbursed expenses).

9 Employees

No salaries or wages have been paid to employees, including the board of trustees, during the year.

10 Investment property

	2022 £
Fair value	
At 6 April 2021	-
Additions	985,000
	<u>985,000</u>
At 5 April 2022	<u>985,000</u>

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

10 Investment property

(Continued)

Investment property comprises of 47 Moreton Street, London, SW1V 2NY and 14 Beatrice Lodge, Beatrice Road, Oxted RH8 0QH. The fair value of the investment properties have been arrived at on the basis of valuations carried out at 13 August 2020 and 07 September 2020 by Egerton Chartered Surveyors & White and Sons, who are not connected with the charity. The valuations were made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The trustees consider the values of the properties at 30 April 2022 to be similar to the valuations made in 2020.

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2021	587,490
Additions	5,604,142
Valuation changes	14,597
Disposals	(2,808,842)
At 5 April 2022	<u>3,397,387</u>
Carrying amount	
At 05 April 2022	<u>3,397,387</u>
At 05 April 2021	<u>587,490</u>

	2022 £	2021 £
Investments at fair value comprise:		
UK Quoted Corporate Bond	86,892	92,374
UK Quoted Unit Trusts	3,310,495	495,116
	<u>3,397,387</u>	<u>587,490</u>

12 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>3,397,387</u>	<u>587,490</u>

Income generated by the financial instruments is disclosed in note 4 to the accounts. Net gains or losses, including changes in fair value, are disclosed in the statement of financial activities.

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

13 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	579	3,789,929
	<u>579</u>	<u>3,789,929</u>

14 Cash and bank

	2022	2021
	£	£
General Fund - Reserve Account	25,187	(10)
General Fund - Current Account	2,950	2,487
Trust Capital - Current Account	50	50
	<u>28,187</u>	<u>2,527</u>

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	-	30
Accruals and deferred income	2,399	5,190
	<u>2,399</u>	<u>5,220</u>

16 Unrestricted income funds

	Movement in funds				Balance at 5 April 2022
	Balance at 6 April 2021	Incoming resources	Resources expended	Revaluations gains and losses	
	£	£	£	£	£
General Funds	4,374,676	110,827	(90,065)	14,597	4,410,035
	<u>4,374,676</u>	<u>110,827</u>	<u>(90,065)</u>	<u>14,597</u>	<u>4,410,035</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

18 Non-cash transactions

During the financial year ended 5 April 2021, the charity recognised a legacy receivable, comprising investment properties and a portfolio of listed investments. Legal title of the assets passed to the charity during the year ended 5 April 2022. The addition of these assets to fixed assets is a non-cash transaction.

THE MICHAEL O'SULLIVAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

19 Cash generated from operations	2022	2021
	£	£
Surplus for the year	34,028	3,878,336
Adjustments for:		
Investment income recognised in statement of financial activities	(47,891)	(9,345)
Fair value gains and losses on investments	(14,597)	(101,630)
Movements in working capital:		
(Increase) in debtors	-	(3,789,350)
(Decrease)/increase in creditors	(2,821)	1,200
Cash absorbed by operations	(31,281)	(20,789)

20 Analysis of changes in net funds		
The charity had no debt during the year.		