

# **STAPLES TRUST**

## **ANNUAL REPORT**

**5 APRIL 2021**

**THE PEAK  
5 Wilton Road  
London SW1V 1AP**

**STAPLES TRUST**  
**5 April 2021**

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**STAPLES TRUST**  
**5 April 2021**

**REPORT OF THE TRUSTEES**

**Legal and Administrative**

The Staples Trust (No. 1010656) was established under a Trust Deed dated 31 March 1992.

<b>Trustees</b>	Jessica Sainsbury Professor Peter Frankopan James Sainsbury OBE Judith Portrait OBE
<b>Registered Office</b>	The Peak, 5 Wilton Road London SW1V 1AP
<b>Principal Officers</b>	Karen Everett Elaine Ponte  Chief Operating Officer Executive  All the Principal Officers are employed on a part-time basis.
<b>Bankers</b>	Child & Co 1 Fleet Street London EC4Y 1BD
<b>Solicitors</b>	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ
<b>Auditors</b>	Saffrey Champness LLP 71 Queen Victoria Street London EC4V 4BE
<b>Investment Advisers</b>	Cazenove Capital Management 12 Moorgate London EC2R 6DA

**Investment Powers**

The Trust Deed empowers the Trustees to appoint investment advisers who have discretion to invest the funds of the Trust within guidelines established by the Trustees.

**Objects**

The objects of the Trust as given in the Trust Deed are for general charitable purposes. The current areas of interest are reflected in the grant-making activities, as detailed on page 5 of the Report of the Trustees.

## **REPORT OF THE TRUSTEES (continued)**

### **Organisation**

The Trust is one of the Sainsbury Family Charitable Trusts (SFCT) which share a common administration.

Trustees are appointed by the Settlor, Jessica Sainsbury, and are provided with relevant information relating to their responsibilities as Trustees. The day-to-day running of the Trust and grant administration is delegated to trust executives, with strategic decisions undertaken by the Trustees.

Trustees are aware of the Charity Governance Code published in 2017 (refreshed 2020) which sets out the principles and recommended practice for good governance within the sector. The Trust has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code, whilst maintaining its need to operate its governance efficiently. Trustees have had due regard to the guidance published by the Charity Commission when reviewing the Trust's aims and objectives and planning future activities.

The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against comparable positions in similar organisations.

The Trust and its Trustees are fully aware of the requirements and the duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under Section 162A of the Charities Act 2011.

### **Grant-making policy**

Proposals are generally invited by the Trustees or initiated at their request. Unsolicited applications are discouraged and are unlikely to be successful, even if they fall within an area in which the Trustees are interested. The Trustees prefer to support innovative schemes that can be successfully replicated or become self-sustaining. Apart from the awards made under the Frankopan Fund, grants are not normally made to individuals. The Trustees' priorities are set out under each category heading in the report on grants approved below.

In future the Trust will continue to support the activities set out on page 5 by the award of grants.

### **Reserves Policy**

It has been the policy of the Trustees to approve grants for payment over a period of years, subject to certain conditions over the life of the grant. Those expected to be paid within twelve months of the year-end are accrued in the accounts, whilst those due to be paid later than this are not accrued. These are referred to in note 5 to the accounts and amount to £740,000. They represent funds earmarked for continued support to certain existing beneficiaries, although binding commitments have not yet been made. Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available reserves is adequate and that the Trust is in a position to meet all its commitments.

As at 5 April 2021, the Trust held total funds of £15,381,727 (2020: £12,476,755), comprising an expendable endowment fund of £15,377,682 (2020: £12,473,277) and unrestricted funds of £4,045 (2020: £3,478).



## **REPORT OF THE TRUSTEES (continued)**

### **Reserves Policy (continued)**

In the event that the Trustees find themselves unable to meet current commitments from unrestricted reserves, they would be willing to draw on expendable endowment in order to meet those commitments, as they see fit.

### **Investment Policy**

Trustees meet with their investment managers regularly to discuss investment strategy and also to seek to ensure that the Trust's income requirements are met, and that long-term capital growth is in line with relevant indices. The Trustees normally hold investments for the long-term.

During the period, the portfolio returned 27.36%, which compares to the 23.53% return on the ARC Steady Growth Index.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis. The investment portfolio has performed strongly during the year and has recovered the reduction in value, caused by the impact of the Covid-19 pandemic, reported for last year.

The Charity has adopted a total return basis to budget for its annual income. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

### **Risk Assessment**

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Trustees identified the uncertainty of financial returns to constitute the Trust's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review their investments' strategy and monitor financial performance. They also operate a grant distribution formula which helps to ensure the stability of resources available for grant awards in any given year.

The Trustees have identified as a key risk the misuse of funds by a grantee charity. To mitigate this risk, the Trustees normally restrict grants to charities registered with the Charity Commission (England and Wales) or equivalent bodies. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

**STAPLES TRUST**  
**5 April 2021**

**REPORT OF THE TRUSTEES (continued)**

**Environmental Policy**

The Trustees are committed to using some of the Trust's expendable endowment for impact investing that will not only result in a financial return, but also produce social and environmental benefits that accord with the Trust's objectives. In the coming years impact investing is expected to commence and increase as a percentage of the total expendable endowment.

**Review of the Past Year**

During the year the asset value of the Trust increased by 23.3% from £12,476,755 at 5 April 2020 to £15,381,727 at 5 April 2021, whilst the net unrestricted income of the Trust for the year after charging support costs decreased to £264,120 compared to £358,317 for the year to 5 April 2020.

The Trustees met twice during the year to make grants and twice to review investment activity.

During the year the Trustees approved 33 grants totalling £47,053.

Grants approved and payments made during the year may be analysed by number and by value in the categories set out below:

	Number of grants approved	Value of grants approved £	Payments made £
Environment	-	-	5,000
Frankopan Fund	26	23,500	18,500
Gender	2	3,000	26,000
General	2	5,553	15,553
Indigenous Peoples	-	-	290,000
Local	3	15,000	15,000
	<b>33</b>	<b>47,053</b>	<b>370,053</b>

The full list of grants approved in the financial year can be found on pages 6-7.



**STAPLES TRUST**  
**5 April 2021**

**REPORT OF THE TRUSTEES (continued)**

**GRANTS APPROVED**

**FRANKOPAN FUND - £23,500**

Trustees have established a fund to assist exceptionally talented postgraduate students from Croatia to further or complete their studies. Twenty-six grants from the Fund were awarded to students at the following institutions:

<b>Scholarships</b>	<b>£</b>
King's College London (3 scholarships)	£6,000
Royal College of Art	£2,000
University of Manchester (2 scholarships)	£2,000
University of Nottingham	£1,000
University of Oxford - Department of Experimental Psychology	£2,000
University of Oxford – Department of Materials	£2,000
<b>Awards</b>	<b>£</b>
California Institute of Arts	£500
Central European University	£500
National University of Ireland, Galway	£500
The European Court of Human Rights, Strasbourg	£500
Technical University of Munich (5 awards)	£2,500
University of California, Berkeley	£500
University of Cambridge	£500
University Greenwich	£500
University of Music and Performing Arts, Graz	£500
University of Oxford – School of Geography and the Environment	£500
University of Oxford – Faculty of Law	£500
University of Toronto	£500
Uppsala University	£500

**GENDER - £3,000**

Trustees are interested in a range of issues about gender and society, including supporting academic research and practical interventions. Unsolicited applications are rarely considered in this category.

Two grants approved in this category were both to:

**Trojan Women Scotland CIC - £3,000**

Towards the production of its new Syrian multi-media digital black comedy, En-Scripted.

**STAPLES TRUST**  
**5 April 2021**

**REPORT OF THE TRUSTEES (continued)**

**GENERAL - £5,553**

Grants approved at the discretion of the Trustees were as follows:

**National Federation of Croatian Americans Cultural Foundation - £2,053**

Towards the appeal for funds to support the Art Museum in Zagreb.

**University of Cambridge, Jesus College - £3,500**

Towards student hardship at Jesus College.

**LOCAL - £15,000**

**Oxford Food Bank - £5,000**

Towards core costs.

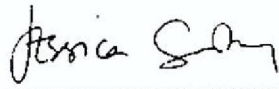
**Swindon Food Collective - £5,000**

Towards core costs.

**Swindon Women's Aid - £5,000**

Towards core costs.

Approved by the Trustees on 13 October 2021 and signed on their behalf by:



..... TRUSTEE



## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity 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 affairs of the charity and of its net outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STAPLES TRUST**  
**5 April 2021**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 5 APRIL 2021**

	Notes	Unrestricted Funds	Expendable Endowment	Total Funds 2021	2020
		£	£	£	£
<b>Income</b>					
Investment income	3	322,658	-	322,658	417,780
Bank deposit interest and other income		127	-	127	5,946
<b>Total income and endowments</b>		<b>322,785</b>	<b>-</b>	<b>322,785</b>	<b>423,726</b>
<b>Expenditure</b>					
<b>Cost of raising funds:</b>					
Investment management costs	4	-	50,090	50,090	43,389
<b>Charitable activities</b>					
Grant-making:					
Grant expenditure	5	344,553	-	344,553	693,596
Grant-related support costs	6	58,665	-	58,665	65,409
<b>Cost of grant-making</b>		<b>403,218</b>	<b>-</b>	<b>403,218</b>	<b>759,005</b>
<b>Total Expenditure</b>		<b>403,218</b>	<b>50,090</b>	<b>453,308</b>	<b>802,394</b>
<b>Net operating deficit</b>		<b>(80,433)</b>	<b>(50,090)</b>	<b>(130,523)</b>	<b>(378,668)</b>
Net gains/(losses) on investment assets	9	-	3,063,443	3,063,443	(2,346,708)
(Losses)/gains on foreign exchange		-	(27,948)	(27,948)	328,905
Transfers between funds	12	81,000	(81,000)	-	-
<b>Net movement in funds</b>		<b>567</b>	<b>2,904,405</b>	<b>2,904,972</b>	<b>(2,396,471)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	12	3,478	12,473,277	12,476,755	14,873,226
Total funds carried forward		<b>4,045</b>	<b>15,377,682</b>	<b>15,381,727</b>	<b>12,476,755</b>

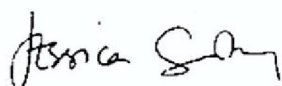
The notes on pages 12 to 20 form part of these accounts.

**STAPLES TRUST**  
**5 April 2021**

**BALANCE SHEET**  
**AS AT 5 APRIL 2021**

	<i>Notes</i>	<b>2021</b>	<b>2020</b>
		£	£
<b>FIXED ASSETS</b>			
Tangible fixed assets	<b>8</b>	3,817	1,940
Investments	<b>9</b>	15,574,662	12,478,087
		<u>15,578,479</u>	<u>12,480,027</u>
<b>CURRENT ASSETS</b>			
Debtors	<b>10</b>	52,761	29,491
Cash at bank and in hand		<u>108,177</u>	<u>335,607</u>
		160,938	365,098
<b>CURRENT LIABILITIES</b>			
<b>Creditors</b> - amounts falling due within 1 year	<b>11</b>	<u>(357,690)</u>	<u>(368,370)</u>
<b>NET CURRENT LIABILITIES</b>		(196,752)	(3,272)
<b>NET ASSETS</b>		<u>15,381,727</u>	<u>12,476,755</u>
<b>CAPITAL FUNDS</b>			
Expendable endowment	<b>12</b>	15,377,682	12,473,277
<b>INCOME FUNDS</b>			
Unrestricted funds	<b>12</b>	4,045	3,478
		<u>15,381,727</u>	<u>12,476,755</u>

The financial statements were approved and authorised for issue by the Trustees on 13 October 2021 and were signed on their behalf by :



TRUSTEE

The notes on pages 12 to 20 form part of these accounts.



**STAPLES TRUST**  
**5 April 2021**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 5 APRIL 2021**

**RECONCILIATION OF NET EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
<b>Net cash used in operating activities</b>	(481,497)	(399,418)
<b>Cash flows from investing activities:</b>		
Fixed asset additions	(3,321)	-
Dividends and income	290,520	424,448
Purchase of investments	(6,316,195)	(3,464,636)
Sale of investment	5,986,153	3,105,312
<b>Net cash used in investing activities</b>	(42,843)	65,124
<b>Change in cash and cash equivalents in the year</b>	(524,340)	(334,293)
<b>Cash and cash equivalents at the beginning of the year</b>	1,022,048	1,356,341
<b>Cash and cash equivalents at the end of the year</b>	497,708	1,022,048

**Reconciliation of net cash provided by operating activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net movement in funds as per statement of financial activities	2,904,972	(2,396,471)
(Gains) / losses on investments	(3,035,495)	2,017,803
Dividends and income	(290,520)	(424,448)
Effect of foreign exchange rate changes	(27,948)	328,905
Depreciation charges	1,444	970
(Increase) / decrease in debtors	(23,270)	5,550
(Decrease) / increase in creditors	(10,680)	68,274
<b>Net cash used in by operating activities</b>	(481,497)	(399,418)

**Analysis of increase in cash during the year**

	<b>2021</b>	<b>2020</b>	<b>Change in year</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	108,177	335,607	(227,430)
Cash balances held by investment manager for investment	389,531	686,441	(296,910)
	497,708	1,022,048	(524,340)

The notes on pages 12 to 20 form part of these accounts.



## **NOTES TO THE ACCOUNTS**

### **1. CHARITABLE STATUS**

The Staples Trust is an unincorporated charity (Charity registration number 1010656), registered in England and Wales. The address of the registered office is The Peak, 5 Wilton Road, London, SW1V 1AP.

### **2. PRINCIPAL ACCOUNTING POLICIES**

#### **a) Basis of preparation**

The financial statements have been prepared in accordance with the Charities SORP (FRS102) 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 Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS 102.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The investment portfolio has performed strongly during the year and has recovered the reduction in value, caused by the impact of the Covid-19 pandemic, reported for last year.

The Charity has adopted a total return basis to budget for its annual income. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

#### **b) Income**

- i) Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- ii) Dividends are included by reference to their due dates.
- iii) Interest is included when receivable.

#### **c) Expenditure**

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant related support costs.

Grants for which there is a commitment are accounted for within the Statement of Financial Activities. Payments that are due within one year of the period-end date are included within grants payable in the Statement of Financial Activities. Further installments and other grants are accounted for in the Statement of Financial Activities when conditions attaching to the grant are fulfilled, and as they become due within one year of the period end date.

Grants approved subject to conditions that have not been met at the period-end are noted as a commitment but not accrued as expenditure (see note 4).

Grant related support costs represent staff, office and governance costs incurred in managing the grant award programme.

## **NOTES TO THE ACCOUNTS**

### **2 ACCOUNTING POLICIES (cont ...)**

#### **d) Cost of administration**

These costs include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

#### **e) Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.

#### **f) Investments**

- i) Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities.
- ii) Investments are shown at mid market value.
- iii) Partial disposals are accounted for using average book value.

#### **g) Financial Instruments**

The Trust has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals.

Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the charity held financial assets at fair value of £15,185k (2020: £11,792k).

#### **h) Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand and short term deposits.

#### **i) Fixed assets**

Fixed assets are depreciated at rates which reflect their useful life to the Trust. Leasehold improvements are depreciated over the remaining life of the lease.

#### **j) Critical accounting judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.



**STAPLES TRUST**  
**5 April 2021**

**NOTES TO THE ACCOUNTS**

**3. INVESTMENT INCOME**

Income received on investments may be analysed as follows:

	<b>2021</b>		<b>2020</b>	
	£	%	£	%
Fixed interest	28,949	9	64,242	15
UK equities	89,269	28	124,405	30
Overseas equities	134,623	42	150,568	36
Property	5,240	2	19,653	5
Alternatives	64,577	19	58,912	14
	<u>322,658</u>	<u>100</u>	<u>417,780</u>	<u>100</u>

**4. COST OF GENERATING FUNDS**

These costs relate to the investment manager's fees. The Trustees are of the opinion that these relate to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

**5. GRANTS PAYABLE**

	<b>2021</b>		<b>2020</b>	
	£	£	£	£
<b>Reconciliation of grants payable:</b>				
Commitments at 6 April 2020		351,000		239,750
Grants not accrued at 6 April 2020	1,040,000		110,000	
Grants approved in the period	47,053		1,623,596	
Grants cancelled	(2,500)		-	
Grants not accrued at 5 April 2021	<u>(740,000)</u>		<u>(1,040,000)</u>	
<b>Grants payable for the period</b>		<b>344,553</b>		<b>693,596</b>
Grants paid/refunded during the period		(370,053)		(582,346)
Commitments at 5 April 2021		<u>325,500</u>		<u>351,000</u>
<b>Commitments at 5 April 2021 are payable as follows:</b>				
		<b>2021</b>		<b>2020</b>
		£		£
Within one year (note 11)		<u>325,500</u>		<u>351,000</u>

**Commitments**

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued as expenditure at 5 April 2021 was £740,000 (2020: £1,040,000).

**STAPLES TRUST**  
**5 April 2021**

**NOTES TO THE ACCOUNTS**

**5. GRANTS PAYABLE (continued)**

The amount payable in the period consisted of the following:

<b><u>Gender</u></b>	<b>£</b>
Prince's Trust	25,000
Trojan Women Scotland CIC	3,000
<b><u>General</u></b>	<b>£</b>
National Federation of Croatian Americans Cultural Foundation	2,053
The Sainsbury's Archive	5,000
University of Cambridge, Jesus College	3,500
<b><u>Indigenous Peoples</u></b>	<b>£</b>
InsightShare	20,000
University of Cambridge, School of Humanities and Social Sciences	250,000
<b><u>Local</u></b>	<b>£</b>
Oxford Food Bank	5,000
Swindon Women's Aid	5,000
Swindon Food Collective	5,000
<b><u>Frankopan Fund</u></b>	<b>£</b>
California Institute of Arts	500
Central European University	500
King's College London (3 scholarships)	6,000
National University of Ireland, Galway	500
Royal College of Art	2,000
The Council of Europe (The European Court of Human Rights, Strasbourg)	500
Technical University of Munich (5 awards)	2,500
University of California, Berkeley	500
University of Cambridge	500
University of Greenwich	500
University of Manchester (2 scholarships)	2,000
University of Music and Performing Arts Graz	500
University of Nottingham	1,000
University of Oxford	500
University of Oxford - Department of Experimental Psychology	2,000
University of Oxford - Department of Materials	2,000
University of Oxford - Faculty of Law	500
University of Toronto	500
Uppsala University	500
<b><u>Cancelled grants</u></b>	
Newcastle University	(2,000)
University of Oxford	(500)
<b>Total grants payable per Statement of Financial Activities</b>	<b><u>344,553</u></b>



**STAPLES TRUST**  
**5 April 2021**

**NOTES TO THE ACCOUNTS**

**6. GRANT RELATED SUPPORT COSTS**

	<b>Grant-Making</b>	<b>Governance</b>	<b>2021 Total</b>	<b>2020 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	34,655	2,366	37,021	33,861
Share of joint office costs	10,423	-	10,423	10,239
Direct costs including travel	984	-	984	5,700
Legal and professional fees	2,388	-	2,388	11,364
Depreciation	1,444	-	1,444	970
Auditors' remuneration	-	6,405	6,405	3,275
	<u>49,894</u>	<u>8,771</u>	<u>58,665</u>	<u>65,409</u>

No Trustee received remuneration or was reimbursed expenses during the period.

Included in legal and professional fees is £nil (2020: £8,412) incurred for the review of the Novarca review of investment management charges.

**7. ANALYSIS OF STAFF COSTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries and wages	30,167	27,428
Social security costs	3,448	3,115
Other pension costs	3,406	3,318
	<u>37,021</u>	<u>33,861</u>

The Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 0.5% (2020: 0.5%) of the total support and administration costs of these trusts have been allocated to the Staples Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2020/21. The actual number of staff employed during the year was 6, all on a part-time basis (2019/20: 10). This equates to 0.5 full time employees (2019/20: 0.5) The Trust considers its key management personnel to comprise the Principal Officers. The total employment benefits, including employer contributions to group personal pensions, of these key management personnel, were £18,004 (2019/20: £17,810).

No Trustee received any remuneration for their services as Trustees in the year.

**STAPLES TRUST**  
**5 April 2021**

**NOTES TO THE ACCOUNTS**

**8. TANGIBLE FIXED ASSETS**

**Leasehold Improvements**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 5 April 2020	9,700	9,700
Additions	3,321	-
At 5 April 2021	<u>13,021</u>	<u>9,700</u>
<b>Depreciation</b>		
At 5 April 2020	7,760	6,790
Charge for the period	1,444	970
At 5 April 2021	<u>9,204</u>	<u>7,760</u>
<b>NET BOOK VALUE</b>		
At 5 April 2021	<u>3,817</u>	<u>1,940</u>
<b>NET BOOK VALUE</b>		
At 5 April 2020	<u>1,940</u>	<u>2,910</u>

**9. FIXED ASSET INVESTMENTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Market value 6 April 2020	11,791,646	13,779,030
Add: Acquisitions at cost	6,316,195	3,464,636
Less: Disposals at proceeds	(5,986,153)	(3,105,312)
Gains/(losses) on revaluation	3,063,443	(2,346,708)
<b>Market value 5 April 2021</b>	<u><b>15,185,131</b></u>	<u><b>11,791,646</b></u>
<b>Cash</b>	389,531	686,441
<b>Total investments</b>	<u><b>15,574,662</b></u>	<u><b>12,478,087</b></u>
Historical cost 5 April 2021	<u>13,414,104</u>	<u>12,264,392</u>

**STAPLES TRUST**  
**5 April 2021**

**NOTES TO THE ACCOUNTS**

**9. FIXED ASSET INVESTMENTS (continued)**

The investments held as at 5 April 2021 were as follows:

	<b>2021</b>		<b>2020</b>	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Fixed Interest	1,979,382	1,929,820	1,686,233	1,657,295
UK Equities	2,317,213	1,949,216	3,465,877	2,323,957
Overseas Equities	7,500,300	9,721,376	5,699,552	6,542,489
Property	195,963	247,195	363,734	400,971
Alternatives	1,421,246	1,337,524	1,048,996	866,934
	<b>13,414,104</b>	<b>15,185,131</b>	<b>12,264,392</b>	<b>11,791,646</b>

**10. DEBTORS**

	<b>2021</b>	<b>2020</b>
	£	£
Income tax recoverable	13,914	1,176
Accrued income	27,169	28,315
Other debtors	11,678	-
	<b>52,761</b>	<b>29,491</b>

**11. CREDITORS - amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	£	£
Grants payable within one year	325,500	351,000
Professional charges	7,400	5,009
Investment management fee	12,929	11,985
Other creditors	11,861	376
	<b>357,690</b>	<b>368,370</b>



**STAPLES TRUST**  
**5 April 2021**

**NOTES TO THE ACCOUNTS**

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Expendable Endowment	Totals 2021
	£	£	£
Fund balances at 5 April 2021 are represented by:			
Tangible fixed assets	-	3,817	3,817
Investments	-	15,574,662	15,574,662
Current assets	348,806	(187,868)	160,938
Current liabilities	(344,761)	(12,929)	(357,690)
<b>Total net assets</b>	<b>4,045</b>	<b>15,377,682</b>	<b>15,381,727</b>
<b>Movement in the year</b>			
Opening balance as at 5 April 2020	3,478	12,473,277	12,476,755
Total income and endowments	322,785	-	322,785
Cost of raising funds	-	(50,090)	(50,090)
Cost of grant-making	(403,218)	-	(403,218)
Net gains on investments	-	3,063,443	3,063,443
Net gains on income	-	-	-
Net losses on foreign exchange	-	(27,948)	(27,948)
Transfer between funds	81,000	(81,000)	-
Closing balance as at 5 April 2021	<b>4,045</b>	<b>15,377,682</b>	<b>15,381,727</b>

A transfer of £81,000 (2020: £207,500) was made from Expendable Endowments to Unrestricted Funds to cover the deficit for the year.

	Unrestricted Funds	Expendable Endowment	Totals 2020
	£	£	£
Fund balances at 5 April 2020 are represented by:			
Tangible fixed assets	-	1,940	1,940
Investments	-	12,478,087	12,478,087
Current assets	359,863	5,235	365,098
Current liabilities	(356,385)	(11,985)	(368,370)
<b>Total net assets</b>	<b>3,478</b>	<b>12,473,277</b>	<b>12,476,755</b>
<b>Movement in the year</b>			
Opening balance as at 5 April 2019	131,257	14,741,969	14,873,226
Total income and endowments	423,726	-	423,726
Cost of raising funds	-	(43,389)	(43,389)
Cost of grant-making	(759,005)	-	(759,005)
Net losses on investments	-	(2,346,708)	(2,346,708)
Net gains on foreign exchange	-	328,905	328,905
Transfer between funds	207,500	(207,500)	-
Closing balance as at 5 April 2020	<b>3,478</b>	<b>12,473,277</b>	<b>12,476,755</b>



**STAPLES TRUST**  
**5 April 2021**

**NOTES TO THE ACCOUNTS**

**13. RELATED PARTY TRANSACTIONS**

Included within grant-related support costs is a total of £2,388 (2020: £2,952) payable for legal services to Portrait Solicitors, a firm in which Miss J S Portrait is a partner.

During the year, no grants were approved where a conflict of interest with the beneficiary was identified.

All grant-making is made at arm's length, and in the normal course of the trusts' activities. Where any conflicts of interest may occur, appropriate action is taken to mitigate any risk of undue influence or control in the decision-making process. Applicant organisations are not controlled by the Staples Trust, and the Trustees are mindful of the need to consider any potential conflicts of interest when making grant awards.

**14. STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2020**

	<b>Notes</b>	<b>Unrestricted Funds</b>	<b>Expendable Endowment</b>	<b>Total Funds 2020</b>
		£	£	£
<b>Income</b>				
Investment income	<b>3</b>	417,780	-	417,780
Bank deposit interest and other income		5,946	-	5,946
<b>Total income and endowments</b>		<b>423,726</b>	<b>-</b>	<b>423,726</b>
<b>Expenditure</b>				
<b>Cost of raising funds:</b>				
Investment management costs	<b>4</b>	-	43,389	43,389
<b>Charitable activities</b>				
Grant-making:				
Grant expenditure	<b>5</b>	693,596	-	693,596
Grant related support costs	<b>6</b>	65,409	-	65,409
<b>Cost of grant-making</b>		<b>759,005</b>	<b>-</b>	<b>759,005</b>
<b>Total Expenditure</b>		<b>759,005</b>	<b>43,389</b>	<b>802,394</b>
<b>Net operating deficit</b>		<b>(335,279)</b>	<b>(43,389)</b>	<b>(378,668)</b>
<b>Net losses on investment assets</b>	<b>9</b>	<b>-</b>	<b>(2,346,708)</b>	<b>(2,346,708)</b>
<b>Gains on foreign exchange</b>		<b>-</b>	<b>328,905</b>	<b>328,905</b>
<b>Transfers between funds</b>		<b>207,500</b>	<b>(207,500)</b>	<b>-</b>
<b>Net income</b>		<b>(127,779)</b>	<b>(2,268,692)</b>	<b>(2,396,471)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	<b>12</b>	131,257	14,741,969	14,873,226
Total funds carried forward		3,478	12,473,277	12,476,755

## **Independent Auditor's Report to the Trustees of the Staples Trust**

### **Opinion**

We have audited the financial statements of The Staples Trust for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and Notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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



### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.



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

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the Charity's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the Charity by discussions with informed management and updating our understanding of the sector in which the Charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud

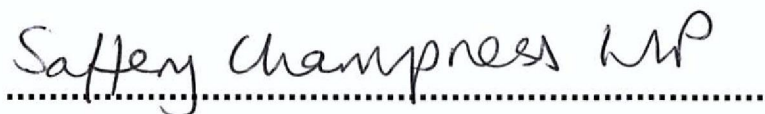
through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 auditor's report.

#### **Use of our report**

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

  
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Saffery Champness LLP  
Chartered Accountants      71 Queen Victoria Street  
Statutory Auditors        London  
EC4V 4BE

Date: 29 October 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006