

The Michael Cohen Trust

Annual Report and Financial Statements

For the year ended 31 July 2022

Reference and administrative Information

Trustees: Sir Ronald Cohen
Mr Mark Houghton-Berry
Sir Richard Trainor
Dr Barnaby Taylor

Address: Exeter College
Oxford OX1 3DP

Bankers: Barclays Bank PLC, Oxford
Quilter Cheviot Ltd, Jersey

Auditors: Moore Kingston Smith LLP, Chartered Accountants, London

Investment Managers: Partners Capital LLP, London

Report of the Trustees for the year ended 31 July 2022

The Trustees present their report along with the financial statements of the Michael Cohen Trust (the "Trust") for the year ended 31 July 2022. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and in compliance with MCT's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (published July 2014) including Update Bulletin 2.

Objectives and activities for the public benefit

The objects of the trust are the promotion of education at Exeter College (the "College") in the University of Oxford.

The aims of the trust are:

To support teaching at the College, particularly in the areas of Philosophy, History and Economics, and elsewhere where the need is greatest.

To support the students of the College, particularly those on lower incomes, by the provision of book grants and other appropriate support.

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 implementing and planning future activities. In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Grant making policy

In the formative years of the Trust no surplus funds were available to support the College's objectives and activities. However the Trustees now believe that the Trust is sufficiently well established to enable grants to be made on an annual basis. The College makes applications to the Trust and the Trustees assess these taking into consideration the level of funds available and the needs of the College. The grants paid and provided in these accounts are as follows:

<u>Purpose of Grant</u>	2022	2021
	£000	£000
Philosophy teaching	90.5	94.0
History teaching	116.0	78.0
Economics teaching	110.0	109.0
General teaching support	20.0	20.0
Book grants for less well off students	5.4	5.7
Total	341.9	306.7

Achievements and performance

The benefits of the Trust's work are the funding of teaching posts at the College. The provision of funding enables the College to recruit academics in History, Philosophy and Economics of the highest calibre on a long-term basis.

In addition, the provision of the £5,350 book grant (2021: £5,650) helped 113 first year undergraduates with a contribution towards their book costs.

Financial Review

During the year to 31 July 2022, the Trust reported net costs of £238,812 (2021: £1,394,559 net income). Income of £60,259 (2021: £14,704) consists mainly of dividends from investments.

Expenditure totalled £404,132 (2021: £362,479) and includes: £341,850 (2021: £306,650) grant to Exeter College to fund incurred expenditure, £54,624 investment management fees and £7,659 other administrative costs. The value of investments increased by £105,061 (2021: £1,742,334) reflecting the volatility in the financial markets.

The Trust's endowments are managed on a total return basis with a spending rule established to identify the amounts available for possible distribution as grants; further details are set out in note 1(e). As a result of this policy, £340,856 has been transferred to expendable reserves in the current year (2021: £325,004).

Investment policy and performance

The Trustees oversee the Trust's investments which are managed by Partners Capital and include a significant exposure to private equity. The major donors are content with this approach. The majority of the Trust's investments are of a long-term nature and do not pay dividends.

During the year the total return on the trust's investments was 1.8% (2021: 22.7%). The larger gain in the previous year reflected recovery in financial markets post pandemic. The lower gain this year reflects volatility in financial markets. Considering the adverse market conditions in general, the Trustees regard this performance as satisfactory.

Risk management

The Trustees have examined the major strategic, business and operational risks including political, economic and other (such as inflation), which the Trust faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Trustees review the vulnerability of the Trust's assets to changes in financial markets (which represents the dominant risk to the charity) on a frequent basis.

Reserves policy

The Trust does not incur significant administrative expenditure, and employs no staff. The Trustees plan that the General Reserve retained by the Trust shall be broadly capable of meeting two years' worth of overhead expenditure. At 31st July 2022, the General Reserve amounted to £13,020 (2021: £10,429). The Trustees are content that in the following year, these reserves will build up at the level required for the general administrative expenditure of the Trust.

Future Plans

The Trust will continue to invest the endowment according to its investment policies with the aim of producing the highest returns, so ensuring the continued ability to support the funding of academic posts at the College.

Structure, governance and management

The Michael Cohen Trust is an unincorporated trust, constituted under a trust deed dated 7 March 2001 (updated on 8/12/2021) and is a registered charity (no 1094275). The objects of the Trust are the advancement of education at Exeter College in the University of Oxford. The Trust does not actively fundraise, but achieves its objectives through careful stewardship of its investments.

The Trustees are appointed by the Board of Trustees. The Trustees who have served during the year and since the year-end are set out above. The founding Trustee, Sir Ronald Cohen, is appointed for life, or for as long as he wishes to serve as a trustee. Other trustees are appointed under the terms of the trust deed to serve for a three year period and may be re-appointed. The trustees include at least one Fellow of Exeter College. The Trustees meet twice a year but there are subgroups, which include specialist co-optees, which meet more frequently to discuss investment policy and to implement investment decisions.

The Board of Trustees keeps the skill requirements of the Trustee body under review. Some of the Trustees are trustees of other, larger, charities and have extensive experience and training as trustees. The Board recognises that it may be necessary to provide formal training for the Trustees and keeps this option under review.

The day to day administration of the Trust is managed by the Finance and Estates Bursar and the Accountant of the College.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the annual report and 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 Practices and applicable law, including Financial Reporting Standard 102: The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102). 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 Trust and of its net incoming or expenditure for that period. In preparing these financial statements, the trustees are required to:

- select the most suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are 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 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 ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

Richard H Trainor

Professor Sir Richard Trainor
Trustee

Date: *19 December 2022*

Independent Auditor's Report to the Trustees of the Michael Cohen Trust

Opinion

We have audited the financial statements of the Michael Cohen Trust for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 July 2022 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 there is 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respects with the financial statements; or
- the charity has not kept adequate 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.

Independent Auditor's Report to the Trustees of the Michael Cohen Trust (cont'd)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report to the Trustees of the Michael Cohen Trust (cont'd)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.



Moore Kingston Smith LLP
Statutory auditor

9 Appold Street
London, EC2A 2AP

Date: 19 December 2022

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Michael Cohen Trust
Statement of Financial Activities
For the year ended 31 July 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME & ENDOWMENTS						
Donations and legacies		-	-	1,334	1,334	1,480
Investment income	3	71	550	58,304	58,925	13,224
Total Income		<u>71</u>	<u>550</u>	<u>59,638</u>	<u>60,259</u>	<u>14,704</u>
EXPENDITURE						
Cost of raising funds						
Investment management costs	4	-	-	54,623	54,623	49,672
Charitable activities						
Promotion of education	5	27,659	321,850	-	349,509	312,807
Total Expenditure		<u>27,659</u>	<u>321,850</u>	<u>54,623</u>	<u>404,132</u>	<u>362,479</u>
Net expenditure before investment gains / (losses)		(27,588)	(321,300)	5,015	(343,873)	(347,775)
Net investment gains		<u>126</u>	<u>981</u>	<u>103,954</u>	<u>105,061</u>	<u>1,742,334</u>
Net movement in funds before transfer		(27,462)	(320,319)	108,969	(238,812)	1,394,559
Transfer between funds	9&10	<u>30,053</u>	<u>310,803</u>	<u>(340,856)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>2,591</u>	<u>(9,516)</u>	<u>(231,887)</u>	<u>(238,812)</u>	<u>1,394,559</u>
Fund Balances at 1 August 2021		10,429	550,412	8,578,856	9,139,697	7,745,138
Fund Balances at 31 July 2022	9&10	<u>13,020</u>	<u>540,896</u>	<u>8,346,969</u>	<u>8,900,885</u>	<u>9,139,697</u>

All activities are continuing. There are no recognised gains and losses in the year other than those reported above.

The Michael Cohen Trust

Balance Sheet at 31 July 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Investment assets	6	<u>8,954,698</u>	<u>9,044,823</u>
CURRENT ASSETS			
Debtors	7	1,334	1,480
Cash and deposits		<u>322,862</u>	<u>205,921</u>
		324,196	207,401
CREDITORS: amounts falling due within one year	8	378,009	112,527
NET CURRENT ASSETS / (LIABILITIES)		<u>(53,813)</u>	<u>94,874</u>
NET ASSETS		<u>8,900,885</u>	<u>9,139,697</u>
FUNDS OF THE CHARITY			
Endowment Funds	9	8,346,969	8,578,856
Restricted Funds	10	540,896	550,412
Unrestricted Funds	10	13,020	10,429
Total Funds		<u>8,900,885</u>	<u>9,139,697</u>

The financial statements on pages 9 to 16 were approved and authorised for issue by the trustees on 19 December 2022.

Richard H Trainor

Professor Sir Richard Trainor
Trustee

The notes on pages 11 to 16 form part of these financial statements.

The Michael Cohen Trust **Notes to the Financial Statements** **for the year ended 31 July 2022**

1 ACCOUNTING POLICIES

a) Basis of preparation and assessment of going concern

The charity's financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). As a registered charity, and public benefit entity, the financial statements have also been prepared in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)) including Update Bulletin 2.

The financial statements have been prepared on a going concern basis and have been prepared under the historical cost convention except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA). Items are recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

In light of the adverse market conditions experienced during the year, the Trustees have assessed whether the use of the going concern basis remains appropriate and have considered possible events or conditions that might cast significant doubt on the Trust's ability to continue as a going concern. The Trustees have assessed these risks, which confirm the Trust will have sufficient liquidity to operate for at least the next twelve months from the date of approval of these financial statements. The Trust therefore continues to adopt the going concern basis in preparing its financial statements.

b) Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The most significant areas of uncertainty that affect the carrying value of assets held by the charity are the level of investment return and the performance of investment markets.

In the view of the Trustees, no assumptions concerning the future or estimations of 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.

c) Investments

Listed investments are stated at market value. Unquoted investments are valued based on information provided by the fund manager. Realised and unrealised gains and losses arising on the investments are credited or charged to the Statement of Financial Activities in the period they arise.

All investment income is accounted for on a due date basis.

d) Other financial instruments

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

The Michael Cohen Trust

Notes to the Financial Statements

for the year ended 31 July 2022

e) Fund accounting

The General Fund is available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust.

Restricted Funds are subject to specific restrictions imposed by donors.

The Philosophy Endowment Fund and the History Fellowship Fund are accounted for as permanent endowments, and the Economics Fellowship Fund is accounted for as expendable endowment. These funds are set up to fund fellowships in their respective subjects.

The major donors have agreed that these endowment funds will be invested on a total return basis and that an annual spending rule be established to identify the amounts available for distribution as grants. The Trustees have agreed that a sum equivalent to 4.0% of endowment values, subject to smoothing, will be made available each year for possible allocation as grants in furtherance of the purposes of the trust.

f) Donations & Legacies

Donations and Legacies received are credited either to Endowment, Restricted or General Funds depending on the wishes of the donor. Voluntary income is accounted for when the College has entitlement to the funds, the amount can be reliably quantified and there is reasonable probability of its ultimate receipt.

g) Foreign exchange

Assets denominated in foreign currencies are translated into sterling at the rate applicable at the balance sheet date. Foreign currency transactions during the year have been translated using the exchange rate in operation at the date of transaction.

h) Expenditure

Expenditure is accounted for on an accruals basis. A liability and related expenditure is recognised when a legal or constructive obligation commits the Trust to expenditure that will probably require settlement, the amount of which can be reliably measured or estimated.

Cost of raising funds comprise costs relating to the investment portfolio.

All expenditure including support costs and governance costs are allocated to the applicable expenditure categories in the Statement of Financial Activities (the SOFA). These costs are low and have been charged directly to unrestricted funds.

i) Grants

Grants are included in resources expended when they have been approved by the Trustees and this has been communicated to the beneficiary.

2 TRUSTEES REMUNERATION

The Trustees neither received nor waived any emoluments during the period. No Trustee was reimbursed for any expenses incurred whilst acting on behalf of the Trust.

3 INVESTMENT INCOME

	2022 £	2021 £
Unrestricted Funds - equity dividends	71	12
Restricted Funds - equity dividends	550	127
Endowment Funds - equity dividends	58,304	13,085
	58,925	13,224

The Michael Cohen Trust
Notes to the Financial Statements
for the year ended 31 July 2022

4 INVESTMENT MANAGEMENT COSTS

	2022 £	2021 £
Investment management fees	<u>54,623</u>	<u>49,672</u>

In 2022 and 2021, all of investment management costs were attributable to endowment funds.

5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	2022 £	2021 £
Restricted Funds		
Grants to Exeter College to support teaching	316,200	281,000
Book grants for Exeter College undergraduates	5,650	5,650
	<u>321,850</u>	<u>286,650</u>
Unrestricted Funds		
Grants to Exeter College to support teaching	20,000	20,000
Support costs	2,839	2,078
Governance Costs (see Note 11)	4,820	4,079
	<u>27,659</u>	<u>26,157</u>

The Trustees have agreed that all support and governance costs should be met from unrestricted funds and so no allocation or charge is made to restricted funds for any support and governance related costs.

6 FIXED ASSET INVESTMENTS

a) Investment Movements

	£
Market value of investments at 1 August 2021	9,044,823
Additions	668,453
Disposal proceeds	(859,053)
Net investment gains including foreign exchange movements	100,475
Market value of investments at 31 July 2022	<u>8,954,698</u>
Historical cost of investments at 31 July 2022	<u>7,211,814</u>

b) Investment analysis

	Held outside the UK £	Held in the UK £	2022 Total £	2021 Total £
Equity investments (listed)	4,941,307	2,112,729	7,054,036	7,431,107
Alternative and other investments	1,295,313	605,349	1,900,662	1,613,716
	<u>6,236,620</u>	<u>2,718,078</u>	<u>8,954,698</u>	<u>9,044,823</u>

7 DEBTORS

	2022 £	2021 £
Donations receivable	1,334	1,480
	<u>1,334</u>	<u>1,480</u>

The Michael Cohen Trust
Notes to the Financial Statements
for the year ended 31 July 2022

8 CREDITORS: amounts falling due within one year

	2022 £	2021 £
Grants payable	341,850	76,400
Other creditors and accruals	36,159	36,127
	378,009	112,527

9 ENDOWMENT FUNDS

Current year:

	At 1 August 2021	New Endowment	Net Income/ (Expenditu- re)	Net Investment gain/(loss)	Applied total return	At 31 July 2022
Permanent Endowment:						
The Michael Cohen Philosophy Fellowship	1,813,044	-	779	21,982	(72,105)	1,763,700
The Sir Arthur Benson Philosophy Fellowship	771,631	-	331	9,349	(30,690)	750,621
The Michael Cohen History Fellowship	2,588,470	715	1,111	31,361	(102,775)	2,518,882
The Michael Cohen Tuition Fund	755,604	-	323	9,155	(30,053)	735,029
Total Permanent Endowment	5,928,749	715	2,544	71,847	(235,623)	5,768,232

Expendable Endowment:

The Michael Cohen Economics Fellowship	2,650,107	619	1,137	32,107	(105,233)	2,578,737
Total Endowment	8,578,856	1,334	3,681	103,954	(340,856)	8,346,969

Prior year:

	At 1 August 2020	New Endowment	Net Income/ (Expenditu- re)	Net Investment gain/(loss)	Applied total return	At 31 July 2021
Permanent Endowment:						
The Michael Cohen Philosophy Fellowship	1,524,882	-	(7,733)	364,680	(68,785)	1,813,044
The Sir Arthur Benson Philosophy Fellowship	649,113	-	(3,291)	155,087	(29,278)	771,631
The Michael Cohen History Fellowship	2,176,623	805	(11,039)	520,041	(97,960)	2,588,470
The Michael Cohen Tuition Fund	635,631	-	(3,222)	151,866	(28,671)	755,604
Total Permanent Endowment	4,986,249	805	(25,285)	1,191,674	(224,694)	5,928,749

Expendable Endowment:

The Michael Cohen Economics Fellowship	2,228,587	675	(11,302)	532,457	(100,310)	2,650,107
Total Endowment	7,214,836	1,480	(36,587)	1,724,131	(325,004)	8,578,856

The Michael Cohen Philosophy Fellowship

This permanent endowment fund was provided by Sir Ronald Cohen to contribute towards a Philosophy Fellowship at the College. The Applied Total Return is credited to a restricted income fund shown in Note 10.

The Michael Cohen Tuition Fund

This permanent endowment fund was provided by Sir Ronald Cohen to support education at the College. The Applied Total Return is credited to the General Fund.

The Sir Arthur Benson Philosophy Fellowship

This permanent endowment fund was provided by Mr Mark Houghton-Berry as an addition to The Michael Cohen Philosophy Fund. The Applied Total Return is credited to a restricted income fund shown in Note 10.

The Michael Cohen Trust
Notes to the Financial Statements
for the year ended 31 July 2022

The Michael Cohen History Fellowship

This permanent endowment fund was provided by Sir Ronald Cohen to contribute towards a History Fellowship at the College. The Applied Total Return is credited to a restricted income fund shown in Note 10.

The Michael Cohen Economics Fellowship

This expendable endowment fund was provided by Sir Ronald Cohen in 2008 to contribute towards an Economics Fellowship at the College. The Applied Total Return is credited to a restricted income fund shown in Note 10.

10 RESTRICTED AND GENERAL FUNDS

Restricted Funds:	At 1 August 2021	Net Income/ (Expenditure)	Net Investment gain/(loss)	Transfers between funds	Grants	At 31 July 2022
The Michael Cohen Philosophy Fellowship	151,486	-	-	72,105	(71,000)	152,591
The Sir Arthur Benson Philosophy Fellowship	50,611	-	-	30,690	(19,500)	61,801
The Michael Cohen History Fellowship	107,582	-	-	102,775	(116,000)	94,357
The Michael Cohen Economics Fellowship	159,766	-	-	105,233	(110,000)	154,999
Book Grants Scheme	80,967	550	981	-	(5,350)	77,148
Total Restricted Funds	550,412	550	981	310,803	(321,850)	540,896

Restricted Funds (prior year):	At 1 August 2020	Net Income/ (Expenditure)	Net Investment gain/(loss)	Transfers between funds	Grants	At 31 July 2021
The Michael Cohen Philosophy Fellowship	150,701	-	-	68,785	(68,000)	151,486
The Sir Arthur Benson Philosophy Fellowship	47,333	-	-	29,278	(26,000)	50,611
The Michael Cohen History Fellowship	87,622	-	-	97,960	(78,000)	107,582
The Michael Cohen Economics Fellowship	168,456	-	-	100,310	(109,000)	159,766
Book Grants Scheme	69,811	127	16,679	-	(5,650)	80,967
Total Restricted Funds	523,923	127	16,679	296,333	(286,650)	550,412

Book grants scheme

The Exeter College Junior Common Room donated funds on the condition that they should be spent only on projects connected with the artistic life of the College, and in particular, the funds are to be made available for a Book Grants Scheme for junior members of the College.

General Funds:	At 1 August 2021	Net Income/ (Expenditure)	Net Investment gain/(loss)	Transfers between funds	Grants	At 31 July 2022
Total General Funds	10,429	(7,588)	126	30,053	(20,000)	13,020

General Funds (prior year):	At 1 August 2020	Net Income/ (Expenditure)	Net Investment gain/(loss)	Transfers between funds	Grants	At 31 July 2021
Total General Funds	6,379	(6,145)	1,524	28,671	(20,000)	10,429

The general unrestricted funds represent accumulated income from the Trust's activities that are available for the general purpose of the Trust.

The Michael Cohen Trust
Notes to the Financial Statements
for the year ended 31 July 2022

11 GOVERNANCE COSTS

	2022 £	2021 £
Audit fee	4,820	4,079
Total governance costs	4,820	4,079

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at end of July 2022:

	Investmen- ts	Net Current Liabilities	2022 Total
General Fund	13,020	-	13,020
Restricted Funds	594,709	(53,813)	540,896
Endowments	8,346,969	-	8,346,969
Total	8,954,698	(53,813)	8,900,885

As at end of July 2021:

	Investmen- ts	Net Current Assets	2021 Total
General Fund	10,429	-	10,429
Restricted Funds	455,538	94,874	550,412
Endowments	8,578,856	-	8,578,856
Total	9,044,823	94,874	9,139,697

13 RELATED PARTY TRANSACTIONS

The Trust made a grant of £341,850 (2021: £306,650) to the College. The grant to the College was outstanding at the year end. Professor Sir Richard Trainor and Dr Barnaby Taylor were both Trustees of the College during the period under review. The Trust has entered into a Revolving Credit Facility (RCF loan) of up to £2,590k with Exeter College, the sole beneficiary of the Michael Cohen Trust. The RCF loan will be called as and when capital calls are made on the related investments held by the Michael Cohen Trust. The return on the RCF loan will be a combination of 3.25% interest and capital returns on investments.

14 UNAPPLIED TOTAL RETURN

	Michael Cohen Philosophy Fund	Michael Cohen Tuition Fund	Sir Arthur Benson Philosophy Fund	Michael Cohen History Fellowship	Michael Cohen Economics Fellowship	Total Endowment Funds
Opening Value of the Funds	1,813,044	755,604	771,631	2,588,470	2,650,107	8,578,856
New Endowment	-	-	-	715	619	1,334
Dividends and Interest	12,321	5,134	5,243	17,594	18,012	58,304
Investment Management Costs	(11,542)	(4,811)	(4,912)	(16,483)	(16,875)	(54,623)
Investment Gains	21,982	9,155	9,349	31,361	32,107	103,954
Less Original Gift	(721,664)	(309,204)	(299,668)	(1,244,241)	(1,477,156)	(4,051,933)
Unapplied Total Return before Transfer to Income	1,114,141	455,878	481,643	1,377,416	1,206,814	4,635,892
Application of total return	(72,105)	(30,053)	(30,690)	(102,775)	(105,233)	(340,856)
Unapplied total return at 31 July 2022	1,042,036	425,825	450,953	1,274,641	1,101,581	4,295,036

15 COMMITMENTS

The Trust had total commitments of £1,509,171 at 31 July 2022 (2021: £1,382,879) in respect of uncalled private equity investments.