

**Registered No 1113279**

**The Robert Bruce Barnes Charitable Trust**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

# **The Robert Bruce Barnes Charitable Trust**

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**The Robert Bruce Barnes Charitable Trust**

**TRUSTEES AND PROFESSIONAL ADVISERS**

<b>Trustees</b>	Robert Barnes Paul Aplin Sue Woodman
<b>Registered Charity Number</b>	1113279
<b>Principal Office</b>	Flat 7 Macartney House Chesterfield Walk London SE10 8HJ
<b>Bankers &amp; Investment Advisers</b>	Coutts & Co 440 Strand London WC2R 0QS
<b>Independent Examiner</b>	Helen Neilly, FCMA, CGMA 5 King William Walk London SE10 9JH

### **Financial Statements**

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(effective 1 January 2015).

### **Structure, Governance and Management**

The Robert Bruce Barnes Charitable Trust is an unincorporated trust, constituted under a trust deed dated 17<sup>th</sup> October 2005 and is a registered charity, number 1113279. Its objects and powers and other constitutional matters are set out in the trust deed.

An initial gift of shares by Robert Bruce Barnes was effected on 3 February 2006. Registration by the Charity Commission was completed on 15 March 2006.

At present the Trust has no operational activities on its own account. The Trustees named on page 1 have been Trustees throughout the period covered by these financial statements and there have been no other Trustees for any part of the period. The three Trustees are jointly fully responsible for the management of the Trust assets and the disbursement of funds. The Trustees maintain regular contact with each other and are fully aware of their responsibilities as Trustees. The power to appoint new Trustees is exercisable by Robert Bruce Barnes as Settlor or by his will. In the event that new Trustees were to be appointed, appropriate induction processes would be implemented.

### **Objectives and Activity**

The objects of the Trust are very broad. The Trustees recognise that any expenditure on charitable activities must meet the public benefit test as set out in guidance provided by the Charity Commission.

The initial gift was made without restriction but with the medium-term plan that most of the funds should be treated as endowment funds to provide recurring income to meet charitable expenditure each year. Accordingly, the Trustees invested most of the initial donation - c£270,000 in a managed cautious income fund with the intention that the annual income be applied to charitable causes benefiting young people in the UK. The value of this portfolio is now just over £211,000, an increase of nearly £51,000 (33%) over the year.

The Trust has received further donations from Mr and Mrs Robert Barnes over the past ten years totalling £1,034,106 before Gift Aid. With Gift Aid, the total incoming resources has amounted to around £1,260,563. These donations have been made without restriction, but in keeping with the wishes of the donors the medium-term plan is to invest these funds and apply the investment income in pursuit of charitable objectives.

The Trustees have focused on the plight of disadvantaged youth in their considerations and to date all grants have been made to support this cause particularly in the area of education.

The Trust continues its support for disadvantaged students at Leeds University. An initial pledge of £100,000 to sponsor two students in each intake year from September 2014 over the five years in the amount of £10,000 per student spread over three years completed its course in September 2020. In July 2019 a further pledge was entered into to sponsor two students in each intake year from September 2019 over the next three years, again in the amount of £10,000 per student spread over three years. This terminates in September 2023

Also, in July 2019, a further pledge of £40,000 was made to IntoUniversity, payable in September 2022 and September 2023. This adds to the £150,000 already pledged to support the opening and continuing operations of two learning centres working with young disadvantaged children in the Harehills and Hunslet areas of Leeds through a matched funding arrangement with IntoUniversity, a charity specialising in providing academic support to underprivileged children across the country (Charity No. 1118525).

In June 2020, the Trust made a one off donation of £20,000 to the Leeds University 2020 Student Support Fund to support students facing financial hardship amid the Covid-19 crisis. In January 2021, a further £10,000 donation was made to the Leeds NHS Student Workforce Fund to support those medic students whose life has been adversely affected by their commitment to the NHS through the Covid-19 crisis.

### **Investment Policy**

The Trust's activities are essentially reliant on investment returns from its endowment and subsequent donations. These are invested on a total return basis with a view to providing a return over the longer term that is sufficient to maintain the real (inflation adjusted) value of the capital of the fund whilst delivering a cash flow to meet annual grants. The Trustees work closely with their Investment Advisers, Coutts & Co in implementing the adopted Investment Policy. Combining the independent investment advice with careful control over grant pledges by the Trustees, the risk exposure to poor investment returns is prudently managed.

### **Results, Review of the Year and Future Developments**

The results for the year are set out in the Statement of Financial Activities on page 6.

The reversal of short term losses reported last year as a result of uncertain concerns related to the Covid-19 pandemic has been significant. The unrealised loss on investment reported last year of £211,000 has been more than reversed with an unrealised gain this year of £239,000. Donations received this year were £47,500 including Gift Aid. Net investments made this year total £113,000. The year-end cash position was £16,000. With expected investment income flows, the pledge commitments of the next financial year totalling £40,000 are secure.

Trustees will continue to monitor the progress of students at Leeds University and will work with Leeds University to identify further opportunities to help disadvantaged youth as well as exploring other meaningful causes.

### **Risk Management**

Apart from exposure to financial risk in its investment approach as referred to above, the Trustees believe there are no major operational risks facing the charity as it has no such commitments or obligations at the present time.

### **Reserves Policy**

It is the present policy of the Trustees to maintain as far as possible the initial funds donated as capital to generate income for charitable purposes. It is the intention of the Trustees to distribute all of the investment income generated each year. In general, the Trustees have resolved to retain cash in hand at each balance sheet date that is sufficient to meet all pledges falling due in the forthcoming year. At 31<sup>st</sup> March 2021, the cash balance was £15,962 and with investment income being generated will be sufficient to meet; the £40,000 pledges committed. No commitments will be made that exceed the net assets of the Trust.

### **Trustees' Responsibilities in Relation to the Financial Statements**

The Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures that must be 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 operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) regulations and the provisions of the trust deed. They are also responsible for

safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Examiner**

The Trustees intend to ask the independent examiner, Helen Neilly to undertake the independent examination of the Trust for the next financial year.

Approved by the Trustees on 21 May 2021 and signed on their behalf by

**ROBERT BARNES**

**Robert Barnes – Trustee**

**PAUL APLIN**

**Paul Aplin – Trustee**

I report on the accounts of the Trust for the year ended 31 March 2021, which are set out on pages 6 to 12.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's 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;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to 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 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act and with the Charities SORP (FRS102)

have 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.

**HELEN NEILLY**

**H Neilly**

Name: Helen Neilly FCMA, CGMA  
Address: 5 King William Walk, London, SE10 9JH  
Date: 21 May 2021

The Robert Bruce Barnes Charitable Trust

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	No	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
	te				
<b>Income from:</b>					
Donations and gifts		47,500	-	47,500	87,500
Investment income		37,304	9,119	46,423	53,183
<b>Total Income</b>	<b>2</b>	<u>84,804</u>	<u>9,119</u>	<u>93,923</u>	<u>140,683</u>
<b>Expenditure on:</b>					
Charitable activities	<b>3</b>	30,000	-	30,000	112,500
Raising funds	<b>4</b>	5,169	856	6,025	8,691
<b>Total Expenditure</b>		<u>35,169</u>	<u>856</u>	<u>36,025</u>	<u>121,191</u>
Net gains/(losses) on investments	<b>6</b>	186,300	52,711	239,011	(211,676)
<b>Net Income</b>		<u>235,935</u>	<u>60,974</u>	<u>296,909</u>	<u>(192,184)</u>
Transfers between funds		8,263	(8,263)	-	-
<b>Net movement in funds</b>		<u>244,198</u>	<u>52,711</u>	<u>296,909</u>	<u>(192,184)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		919,258	160,288	1,079,546	1,271,731
<b>Total funds carried forward</b>		<u><u>1,163,456</u></u>	<u><u>212,999</u></u>	<u><u>1,376,455</u></u>	<u><u>1,079,546</u></u>



The Robert Bruce Barnes Charitable Trust

**BALANCE SHEET AS AT 31 MARCH 2021**

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds £	Prior Year £
<b>FIXED ASSETS</b>					
Investments	6	1,248,791	211,701	1,460,492	1,185,215
<b>CURRENT ASSETS</b>					
Debtors	3	-	-	-	-
Cash at bank and in hand		14,665	1,298	15,963	34,331
		14,665	1,298	15,963	34,331
<b>LIABILITIES</b>					
Creditors falling due within one year	9	40,000	-	40,000	40,000
<b>NET CURRENT ASSETS</b>		(25,335)	1,298	(24,037)	(5,669)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,223,456	212,999	1,436,455	1,179,546
Creditors falling due after more than one year	9	60,000	-	60,000	100,000
<b>NET ASSETS</b>		1,163,456	212,999	1,376,455	1,079,546
<b>FUNDS</b>					
Endowment		-	212,999	212,999	160,288
Unrestricted Income		1,163,456	-	1,163,456	919,258
<b>TOTAL FUNDS</b>		1,163,456	212,999	1,376,455	1,079,546

Approved by the Trustees on 21 May 2021 and signed on their behalf by:

**ROBERT BARNES**

Robert Barnes - Trustee

**PAUL APLIN**

Paul Aplin – Trustee

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021**

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	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	10	(76,025)	(48,691)
<b>Cash flows from investing activities</b>			
Interest and dividends received		46,594	53,267
Sales of investments		115,636	677
Purchases of investments		(228,229)	(105,611)
Decrease/(Increase) in cash held by investment manager		76,154	24,690
Net cash provided by investing activities		10,157	(26,977)
<b>Cash flows from financing activities</b>			
Receipt of donations		47,500	87,500
Net cash provided by financing activities		47,500	87,500
<b>Change in cash in the year</b>		(18,368)	(11,832)
Cash brought forward		34,331	22,499
<b>Cash carried forward</b>		15,963	34,331

All cash is held on current account and immediately available for use.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**1. ACCOUNTING POLICIES**

**Accounting Convention**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and 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 (FRS102) issued on 16 July 2014 and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared on a going concern basis, the Trustees having taken into account the matters referred to in the Trustees' Annual report.

**Fund Accounting**

Funding of the charity comprises only Unrestricted General and Endowment Funds. These are funds that can be used in accordance with the charitable objects at the discretion of the Trustees. Investment income, gains and losses are allocated to the appropriate fund.

**Income Recognition**

All income is recognised once the charity has entitlement to the resource, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Interest and dividend income is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest and dividend paid or payable by the Bank.

**Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for gross when incurred on an accruals basis.

**Fixed Asset Investments**

The charity 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.

**Gains and Losses on Investments**

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 sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated at the difference between the fair value as at the year-end using the closing quoted mid-market price and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial activities.

**Debtors**

Amounts owing to the Charity at 31<sup>st</sup> March in respect of loans are shown as debtors less provision for amounts that may prove non-collectible. Trade and other debtors are recognised in the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at Bank and in Hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Cash held with the investment manager is included in investments.

### 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 the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

## 2 INCOME

The incoming resource for the period comprises unrestricted donations and interest and dividend income on investments and cash balances all of which are held by the Charity's banker and investment adviser, Coutts & Co. In 2021 all donations were unrestricted and investment income attributable to the endowment was £9,727 that, net of management fees, was transferred to net income.

## 3 CHARITABLE ACTIVITIES

Grants of 10 scholarships totalling £100,000 pledged to the University of Leeds Scholarships Office in 2014— two to be awarded each year for the five years from 2014 to 2018 - of £10,000 each – were completed in September 2020. A further grant was pledged in July 2019 totalling £60,000 comprising 6 scholarships - two to be awarded each year for three years from 2019 to 2021. These scholarships are paid over three years at the rate of £3,333 per year. Included in current liabilities are instalments of £20,000 under these pledges. The balance of the commitment is included in creditors - amounts falling due after more than one year.

Grant funding totalling £40,000 was committed in July 2019 to add to the existing support of the IntoUniversity project with the University of Leeds Educational Engagement Office providing on-going operational and expansion funding to the Harehills and Hunslet centres. This brings the total grant funding to IntoUniversity up to £140,000 (since 2015). The pledge commitments now run to September 2023 with £20,000 payable annually. The amount of £20,000 to be paid in September 2021 is included in current liabilities with two remaining instalments thereafter of £20,000 annually included in creditors – amounts falling due after more than one year.

All charitable activity expenditure in both 2021 and 2020 is from unrestricted funds.

## 4 TOTAL EXPENDITURE

Expenditure incurred on raising funds in the year is as follows:-

	2021 £	2020 £
Investment Management Fees	6,025	8,691
Independent examination of the accounts of the Charity.	-	-
Total	<u>6,025</u>	<u>8,691</u>

The allocation of the expenditure to unrestricted and endowment funds is as follows:-

Unrestricted	5,169	7,336
Endowment	856	1,355

## 5 TAXATION

The charity is not liable for UK corporation tax.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

6 INVESTMENTS

The investments are held under a Coutts & Co managed umbrella portfolio and comprise a variety of UK listed managed income funds and some individual listed shares.

Movements in investments were:-

	2021 £	2020 £
Carrying value (market value) at beginning of year	1,185,215	1,316,732
Proceeds on Disposals of Investments	(127,275)	-
Additions to Investments at cost	228,229	104,933
(Decrease)/Increase in cash held for investment	(76,327)	(24,773)
Realised Gain/(Loss) on Disposal	11,639	-
Unrealised Gain/(Loss) on Revaluation	239,011	(211,677)
Carrying value (market value) at end of year	1,460,492	1,185,215

Included in investments is cash held by the investment manager under the portfolio umbrella for investment or distribution of £33,056 (2020 - £112,222).

7 MOVEMENT IN FUNDS

	Balance at 31 March 2020 £	Income £	Expenditure £	Transfer and other Movement £	Balance at 31 March 2021 £
Unrestricted Funds	919,258	84,804	(35,169)	194,563	1,163,456
Endowment Fund	160,288	9,119	(856)	44,448	212,999
Total Funds	1,079,546	93,923	(36,025)	239,011	1,376,455

The comparative movement in funds for the previous financial year showed Endowment Fund income of £10,281, expenditure of £1,355 and transfers and other movements out of £58,725. The Unrestricted Fund income was £130,402 of which £87,500 was an unrestricted gift. Unrestricted expenditure in 2020 was £119,836 and transfers and other movements out of £152,951.

8 RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

The charity received donations from Robert Barnes and Christine Barnes, his wife, in the amount of £38,000 in the year which with Gift Aid amounted to £47,500. Trustees received neither emoluments nor reimbursement of expenses of any kind.

9. **FINANCIAL COMMITMENTS**

As at 31 March 2021 the Trust had remaining commitments under its grant obligations, described in Note 3, of £40,000 due within one year and £60,000 due more than one year after the year end due as follows:-

Commitments due after the year end, due by	Amount £
31 March 2022	33,333
31 March 2023	26,667
Total	£60,000

All of these commitments relate to University of Leeds projects. At the beginning of the year the aggregate commitment was £100,000 of which £40,000 was duly paid.

10 **RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net movement in funds	296,908	192,184
Deduct donations	(47,500)	(87,500)
Deduct interest and dividends	(46,423)	(53,183)
Deduct gains/add back losses	(239,011)	211,676
(Increase)/decrease in debtors	-	12,500
Increase/(decrease) in creditors	(40,000)	(60,000)
Net cash used in operating activities	<u>(76,025)</u>	<u>(48,691)</u>