

**Registered No 1113279**

**The Robert Bruce Barnes Charitable Trust**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

# **The Robert Bruce Barnes Charitable Trust**

## **CONTENTS**

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	<b>PAGE</b>
Trustees and advisers	1
Report of the Trustees	2
Independent Examiner's Report	4
Statement of Financial Activities incorporating the Income and Expenditure Account	5
Balance Sheet	6
Statement of Cash Flows	7
Notes to the Financial Statements	9 - 11

**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 2023. 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 £185,000, having suffered a fall in value over the past year due to the increasing interest rate environment.

The Trust has received further donations from Mr and Mrs Robert Barnes over the past fourteen years totalling £1,009,866 before Gift Aid. With Gift Aid, the total incoming resources has amounted to £1,271,073. 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 nearly 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 providing three-year scholarship grants. In aggregate, £220,000 has been pledged, since 2014 with payments terminating in September 2025. Likewise, £230,000 has been pledged to the development of IntoUniversity centres in and around Leeds over the past 9 years. IntoUniversity is a charity specialising in providing academic support to underprivileged children across the country (Charity No. 1118525). In the past financial year the Trustees also made a small donation of £1,000 to support Ukrainian refugees.

### **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.

**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

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**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.

Adverse market conditions have resulted in investment losses of £106,026 in the year. However, with the generous donation of £125,000 (before Gift Aid) from Christine Barnes, the Trustees can report a modest increase in total funds to £1,514,764. Cash at the year-end totalled £36,922, sufficient to meet the new financial year's commitments.

As noted above, the Trustees 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 2023, the cash balance was £36,922, sufficient to meet the £56,666 pledge payments committed for September 2023 taking into account investment income over the first six months of the present financial year. 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 31 May 2023 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 2023, 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: 31 May 2023

The Robert Bruce Barnes Charitable Trust

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
<b>Income from:</b>					
Donations and gifts		157,125	-	157,125	21,000
Investment income		51,976	10,431	62,407	55,309
<b>Total Income</b>	<b>2</b>	<u>209,101</u>	<u>10,431</u>	<u>219,532</u>	<u>76,309</u>
<b>Expenditure on:</b>					
Charitable activities	<b>3</b>	101,000	-	101,000	-
Raising funds	<b>4</b>	<u>4,866</u>	<u>675</u>	<u>5,541</u>	<u>5,667</u>
<b>Total Expenditure</b>		<u>105,866</u>	<u>675</u>	<u>106,541</u>	<u>5,667</u>
Net gains/(losses) on investments	<b>6</b>	(79,008)	(27,018)	(106,026)	60,702
<b>Net Income</b>		<u>24,227</u>	<u>(17,262)</u>	<u>6,965</u>	<u>131,344</u>
Transfers between funds		9,756	(9,756)	-	-
<b>Net movement in funds</b>		<u>33,983</u>	<u>(27,018)</u>	<u>6,965</u>	<u>131,344</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,295,767	212,032	1,507,799	1,376,455
<b>Total funds carried forward</b>		<u><u>1,329,750</u></u>	<u><u>185,014</u></u>	<u><u>1,514,764</u></u>	<u><u>1,507,799</u></u>

The Robert Bruce Barnes Charitable Trust

**BALANCE SHEET AS AT 31 MARCH 2023**

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds £	Prior Year £
<b>FIXED ASSETS</b>					
Investments	6	1,400,793	183,716	1,584,509	1,519,094
<b>CURRENT ASSETS</b>					
Debtors	3	-	-	-	3,500
Cash at bank and in hand		35,624	1,298	36,922	45,205
		35,624	1,298	36,922	48,705
<b>LIABILITIES</b>					
Creditors falling due within one year	9	56,667	-	56,667	33,333
<b>NET CURRENT ASSETS</b>		(21,043)	1,298	(19,745)	15,372
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,379,750	185,014	1,564,764	1,534,466
Creditors falling due after more than one year	9	50,000	-	50,000	26,667
<b>NET ASSETS</b>		1,329,750	185,014	1,514,764	1,507,799
<b>FUNDS</b>					
Endowment		-	185,014	185,014	212,032
Unrestricted Income		1,329,750	-	1,329,750	1,295,767
<b>TOTAL FUNDS</b>		1,329,750	185,014	1,514,764	1,507,799

Approved by the Trustees on 31 May 2023 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 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Amounts paid in support of pledges		(54,333)	(40,000)
Other cash movements, mainly investment management fees		(2,041)	(5,667)
Net cash used in operating activities	10	(56,374)	(45,667)
<b>Cash flows from investing activities</b>			
Interest and dividends received		60,418	56,084
Sales of investments		80,708	-
Purchases of investments		(242,041)	(24,912)
Decrease/(Increase) in cash held by investment manager		(8,119)	26,227
Net cash provided by investing activities		109,034	57,409
<b>Cash flows from financing activities</b>			
Receipt of donations		157,125	17,500
Net cash provided by financing activities		157,125	17,500
<b>Change in cash in the year</b>		8,283	29,242
Cash brought forward		45,205	15,963
<b>Cash carried forward</b>		36,922	45,205

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**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.

## 1 ACCOUNTING POLICIES – cont.

### 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 2023 all donations were unrestricted and investment income attributable to the endowment was £9,756 that, net of management fees, was transferred to net income.

## 3 CHARITABLE ACTIVITIES

A grant was pledged in July 2019 to Leeds University 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 is an instalment of £6,667 being the final payment under this pledge.

With the expiry of the above grant, a further £60,000 was pledged in June 2022 to support 6 scholarships phased over the next four years. At 31 March 2023, included in current liabilities, are instalment of £20,000 and the remaining £30,000 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 brought the total grant funding to IntoUniversity up to £190,000 (since 2014). The pledge commitments now run to September 2023 with £20,000 payable annually. The final instalment of £20,000 of these pledges is included in current liabilities. In June 2002, a further £40,000 was pledged to provide continued support to IntoUniversity to be paid over three years. The first instalment of £10,000 was paid in the financial year. A further £10,000 is included in current liabilities at the year end with the final payment of £20,000 due in September 2024 being included in creditors – amounts falling due after more than one year.

All charitable activity expenditure in both 2023 and 2022 is from unrestricted funds.

## 4 TOTAL EXPENDITURE

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

	2023 £	2022 £
Investment Management Fees	5,541	5,667
Independent examination of the accounts of the Charity.	-	-
Total	5,541	5,667

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

Unrestricted	4,866	4,858
Endowment	675	809

## 5 TAXATION

The charity is not liable for UK corporation tax.

## 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:-

	2023	2022
	£	£
Carrying value (market value) at beginning of year	1,519,094	1,460,492
Proceeds on Disposals of Investments	(85,284)	-
Additions to Investments at cost	242,041	24,912
(Decrease)/Increase in cash held for investment	10,108	(27,012)
Realised Gain/(Loss) on Disposal	4,576	-
Unrealised Gain/(Loss) on Revaluation	(106,126)	60,702
Carrying value (market value) at end of year	1,584,509	1,519,094

Included in investments is cash held by the investment manager under the portfolio umbrella for investment or distribution of £18,991 (2022 - £8,829).

## 7 MOVEMENT IN FUNDS

	Balance at 31 March 2022	Income	Expenditure	Transfer and Other Movement	Balance at 31 March 2023
	£	£	£	£	£
Unrestricted Funds	1,295,767	209,101	(105,866)	(69,252)	1,329,750
Endowment Fund	212,032	10,431	(675)	(36,774)	185,014
<b>Total Funds</b>	<b>1,507,799</b>	<b>219,532</b>	<b>(106,541)</b>	<b>(106,026)</b>	<b>1,514,764</b>

The comparative movement in funds for the previous financial year is set out below.

	Balance at 31 March 2021	Income	Expenditure	Transfer and other Movement	Balance at 31 March 2022
	£	£	£	£	£
Unrestricted Funds	1,163,456	66,753	(4,858)	70,416	1,295,767
Endowment Fund	212,999	9,556	(809)	(9,714)	212,032
<b>Total Funds</b>	<b>1,376,455</b>	<b>76,309</b>	<b>(5,667)</b>	<b>60,702</b>	<b>1,507,799</b>

## 8 RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

The charity received donations from Robert Barnes and Christine Barnes, his wife, in the amount of £125,000 in the year which with Gift Aid amounts to £156,250. Trustees received neither emoluments nor reimbursement of expenses of any kind.

9. **FINANCIAL COMMITMENTS**

As at 31 March 2023 the Trust had remaining commitments under its grant obligations, described in Note 3, of £56,667 due within one year and £50,000 due more than one year after the year end, namely by 30 September 2024. These commitments relate to University of Leeds projects. At the beginning of the year the aggregate commitment was £60,000 of which £53,333 was duly paid.

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

	<b>2023</b>	<b>2022</b>
	£	£
Net movement in funds	6,965	131,344
Deduct donations received	(157,125)	(17,500)
Deduct interest and dividends	(62,407)	(55,309)
Deduct gains/add back losses	106,026	(60,702)
(Increase)/decrease in debtors	3,500	(3,500)
Increase/(decrease) in creditors	46,667	(40,000)
Net cash used in operating activities	<u>(55,374)</u>	<u>(45,667)</u>