

Charity Number 1071220

THE C. & J. B. MORRELL TRUST

REPORT AND FINANCIAL STATEMENTS

for the year ended

5 April 2023

THE C. & J. B. MORRELL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

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THE C. & J. B. MORRELL TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2023

Reference and Administrative Details of the Charity, its Trustees and Advisers

Charity name and number

The C. & J. B. Morrell Trust: registered charity number 1071220

Correspondence Address

54 Bootham, York, North Yorkshire, YO30 7XZ

Trustees

Susan Mendus CBE (Chairman)
Nicholas Morrell
Margaret Morrell
Martin Wainwright MBE (retired 22 July 2022)
Matt Matravers
Olivia Morrell (appointed 21 November 2022)

Secretary

Mr C M S Walker FCA

Professional Advisers

Accountants: HPH Chartered Accountants, 54 Bootham, York, YO30 7XZ

Bankers: HSBC Bank plc, 13 Parliament Street, York, YO1 8RS

Independent Examiner: Sarah Wearing FCA DChA, HPH Chartered Accountants, 54 Bootham, York, YO30 7XZ

Stockbrokers: Charles Stanley & Co Ltd., Windsor House, 6-10 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE

THE C. & J. B. MORRELL TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2023

The Trustees present their annual report together with the financial statements of the Trust for the year ended 5 April 2023. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

Structure, Governance and Management

The Trust is a charity created by a Declaration of Trust 29 June 1955 and a Deed of Trust dated 28 May 1956 supplemental to the earlier Declaration.

The Trust Deed provides for a maximum of six trustees. Where there is a requirement for new trustees, these are identified and appointed by the remaining trustees. The Secretary is responsible for the induction of any new trustee which involves awareness of a trustee's responsibilities, the governing documents, administrative procedures, the history and approach of the Trust. A new Trustee receives copies of the previous year's annual report and accounts and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know'.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate the exposure to those risks. To date, these have related mainly to investment management and these have been mitigated by diversified portfolio management undertaken by the Trust's stockbrokers. The Trustees are aware of the risks associated with making grants (for example fraud and charities seeking two grants for the same project) but these risks are managed by the Trustees' own detailed knowledge of the relevant organisations and the careful assessment of any requests received.

The Trustees determine the general policy of the Trust. The day to day management of the trust is delegated to the Chairman and Secretary.

As disclosed elsewhere in this report ('Achievements and Performance'), and in Note 6 to the accounts, the Trustees renewed their existing gift agreement with the University of York. Professor Matt Matravers (Trustee) is also employed by the University but does not benefit personally from this grant arrangement. All of the Trustees give their time voluntarily and receive no benefits from the Trust. Any expenses reclaimed from the Trust are set out in Note 2 to the accounts.

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Objectives and Activities

The Trust was established to promote education. In particular, the promotion, development, improvement, maintenance or furtherance of any educational establishment which may have been founded with a view to the creation of the University of York, or for the benefit of such other educational bodies as the Trustees may think fit. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant-making policy for the year.

The Founders expressed the wish that, if possible, the Trust should fund, or support the funding of, a Chair for the study of Toleration, preferably at the University of York, and that the Trustees should endeavour to support and encourage those charitable objectives which the general public would be less likely to support.

For many years, the Trustees have provided substantial funds for 'The Morrell Centre for Legal and Political Philosophy (previously 'The Morrell Centre on Toleration'), which is a 'free standing' centre based in the Law School at the University of York. In recent years, funds have been used for: a grant to be administered by the University of York's 'Justice and Equality' Research Champion; the University of York's 'Festival of Ideas' to fund a day of events; the Ebor Lectures; and other applications as decided by the Trustees.

The Trustees meet at least once a year to decide upon the financial support which they are able to provide to the University of York and to any other bodies that have requested grants.

Where funds permit, the Trustees also make grants to other charitable educational bodies which they consider fall within the provisions of the Trust Deed, and the Founders' declared wishes. Financial circumstances are relevant only in determining the amount of a grant awarded.

The Trustees believe they have complied with the duty in section 17 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in respect of public benefit.

Achievements and Performance

The Trustees met three times during the year and continued to progress their strategic review of the Charity's affairs. This was in order to ensure that it remains fit for purpose in the coming years. The review included identifying possible new causes worthy of support which are consistent with the Founders' vision, the priorities for future grant-making and the recruitment of new trustees.

For 2022/23, the main activity of the Trust was the first year of a new agreement with the University of York to fund the Festival of Ideas (£15,000), work in justice and equality (£20,000), the Morrell Centre for Legal and Political Philosophy (£20,000), and bursaries for students on the LLM in Legal and Political Theory (up to £15,000)

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Financial Review

The Trustees do not seek, nor do they normally expect to receive, further funding from outside sources. Therefore, the Trustees hold reserves primarily as an investment fund to generate income and ensure the stability of the grant-making programme funded by it. The recent level of grant-making activity required an annual income in the range of £60,000 to £90,000. The unrestricted reserves (regarded as 'free reserves') held at 5 April 2023 were £2,863,169, and the underlying investments and cash balances held by the Charity during the period review generated an annual income of £85,718. The Trustees consider the current level of free reserves held, therefore, to be sufficient but not excessive.

The investment powers are governed by the Trust Deed, which permits the funds to be invested at the absolute discretion of the Trustees. The Trustees have set a policy that the Unrestricted Funds ('free reserves') should be invested so as to retain a reasonable liquidity to meet grant requirements, and thereafter to keep a balance between income and capital growth with medium risk level.

The Trust's Stockbrokers manage the Trust's investments in accordance with a discretionary management agreement, reporting regularly to the Trustees. The Stockbrokers charge a fee, quarterly in arrears, based on the value of the investment portfolio ranging from 0.5% for the first £2,000,000 to 0.3% on the balance over £2 million.

Under the Stockbrokers' management, the portfolio produced a total return of -5% during the year. The fall in capital value was mainly due to soaring inflation rates, which resulted in central banks increasing interest rates, and concerns in the final quarter about the financial health of some banks. The Trustees have chosen not to adopt formal ethical investment policies.

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TRUSTEES' ANNUAL REPORT
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Plans for the Future

The Trustees have recently completed a strategic review of the Trust's affairs and endorsed a new "medium term" funding plan.

The trend of increasing corporate earnings, which have returned to pre-pandemic levels, has enhanced the scope for future grant-making.

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 each financial year which give a true and fair view of the state of affairs of the Charity as at the end of the year and its financial activities during the year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards). In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- follow applicable UK Accounting Standards and the Charities SORP, disclosing and explaining any departures in the accounts;
- 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 ensuring that adequate accounting records are maintained that are sufficient to show and explain the Charity 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 ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees

Susan Mendus
Chairman
31 October 2023

THE C. & J. B. MORRELL TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE C. & J. B. MORRELL TRUST

I report to the trustees on my examination of the accounts of The C. & J.B. Morrell Trust (the Trust) for the year ended 5 April 2023.

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 154 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

S B Wearing FCA DChA
HPH, Chartered Accountants
54 Bootham
York
YO30 7XZ

31 October 2023

THE C. & J. B. MORRELL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2023

		<i>Unrestricted Fund</i>	
		<i>Total</i>	<i>Total</i>
	<i>Notes</i>	<i>Year ended</i>	<i>Year ended</i>
		<i>5 April 2023</i>	<i>5 April 2022</i>
		<i>£</i>	<i>£</i>
Income and endowments from:			
Investments	3	85,718	73,002
Total		85,718	73,002
Expenditure on:	4		
Raising funds			
Investment management costs		15,581	16,074
Charitable activities		193,535	13,581
Total		209,116	29,655
Net movement in funds before (losses)/			
gains on investments		(123,398)	43,347
Net (losses)/gains on investments	7	(226,658)	183,450
Net movement in funds		(350,056)	226,797
Reconciliation of funds:			
Total funds brought forward		3,213,225	2,986,428
Total funds carried forward		£ 2,863,169	£ 3,213,225

The notes on pages 9 to 14 form part of these accounts.

THE C. & J. B. MORRELL TRUST

BALANCE SHEET AT 5 APRIL 2023

	<i>Notes</i>	<i>Unrestricted Fund Total 2023 £</i>	<i>Total 2022 £</i>
Fixed assets			
Investments	8 & 9	2,875,296	3,142,217
Current assets			
Cash at bank and in hand		144,013	109,148
Creditors: amounts falling due within one year	10	86,140	30,140
Net current assets		57,873	79,008
Total assets less current liabilities		2,933,169	3,221,225
Creditors: amounts falling due after one year	11	70,000	8,000
Net assets		£ 2,863,169	£ 3,213,225
Represented by:			
Unrestricted funds		2,863,169	3,213,225
Funds		£ 2,863,169	£ 3,213,225

Approved by the Trustees on 31 October 2023
and signed on their behalf by:

Susan Mendus
Chairman

The notes on pages 9 to 14 form part of these accounts.

THE C. & J. B. MORRELL TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2023

1. ACCOUNTING POLICIES

Legal entity

The C. & J. B. Morrell Trust is regulated by the Charity Commission for England and Wales (1071220). The registered address and principal place of business is 54 Bootham, York, YO30 7XZ.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

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

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Funds structure

The unrestricted income fund comprises those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a

Income recognition

All incoming resources are recognised once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Expenditure

Raising funds

These are the costs incurred in the management of the Trust's investment portfolio.

Charitable activities

Grants are payments made to third parties in the furtherance of the charitable objectives of the Trust and are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Trust.

The other costs are associated directly with the management by the Trustees of the Trust's activities, including professional fees and costs of meetings.

THE C. & J. B. MORRELL TRUST

NOTES TO THE ACCOUNTS - CONTINUED FOR THE YEAR ENDED 5 APRIL 2023

1. ACCOUNTING POLICIES (continued)

Irrecoverable VAT

The Trust is not VAT registered and accordingly all expenditure is shown gross of irrecoverable VAT where applicable.

Fixed asset investments

Investments are stated at market value as at the balance sheet date.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market value.

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.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Financial instruments

The Trust only 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 their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. REMUNERATION AND EXPENSES OF TRUSTEES

None of the Trustees received any remuneration or benefits by virtue of being a trustee of the Trust. Trustees were reimbursed £545 (2022 £nil) for travelling expenses to trustee meetings. Expenses were reimbursed to two Trustees (2022 none).

THE C. & J. B. MORRELL TRUST

NOTES TO THE ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2023

3. INVESTMENT INCOME

	2023 £	2022 £
UK equity	31,216	29,345
International equity	19,893	24,105
Property	3,861	3,718
Alternatives	15,559	4,927
Fixed income	13,635	10,898
Interest on cash deposits	1,554	9
	<u>£ 85,718</u>	<u>£ 73,002</u>

4. ANALYSIS OF TOTAL EXPENDITURE

	<i>Support costs</i> £	<i>Grants</i> £	2023 £	2022 £
<u>Raising funds</u>				
Stockbrokers' fees	15,581	-	15,581	16,074
<u>Charitable activities</u>				
Grants (Note 6)	-	190,095	190,095	10,000
Secretary's salary	1,500	-	1,500	1,500
Trustees' expenses	545	-	545	-
Legal fees	-	-	-	720
Administration fees	210	-	210	90
Independent examiner's fee	930	-	930	930
Insurance	190	-	190	311
Meeting expenses	43	-	43	-
Postage	20	-	20	-
Bank charges	2	-	2	30
	<u>£ 19,021</u>	<u>£ 190,095</u>	<u>£ 209,116</u>	<u>£ 29,655</u>

THE C. & J. B. MORRELL TRUST

**NOTES TO THE ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2023**

5. STAFF COSTS AND NUMBERS

Payroll costs in respect of staff were:

	2023 £	2022 £
Wages and Salaries	1,500	1,500
	<u>£ 1,500</u>	<u>£ 1,500</u>

No employee received employee benefits in excess of £60,000.

The average monthly head count was one (2022 one).

The key management personnel of the Trust comprise the Trustees and the Secretary (2022 the Trustees and the Secretary). The total employee benefits of the key management personnel of the Trust were £1,500 (2022 £1,500).

6. ANALYSIS OF GRANTS

	2023 £	2022 £
Recipients of institutional grants:		
To fund 'The Morrell Studies in Toleration': University of York	210,000	-
To fund 'The 2022 York Festival of Ideas': University of York	-	10,000
Release of funds following the cessation of the partnership with York St John University to fund the Ebor Lectures programme	(19,905)	-
	<u>£ 190,095</u>	<u>£ 10,000</u>

7. (LOSSES)/GAINS ON INVESTMENT ASSETS

	2023 £	2022 £
Realised (losses)/gains on investment portfolio	(18,212)	4,438
Unrealised (losses)/gains on investment portfolio	(208,446)	179,012
	<u>(£ 226,658)</u>	<u>£ 183,450</u>

THE C. & J. B. MORRELL TRUST

**NOTES TO THE ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2023**

8. SCHEDULE OF INVESTMENTS

	<i>Market Value 2023 £</i>	<i>Market Value 2022 £</i>
<u>Summary</u>		
UK equity	921,788	934,701
International equity	1,222,212	1,331,217
Property	146,040	121,550
Alternatives	304,594	328,371
Fixed income	280,662	426,378
	<u>£ 2,875,296</u>	<u>£ 3,142,217</u>

9. SUMMARY OF MOVEMENTS IN INVESTMENTS

	<i>Opening market value at 6 April 2022 £</i>	<i>Additions £</i>	<i>Disposals £</i>	<i>Unrealised investment losses £</i>	<i>Closing market value at 5 April 2023 £</i>
UK equity	934,701	97,806	59,587	(51,132)	921,788
International equity	1,331,217	116	56,763	(52,358)	1,222,212
Property	121,550	74,670	-	(50,180)	146,040
Alternatives	328,371	-	-	(23,777)	304,594
Fixed income	426,378	110,619	225,336	(30,999)	280,662
	<u>£ 3,142,217</u>	<u>£ 283,211</u>	<u>£ 341,686</u>	<u>(£ 208,446)</u>	<u>£ 2,875,296</u>

10. CREDITORS: amounts falling due within one year

	<i>2023 £</i>	<i>2022 £</i>
University of York - grant	70,000	10,000
The Ebor Lectures Partnership - sponsorship	-	4,000
The Yorkshire Museum of Farming - grant	15,000	15,000
Accruals	1,140	1,140
	<u>£ 86,140</u>	<u>£ 30,140</u>

THE C. & J. B. MORRELL TRUST

**NOTES TO THE ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2023**

11. CREDITORS: amounts falling due after one year

	2023 £	2022 £
University of York - grant	70,000	-
The Ebor Lectures Partnership - sponsorship	-	8,000
	<u>£ 70,000</u>	<u>£ 8,000</u>

12. RELATED PARTY TRANSACTIONS

Other than those disclosed in Note 2, there were no other related party transactions during the reporting period.