

CHARITY COMMISSION

Michael Robertson Scholarship Fund

Registration number: 1014388

Annual Report and Financial Statements

31 December 2023



Michael Robertson Scholarship Fund

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Michael Robertson Scholarship Fund
Reference and Administrative Details

Charity name	Michael Robertson Scholarship Fund
Charity registration number	1014388
Principal office	Rosebank 15A Scotby Village CARLISLE CA4 8BS
Registered office	Rosebank 15A Scotby Village CARLISLE CA4 8BS
Trustees	J V Light S Ellis N J Martin J A C Whittle M S Ward (Appointed 6 March 2024)
Bankers	Barclays Bank Plc 9 Highgate KENDAL LA9 4DA
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Investment Advisor	JM Finn 4 Copthall Avenue LONDON EC2R 7AH CCLA Mansfield Traquair Centre 15 Mansfield Place EDINBURGH EH3 6BB

Michael Robertson Scholarship Fund
Trustees' Report for the Year Ended 31 December 2023

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 as amended by the Charities Act 2022, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland.

Structure, Governance and Management

Governing Document

The Charity's governing document is its settlement deed, which is dated 14 September 1992, as amended by a deed of variation dated 16 April 2003. The charity is an unincorporated trust.

Appointment of Trustees, and Organisational and Decision-Making Policy

The Trustees, who meet formally on a minimum of two occasions during the year, administer the affairs of the Charity. Applications are considered at these meetings. Newly appointed Trustees are given induction training when first appointed and all Trustees are offered ongoing training, as appropriate.

Risk Policy

The Trustees have assessed the major risks to which the Charity is exposed, in particular, those relating to the operations and finances of the trust and are satisfied that systems are in place to mitigate our exposure to the major risks.

Objectives and Activities

The Trustees are empowered to pay or apply the net income of the trust fund and any part of the capital at their absolute discretion in furtherance of the objects of the Charity.

The main objects of the Charity are:

- To further the education (including social and physical training) of the children attending Sedbergh School, Cumbria and with a view to furthering this object;
- To award scholarships, exhibitions, bursaries or maintenance allowances to persons under 25 years of age who are attending or have for not less than three years attended Winder House at Sedbergh School and who need financial assistance;
- To provide financial assistance, tools, instruments or books to such persons to enable them to study Italian architecture or history;
- To award to such persons grants or maintenance allowances to enable them to travel whether in the United Kingdom or abroad in furtherance of their education;
- To otherwise further the education of such persons.

The Charity met these objectives during the year by awarding scholarship grants to students attending Sedbergh School. The Trustees have been careful to encourage applications for scholarship grants from those new pupils from the maintained sector, in order to ensure that it continues to meet the requirement that its charitable activities pass the public benefit tests.

For many years the restriction to Winder House pupils has not been applied. Firstly, Sedbergh School cannot demand that pupils attend a specific house. Secondly, Winder House is currently a boys-only house.

Achievements and Performance

During the year, the Trustees awarded scholarships totalling £173,496 (2022 - £380,976) to pupils of Sedbergh School, enabling them to further their education. The trustees' intention is to provide further awards in 2024 and 2025 amounting to £82,572.

Michael Robertson Scholarship Fund
Trustees' Report for the Year Ended 31 December 2023

The Trustees' investment objective has been to return enough capital to generate the income required to meet the anticipated costs of the main objects of the Charity. The overall value of the Charity's endowment funds has decreased by 13.58% over the 2 year period January 2022 to December 2023. However fund values have increased by 3.56% over the last 12 months.

Financial Review

The Trustees are satisfied with the financial position of the Charity and confirm that they have adequate assets available to fulfil their obligations. We approve the record of transactions set out herein. We have continued to make awards along the lines laid down in our guidelines to applicants. The amounts awarded are shown in these statements.

All cash is held on current and interest bearing accounts. The Trustees have wide investment powers, namely:

- To invest in such securities or other investments or property whether involving liability or not and whether producing income or not as the Trustees shall in their absolute discretion think fit. The Trustees may also hold any assets in nominee names providing that any land shall be assured to the Trustees upon trust for sale.

The Trustees retain sufficient capital to generate the income required to meet the anticipated costs of the main objects of the Charity.

At the year end, the Charity had free reserves of £59,175 (2022 - £90,856). This is an appropriate level of reserves, as it enables the Trustees to be confident of the Charity's ability to meet the forthcoming scholarship obligation of the next year without realising any investments.

Investment Policy and Performance

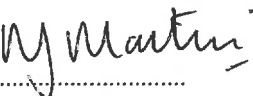
The trust's investment assets are managed by external fund managers, J M Finn. There were no restrictions on the charity's power to invest and the funds are invested in a portfolio of investment funds.

It is the objective of the trustees to invest the Trust funds to produce a distributable amount that, over time, grows, at a minimum, in line with inflation (as measured by CPI). To achieve this, they need to ensure that the real value of the endowment fund is maintained over the longer term.

On 12 December 2022 the trustees made a resolution under section 104(A) of the Charities Act 2011 to adopt a total return on investment approach to the permanent endowment fund. The board identified the value of gifts of permanent endowment received since the fund was established to be £3,643,557. This set the base line value of the gift component of the endowment. The difference between the total of endowment funds as at 12 December 2022 and the value of the gift component represented the opening balance of the unapplied total return. The power of total return permits the trustees to invest permanently invested funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until this power is exercised, the unapplied total return remains invested as part of the permanent endowment. During the accounting period ended 31 December 2023 £150,000 was transferred into unrestricted funds.

The trustees, having taken advice from the Investment Manager, will determine, from time to time, the amount of the total return that can be distributed without compromising the investment objective.

Approved by the Trustees and signed on their behalf by:


.....

N J Martin
Trustee

Date: 9th May 2024

Michael Robertson Scholarship Fund
Trustees' Responsibilities in relation to the Financial Statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 as amended by the Charities Act 2022, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection fraud and other irregularities.

Independent Examiner's Report to the Trustees of

Michael Robertson Scholarship Fund

I report on the accounts of the charity for the year ended 31 December 2023, which are set out on pages 6 to 14.

Your attention is drawn to the fact that the Charity has prepared the 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 since been withdrawn.

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

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.


Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act 2011; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the 2011 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Joanne Thomlinson FCA
Dodd & Co Limited
Chartered Accountants

Date: 9/5/24

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Michael Robertson Scholarship Fund
Statement of Financial Activities for the Year Ended 31 December 2023


		Unrestricted Funds	Endowment Funds	Total Funds 2023	Total Funds 2022
	Note	£	£	£	£
Income					
Investments	2	488	200,749	201,237	232,434
Other income	3	-	-	-	200
Total income		488	200,749	201,237	232,634
Expenditure					
Raising funds			22,477	22,477	22,854
Charitable activities		182,169	-	182,169	389,393
Total expenditure		182,169	22,477	204,646	412,247
Gross transfers between funds		150,000	(150,000)	-	-
Gains/(losses) on investment assets		-	165,939	165,939	(1,138,212)
Net income/(expenditure)		(31,681)	194,211	162,530	(1,317,825)
Reconciliation of funds					
Total funds brought forward		90,856	5,757,250	5,848,106	7,165,931
Total funds carried forward		59,175	5,951,461	6,010,636	5,848,106

Michael Robertson Scholarship Fund
Balance Sheet as at 31 December 2023

		2023		2022	
	Note	£	£	£	£
Fixed assets					
Investments	8		5,901,400		5,698,505
Current assets					
Cash at bank and in hand		112,512		152,877	
Creditors: Amounts falling due within one year	9	<u>(3,276)</u>		<u>(3,276)</u>	
Net current assets			<u>109,236</u>		<u>149,601</u>
Net assets			<u><u>6,010,636</u></u>		<u><u>5,848,106</u></u>
The funds of the charity:					
Endowment funds			5,951,461		5,757,250
Unrestricted funds					
Unrestricted income funds			<u>59,175</u>		<u>90,856</u>
Total charity funds			<u><u>6,010,636</u></u>		<u><u>5,848,106</u></u>

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Approved by the Board on 9/5/24 and signed on its behalf by:



 N J Martin
 Trustee

The notes on pages 8 to 14 form an integral part of these financial statements.

Michael Robertson Scholarship Fund

Notes to the Financial Statements for the Year Ended 31 December 2023

1 Accounting policies

Statement of compliance

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. 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 as amended by the Charities Act 2022.

The accounts (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 (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Basis of preparation

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

Going concern

These financial statements have been prepared on a going concern basis.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 12.

Income and endowments

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income is recognised on a receivable basis. Income received from endowments is treated as unrestricted.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are investment management fees.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Michael Robertson Scholarship Fund

Notes to the Financial Statements for the Year Ended 31 December 2023

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Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

2 Investment income

	Unrestricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Dividend income	-	189,360	189,360	219,181
Gross bond interest	-	11,389	11,389	13,165
Gross bank interest	488	-	488	88
	<u>488</u>	<u>200,749</u>	<u>201,237</u>	<u>232,434</u>

Of the investment income in 2022 £73 related to unrestricted funds and £232,361 related to restricted funds.

3 Other income

	Unrestricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Other income	-	-	-	200

All of the other income arising in 2022 related to unrestricted funds.

Michael Robertson Scholarship Fund
Notes to the Financial Statements for the Year Ended 31 December 2023

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4 Expenditure

	Investments	Furtherance of education	Total 2023	Total 2022
	£	£	£	£
Direct costs				
Scholarships	-	173,496	173,496	380,976
Administration of investments	22,477	-	22,477	22,854
	<u>22,477</u>	<u>173,496</u>	<u>195,973</u>	<u>403,830</u>
Support costs				
Insurance	-	557	557	546
Trustees' expenses	-	376	376	251
Accountancy fees	-	3,160	3,160	2,620
Independent examiner's fee	-	500	500	500
Legal and professional fees	-	4,080	4,080	4,500
	<u>-</u>	<u>8,673</u>	<u>8,673</u>	<u>8,417</u>
	<u>22,477</u>	<u>182,169</u>	<u>204,646</u>	<u>412,247</u>

£389,393 of the expenditure in 2022 related to permanent endowment funds and £22,854 related to unrestricted funds.

5 Governance costs

	2023	2022
	£	£
Legal and professional fees	4,080	4,500
Accountancy fees	3,160	2,620
Independent examiner's fee	500	500
	<u>7,740</u>	<u>7,620</u>

6 Trustees' remuneration and expenses

During the year expenses were paid to one of the trustees for out of pocket expenses incurred in their service as a trustee (one trustee received expenses reimbursement in 2022). A total of £376 (2022 - £251) was paid to or on behalf of the trustees.

No trustee or any person connected to a Trustee received remuneration in respect of their services as trustee during the year.

Michael Robertson Scholarship Fund
Notes to the Financial Statements for the Year Ended 31 December 2023

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7 Taxation

The registered charity is exempt from taxation on income and gains.

8 Investments held as fixed assets

	Listed investments £
Market value	
As at 1 January 2023	5,698,505
Revaluation	165,939
Additions	733,425
Disposals	(696,469)
As at 31 December 2023	<u>5,901,400</u>
Net book value	
As at 31 December 2023	<u>5,901,400</u>
As at 31 December 2022	<u>5,698,505</u>

Investment assets can be further analysed as follows:

	UK £	Overseas £
Listed investments	<u>3,550,228</u>	<u>2,351,172</u>
	<u>3,550,228</u>	<u>2,351,172</u>

9 Creditors: Amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	<u>3,276</u>	<u>3,276</u>

10 Other financial commitments

At the start of the year the Charity had pledged £256,068 to scholars.

During the year £173,496 was paid out for scholarships.

At the year end the Charity had pledged the following awards to be made to scholars after the year end:

2024/25 academic year - £46,671
2025/26 academic year - £35,901

Michael Robertson Scholarship Fund
Notes to the Financial Statements for the Year Ended 31 December 2023

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11 Related parties

Controlling entity

The charity is controlled by the trustees.

12 Analysis of funds

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Other recognised gains / losses	At 31 December 2023
	£	£	£	£	£	£
General Funds						
Unrestricted income fund	90,856	488	(182,169)	150,000	-	59,175
Permanent Endowment						
Permanent endowment	<u>5,757,250</u>	<u>200,749</u>	<u>(22,477)</u>	<u>(150,000)</u>	<u>165,939</u>	<u>5,951,461</u>
	<u>5,848,106</u>	<u>201,237</u>	<u>(204,646)</u>	<u>-</u>	<u>165,939</u>	<u>6,010,636</u>

General Funds - the general funds receive investment income and are used to pay out scholarships.

Permanent Endowment - the permanent endowments are used to generate the funds needed to perform the charity's objectives and are revalued annually.

Michael Robertson Scholarship Fund
Notes to the Financial Statements for the Year Ended 31 December 2023

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Prior period

	At 1 January 2022	Incoming resources	Resources expended	Transfers	Other recognised gains / losses	At 31 December 2022
	£	£	£	£	£	£
General Funds						
Unrestricted income fund	321,446	273	(389,393)	158,530	-	90,856
Permanent Endowment						
Permanent endowment	6,844,485	232,361	(22,854)	(158,530)	(1,138,212)	5,757,250
	<u>7,165,931</u>	<u>232,634</u>	<u>(412,247)</u>	<u>-</u>	<u>(1,138,212)</u>	<u>5,848,106</u>

13 Transfers

Investment income received for the year of £150,000 was transferred from permanent endowment to income.

14 Total return on investments

	Trust for investment £	Unapplied total return £	Total endowment £
At 1 January 2023	3,643,557	2,113,693	5,757,250
Movements in reporting period:			
Investment income	-	200,749	200,749
Investment return: realised and unrealised gains/losses	-	165,939	165,939
Less: investment management costs	-	(22,477)	(22,477)
Total	-	344,211	344,211
Unapplied total return allocated to income in the reporting period	-	(150,000)	(150,000)
Net movements in the reporting period	-	194,211	194,211
As at 31 December 2023	<u>3,643,557</u>	<u>2,307,904</u>	<u>5,951,461</u>

Michael Robertson Scholarship Fund
Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

15 Net assets by fund

	Unrestricted Funds	Endowment Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Investments	-	5,901,400	5,901,400	5,698,505
Current assets	62,451	50,061	112,512	152,877
Creditors: Amounts falling due within one year	(3,276)	-	(3,276)	(3,276)
Net assets	59,175	5,951,461	6,010,636	5,848,106

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Investments	-	5,698,505	5,698,505	6,828,620
Current assets	94,132	58,745	152,877	340,587
Creditors: Amounts falling due within one year	(3,276)	-	(3,276)	(3,276)
Net assets	90,856	5,757,250	5,848,106	7,165,931