

# Rothsay



we care



Rothsay Foundation  
Trustees' Report and Financial Statements 2020

Company number: 12263987  
Charity number: 1189490



Our purpose

Helping to secure  
and improve the  
quality of life for  
older people.



**Trustees' report**

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**Ray King**  
Chairman, Rothsay Foundation





## Chairman's report

Helping to secure and improve the quality of life for older people.

The Trustees present their Annual Report and the audited financial statements for the Rothesay Foundation (the Foundation), Company registered number 12263987, and charity registered number 1189490, for the period ended 31 December 2020. The Foundation was incorporated on 15 October 2019 and therefore these financial statements have been prepared for the first long period.

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime. The Company has taken the exemption available and has not produced a strategic report.

The Foundation was established by and operates with support from the Rothesay Limited Group. Thanks to this support, every penny donated to the Foundation can be used to advance the Foundation's objectives.

Despite the challenges posed by COVID-19, I am pleased to say that the Foundation has made a good start. We have supported a number of charities so that they can continue their vital work during the global pandemic. We have been able to partner directly with their leadership and volunteers in the field, gaining valuable insight into the lives of older people and how COVID-19 has impacted them.

We have conducted extensive analysis of the charitable sector's activity among older people which is helping us to identify the areas of focus which will most effectively further the Foundation's purpose. We intend to build on this base and refine our focus, deepening our knowledge of the issues older people face and developing new solutions to address them.

In the meantime, we continue to collaborate closely with our charity partners on how we might best support them going forward. We are excited to see these partnerships grow over the years ahead.

With best wishes,



**Ray King**  
Chairman, Rothesay Foundation  
26 May 2021



# Rothsay Foundation





# Mission

The Rothesay Foundation was established in 2019 by Rothesay, the UK's largest pensions insurance specialist. The Foundation was approved as a charity in 2020.

Rothesay is a purpose-built business, dedicated to protecting people's pensions. From its very first day, Rothesay has had a clear purpose: securing the future for every one of its policyholders.

The work of the Rothesay Foundation is rooted in this purpose. The Foundation's mission is to help secure and improve the quality of life of older people in need in the UK, enabling them to live their lives in a happy, safe and fulfilling way.

The Foundation partners with charities and other organisations to make this possible. When choosing who to support, we believe potential partners must demonstrate:

- Commitment to supporting those who need it the most.
- Clear focus on delivering tangible improvements to those in need.
- Understanding that early interventions can prevent future problems.
- Openness to innovation.
- Insight into the unique challenges that the ageing population can face.



## The Challenge

There is a clear demographic trend in the UK: our population is becoming older.

In 2030, 19.6 million people in the UK will be aged 60 and older, an increase of 24% from 2018. According to the UK Office for National Statistics, one in five people (21.8%) in 2030 will be 65+ years, 6.8% will be 75+ and 3.2% 85+.

This trend is only increasing. In the next 20 years, the percentage of the population aged over 85 will double.

The social and economic impacts of these demographic shifts are only just beginning to be understood and are invariably presented as challenges as opposed to opportunities.

This ageing will affect all aspects of society: labour and financial markets, demand and opportunity in health, housing, social care, transport, technology, information and intergenerational connections. There will need to be a significant shift in attitude to ageing and the role of work, health, wellbeing and communities.

Securing the health and wellbeing of the UK's older generation has never been more important. To do so will require long-term smart thinking supported by new types of partnerships and systems of support.

+24%

In 2030 19.6 million people in the UK, will be aged 60 and older, an increase of 24% from 2018.

x2

In the next 20 years, the percentage of the population aged over 85 will double.





## Achievements and performance

In 2020, the Rothesay Foundation was formally approved by the Charities Commission and HMRC.

The Foundation conducted an extensive analysis of over 3,000 UK charities and foundations which have a focus on supporting the elderly. Based on our partnership principles, we produced a shortlist of organisations to which we believed we could provide the most valuable support, but with a particular focus on those charities which were doing important work during the pandemic and which were in urgent need of funds. The aim was to take as holistic an approach to wellbeing as possible which included incorporating wellbeing principles such as food security, malnutrition, cognitive health and social isolation into our partnership criteria.

Once our original shortlist of partners was approved by the Board of Trustees, the Foundation actively engaged with all levels of the charities we supported. This included fieldwork with volunteers and home visits to older people, providing us with valuable insight into the realities facing the sector. We believe this approach is essential to the Foundation providing meaningful and long-lasting support for our partners as it allows us to contribute to their funding as well as their operational efficiency and wider network of support.

Along with the initial charities chosen, the Foundation has also started to engage with other academic and research institutions as well as other charitable foundations to identify where we can collaborate and share best practice. This includes organisations focused on the challenges faced by the older generation living in cities, with the ambition in the years ahead to establish or support initiatives which could help to address issues in a specific area and, if successful, then use this as a template to expand these initiatives into other geographic areas.



## Charity Partners



The Rothesay Foundation is supporting Food Train with a £380,000 grant over two years from September 2020. These funds will facilitate expansion to the remaining 23 council districts of Scotland where Food Train is not currently operating, delivered by:

- A new team of four supported by the Food Train Head Office.
- A new digital platform that will facilitate the integration and management of Food Train's logistics and supply chain.

Today an estimated 10% of older people living in Scotland suffer from malnutrition and 4% need some form of ongoing care or support. Since 1995, Food Train has been making daily life easier for older people, providing vital services to those who are no longer able to manage independently, through age, ill health, frailty or disability.

Food Train makes hundreds of grocery deliveries every week, ensuring those most in need have access to fresh groceries. They currently support 3,065 customers every week, a 60% increase on their pre-COVID-19 customer base. This has been possible through 1,300 shopping service volunteers, an increase of 800 pre-COVID-19.

The Rothesay Foundation will continue to support and learn from Food Train as they expand their shopping service model in Scotland and develop their new technology platform. These learnings will be applied across the Foundation's other charitable initiatives wherever possible.



# +60%

Food Train currently supports 3,065 customers every week, a 60% increase on their pre-COVID-19 customer base.





The Rothsay Foundation awarded an emergency one year grant of £250,000 (payable in two instalments) to enable GoodGym to deliver essential practical and social support to older and vulnerable people throughout the COVID-19 pandemic. The grant supports their network of 20,000 volunteers in 59 locations across the UK and will enable them to:

- Maintain deliveries during the outbreak.
- Protect key staff roles.
- Emerge strong as restrictions are lifted.
- Continue covering food costs for those unable to afford them.

The Rothsay Foundation funding has allowed GoodGym to maintain their focus on supporting vulnerable older people by delivering food, prescriptions and other essential services. During the first national lockdown, volunteer members completed 16,985 'missions' including delivering food and prescriptions and providing hospital discharge support to older people. It has also allowed them to on-board and complete background checks for new members. Following the first lockdown, their number of 'missions' has recovered to around 90% of their pre-pandemic level.

The Foundation will continue to work with GoodGym to understand and improve their delivery model, including how they might integrate a shopping/food delivery service into their technology platform.

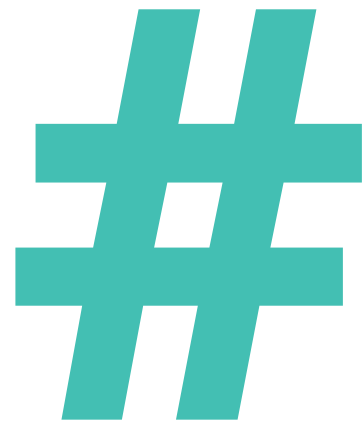


SafeLives is a UK-wide charity dedicated to ending domestic abuse. They work with organisations across the UK to transform the response to domestic abuse, putting the voices of survivors at the heart of their thinking.

The Rothsay Foundation awarded a COVID-19 emergency one time grant of £100,000 to allow SafeLives to maintain their service during the global pandemic by supporting:

- Families who are being asked to self-isolate but who are not safe at home.
- Funding for frontline services, while maintaining the health and morale of their staff and volunteers.

The Foundation are exploring the possibility of supporting a programme which may be developed by SafeLives focusing specifically on the issue of domestic abuse in older people.



# 16,985

Number of 'missions' completed by volunteer members during the first national lockdown.

# Rothesay Foundation

## Financial review

The Foundation is funded from donations from the Rothesay Limited Group. Total income for the period consisted of donations and donated services of £2,586,000. Expenditure in the period was £323,000 which comprised the first year grants to the charities described on the previous page (Food Train £98,000, GoodGym £125,000 and SafeLives £100,000).

## Reserves policy

At 31 December 2020 the Foundation had net assets of £2,177,000. These are held as cash.

The Trustees do not have a formal reserves policy. The Foundation operates from donations from the Rothesay Group and the Trustees will not commit their resources beyond the level of donations received. The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern due to the commitments made and support provided by the Rothesay Limited Group.





## Key risks and uncertainties

Given the net assets of the Foundation and the support provided by the Rothesay Limited Group, there are no material risks and uncertainties in relation to the ongoing operation of the Foundation. The main risks therefore relate to the effectiveness of the charities to which grants are being made. This risk is managed by the Trustees through comprehensive analysis of the potential charity partners and active engagement once the Foundation has committed to providing grants.

## Looking forwards

The Trustees feel that the Foundation should become more of an agent for change, working proactively with other charities and organisations rather than just being a grant provider. With this in mind, the Trustees have commissioned a further review of the sector which has helped identify the two domains of improving the home environment and financial security of people as they age, as particular initiatives to support. Once the review has been finalised the Foundation will then continue funding other chosen charities and initiate new projects which support the Foundation's aims. The Trustees also plan to appoint further independent Trustees to bring complementary skills and experience for the Foundation.

## Structure and governance

The Rothesay Foundation is a registered charity (number 1189490) and was incorporated (company number 12263987) on 15 October 2019 and therefore these financial statements have been prepared for the first long period. It is governed by its Memorandum and Articles of Association dated 15 October 2019 as amended by special resolutions dated 29 April 2020 and 20 May 2021. The Foundation operates with support from the Rothesay Limited Group. During 2020, Anthony Walters was appointed as the Foundation's interim Chief Executive Officer.

The Trustees of the Foundation since incorporation and as at the date of this report as follows:

	Appointed	Resigned
Ray King	8 April 2020	
Professor Dame Carol Black	8 April 2020	
Dame Moira Gibb	8 April 2020	4 December 2020
Addy Loudiadis	8 April 2020	
James Dickson	15 October 2019	
Andrew Stoker	15 October 2019	9 April 2020

The Trustees would like to thank Dame Moira Gibb and Andrew Stoker who both resigned during the period for their contribution to the establishment of the Foundation. Further details on the current Board of Trustees can be found on the following page.



## Board of Trustees



**RAYMOND (RAY)  
KING**  
CHAIRMAN OF  
TRUSTEES

Ray King is a Non-Executive Director of Rothesay, having stepped down as Chairman in December 2017. Ray ended his executive career as Group CEO of Bupa, having previously been Finance Director. Earlier in his career he held senior management roles at Diageo/Guinness plc, Southern Water plc and ICI plc.



**PROFESSOR  
DAME CAROL  
BLACK**

Professor Dame Carol Black is currently Chair of the British Library, the Centre for Ageing Better, and Think Ahead, the Government's fast stream training programme for Mental Health Social Workers. She chairs NHS Improvement's Advisory Board on Employee Health and Wellbeing, and is Adviser to NHSI and PHE on Health and Work. She is also a member of RAND Europe's Council of Advisers, and the Board of UKActive.



**ANTIGONE  
(ADDY)  
LOUDIADIS**

Addy Loudiadis is Rothesay's founder and Chief Executive Officer. Addy established Rothesay in 2007 as a business purpose-built to protect pensions. Addy was previously a partner of Goldman Sachs and served as the co-head of the Investment Banking Division in Europe. Before moving to investment banking, she was head of European Fixed Income Sales at Goldman Sachs. Addy sits on the Board of the Association of British Insurers.



**JAMES  
DICKSON**

James Dickson is Rothesay's General Counsel. He joined Rothesay in 2009 and is responsible for the legal function and execution team. Prior to joining Rothesay, James was at Linklaters for 15 years (11 years as a Partner) specialising in structured finance.

## Company information

**Registered office**

The registered office and principal place of business is: The Post Building, 100 Museum Street, London WC1A 1PB.

**Auditors**

Resolutions to appoint PricewaterhouseCoopers LLP (1 Embankment Place, London, WC2N 6RH) in office as auditors of the Company pursuant to Section 487(2) of the Companies Act 2006 were passed on 9 April 2020.

**Bankers**

Barclays Bank UK Plc, 1 Churchill Place, London, E14 5HP.

## Statement of Trustees' Responsibilities in respect of the Trustees' report and the financial statements

The Trustees (who are also Directors of Rothesay Foundation for the purposes of Company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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 charitable company will continue in business.

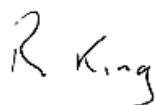
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Section 418, Directors' reports shall include a statement, in the case of each Director in office at the date the Directors' report is approved, that:

- (a) so far as the Trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he/she has taken all the steps that he ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Trustees' report on pages 1 to 15 was approved by the Board of Trustees on 26 May 2021 and signed on their behalf.



**Ray King**  
Chairman of Trustees  
26 May 2021



# Independent auditors' report to the Members of Rothesay Foundation

## Report on the audit of the financial statements

### **Opinion**

In our opinion, Rothesay Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the 15 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Trustees' Report and Financial Statements (the "Annual Report"), which comprise: the charity balance sheet as at 31 December 2020; the charity statement of financial activities and the cash flow statement for the 15 month period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charitable company's ability to continue as a going concern.

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

***Trustees' Report***

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Report has been prepared in accordance with applicable legal requirements. In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Report. We have nothing to report in this respect.

# Independent auditors' report to the Members of Rothesay Foundation

## Report on the audit of the financial statements continued

### **Responsibilities for the financial statements and the audit**

#### ***Responsibilities of the trustees for the financial statements***

As explained more fully in the Statement of Trustees' Responsibilities in respect of the Trustees' Report and the Financial Statements set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 charitable company'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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### ***Auditors' responsibilities for the audit of the financial statements***

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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### ***Use of this report***

This report, including the opinions, has been prepared for and only for the charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



## Other required reporting

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### ***Entitlement to exemptions***

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Trustees were not entitled to: take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

### **Daniel Chan (Senior Statutory Auditor)**

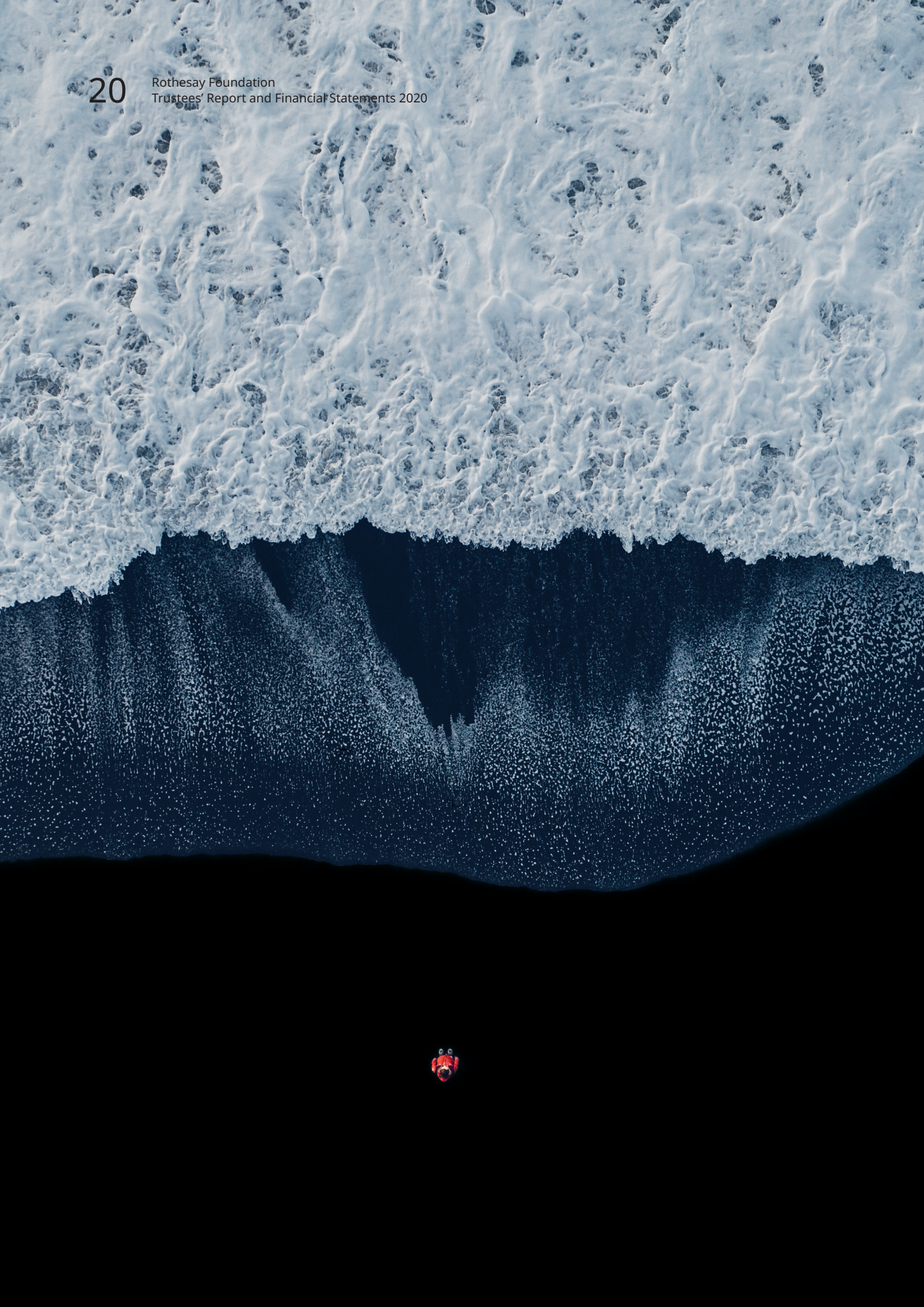
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

26 May 2021







# Financial statements

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# Charity Statement of financial activities

FOR THE PERIOD ENDED 31 DECEMBER 2020

	Note	Total funds 2020 £'000
<b>Income from:</b>		
Donations	B.1	2,586
<b>Total income</b>		<b>2,586</b>
<b>Expenditure on:</b>		
Charitable activities	B.2	(323)
Donated services	B.3	(86)
<b>Total expenditure</b>		<b>(409)</b>
<b>Net income</b>		<b>2,177</b>
Transfers between funds		—
<b>Net movement in funds</b>		<b>2,177</b>
<b>Reconciliation of funds</b>		
Total funds on incorporation		—
<b>Total funds carried forward</b>	D.1	<b>2,177</b>

The Rothesay Foundation did not allocate any restricted funds during the period. All of the funds analysed in the statement above are unrestricted.

The Charity statement of financial activities incorporates an income and expenditure account.

The statement of financial activities includes all gains and losses in the period. All income and expenditure are derived from continuing activities.

Notes A – E form an integral part of these financial statements.

# Charity balance sheet

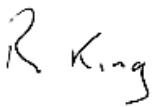
AS AT 31 DECEMBER 2020

	Note	2020 £'000
<b>Current assets</b>		
Cash at bank and in hand	C.1	2,177
<b>Total assets</b>		2,177
<b>Charity funds</b>		—
Unrestricted funds	D.1	2,177
<b>Total charity funds</b>		2,177

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

Notes A – E form an integral part of these financial statements.

Approved by the Trustees and authorised for issue on 26 May 2021 and signed on its behalf by:



**Ray King**  
Chairman of Trustees  
26 May 2021

Company number 12263987  
Charity number: 1189490

## Cash flow statement

FOR THE PERIOD ENDED 31 DECEMBER 2020

	Note	2020 £'000
<b>Cash flows from operating activities</b>		
Net income		2,177
<b>Change in cash at bank and in hand in the period</b>		
Cash at bank and in hand as at incorporation		—
<b>Cash at bank and in hand at 31 December</b>	C.1	<b>2,177</b>

Notes A – E form an integral part of these financial statements.

# Notes to the financial statements

## **Note A - Accounting policies**

The principal accounting policies and judgements used in the preparation of the financial statements are summarised below.

### ***A.1 Basis of preparation***

The financial statements of the Company have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime. The Company has taken the exemption available and has not produced a strategic report.

The Company constitutes a public benefit entity as defined by FRS 102. The financial statements of the Company are presented in sterling (£) rounded to the nearest thousand (£'000).

### ***A.2 Going concern***

The Trustees have considered the possible impact of COVID-19 on the Company and remain satisfied that the Company has adequate resources to continue in business and to meet its obligations for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

### ***A.3 Fund accounting***

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objectives.

### ***A.4 Donation recognition***

Donations received are recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. In the event that a donation or grant is subject to conditions, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Company and it is probable that those conditions will be fulfilled.

### ***A.5 Donated services***

Donated services are those provided to the charity free of charge. All donated services are recognised at their value to the charity as assessed by the trustees. The value of the donated services is recognised as income from donations in the statement of financial activities and the corresponding expense is recognised as expenditure on donated services.

### ***A.6 Grants payable***

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant is outside of the control of the Charity.



# Notes to the financial statements

## continued

### Note A – Accounting policies (continued)

#### A.7 Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

#### A.8 Critical assumptions and the use of estimates

During the preparation of the financial statements the Company selects accounting policies and makes estimates and assumptions that impact on the items reported and their presentation. The most significant areas of adjustment and key assumptions that affect items in the financial statements are to do with estimating the liability from multi-year grant commitments. The Trustee reviews the reasonableness of these judgements and assumptions as well as the appropriateness of the accounting policies applied.

The Trustees do not consider there to be any matters of significant judgement made during the financial period.

Estimates are based on evidence available at the accounting date and opinions provided by subject matter experts. Actual results may vary from the estimates provided. As new facts become available estimates will be updated. The Trustees do not consider there to be any material estimations made during the year.

### Note B - Charity statement of financial activities

#### B.1 Donations received

	2020 £'000
Donations received	2,586
<b>Total donations received</b>	<b>2,586</b>

During September 2020 Rothesay Life Plc (another Rothesay Limited Group company) donated £2.5m to the Rothesay Foundation.

#### B.2 Analysis of grants

	2020 £'000
Recipients of institutional grants:	
Food Train	98
GoodGym	125
SafeLives	100
<b>Total</b>	<b>323</b>

**Note B – Charity statement of financial activities (continued)****B.3 Donated services**

	2020 £'000
Auditors' remuneration	30
Salaries, bonus and other employee benefits	56
<b>Total</b>	<b>86</b>

**B.4 Analysis of staff costs and remuneration of key management personnel**

All Rothesay Limited Group persons involved in the Foundation's operations are employed by a wider Group undertaking, Rothesay Pensions Management Limited (RPML). The charges made by RPML in relation to wages and salaries, social security costs, and other pension costs for all the services provided (personnel and other) to the Foundation have been borne by another Group undertaking. The charges relating to key management personnel (one individual as at 31 December 2020) are as follows:

	2020 £'000
Wages and salaries	46
Social security costs	6
Other pension costs	4
<b>Total employee benefit expense</b>	<b>56</b>

The Trustees are not remunerated for their services to the Foundation and any expenses are reimbursed by another Group undertaking.

**B.5 Auditors' remuneration**

Fees paid and payable to the Company's auditors (excluding VAT) are as follows:

	2020 £'000
Audit of the financial statements	30
<b>Total audit</b>	<b>30</b>

Auditors' remuneration has been borne another Group company, Rothesay Life Plc.

**B.6 Taxation**

The Rothesay Foundation 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 trust for UK income tax purposes. Accordingly, the Charity is exempt from taxation in respect of income of capital gains received within categories covered by Part 10 of the Income Tax Act 2007 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.

**Note C - Asset and liabilities****C.1 Analysis of current assets**

	2020 £'000
Cash at bank and in hand	2,177
<b>Total</b>	<b>2,177</b>

# Notes to the financial statements

## continued

### Note D - Charity funds

#### D.1 Analysis of charitable funds

	Balance on incorporation £'000	Income £'000	Expenditure £'000	Funds carried forward at 31 December 2020 £'000
Analysis of fund movements	—	2,586	(409)	2,177
<b>Total</b>	—	2,586	(409)	2,177

### Note E - Other notes

#### E.1 Financial commitments and contingencies

At the balance sheet date, the Charity was committed to the following:

	2020 £'000
Grant commitments	407
<b>Total</b>	407

At the balance sheet date, the Charity was committed to pay donations from funds to beneficiary charities over a period to January 2022, subject to certain conditions being met by the charities. No amount has been recorded in the balance sheet for these amounts.

#### E.2 Related parties disclosures

The Charity received a donation of £2.6m (£2,500,000 donation and £86,000 of donated services) from another Group company, Rothesay Life Plc.

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. There were no expenses paid to the Trustees in the period.

The Charity considers its key management personnel comprise the Trustees and the interim Chief Executive Officer of the Foundation. All employment benefits are incurred by another Group company. During the period ending 31 December 2020 transactions between RPML and key management personal in relation to services provided to the charity were as follows:

	2020 £'000
Salaries, bonus and other employee benefits	56
<b>Total</b>	56

There were no employees who earned over £60,000 during the period ended 31 December 2020. Since the Trustees do not receive any remuneration or employment benefits there are no related party transactions to disclose in relation to Trustees.

# Rothestay

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