

COMPANY NO: 08600905
CHARITY NO: 1154547

THE MARGARET THATCHER SCHOLARSHIP TRUST
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

THE MARGARET THATCHER SCHOLARSHIP TRUST
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FOR THE YEAR ENDED 31 JULY 2022

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THE MARGARET THATCHER SCHOLARSHIP TRUST

LEGAL AND ADMINISTRATIVE DETAILS

DIRECTORS AND TRUSTEES

Baroness Royall of Blaisdon
Mrs Clara Freeman
Professor Almut Suerbaum
Professor Stephen Weatherill
Lord Sherbourne of Didsbury
Mr Andrew Parker

REGISTERED OFFICE

Somerville College
Woodstock Road
Oxford
OX2 6HD

BANKERS AND DEPOSIT HOLDERS

Barclays Bank Plc
Oxford
OX1 3HB

AUDITOR

Crowe U.K. LLP
Aquis House
49-51 Blagrove Street
Reading
Berks RG1 1PL

SOLICITORS

Penningtons LLP
Apex Plaza
Forbury Road
Reading
RG1 1AX

CHARITY REGISTRATION NUMBER

1154547

COMPANY REGISTRATION NUMBER

08600905

THE MARGARET THATCHER SCHOLARSHIP TRUST

REPORT OF THE DIRECTORS AND TRUSTEES

FOR THE YEAR ENDED 31 JULY 2022

The directors, who are also the Trustees of the Charity, present the report and financial statements for the year ended 31 July 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

The Margaret Thatcher Scholarship Trust was incorporated as a company limited by guarantee (number: 08600905) on 8 July 2013 and is a charity registered with the Charity Commission (number: 1154547). The governing documents of the company are its Memorandum and Articles of Association, dated 1 July 2013.

TRUSTEE RECRUITMENT AND APPOINTMENT

The Trustees are made up of two internal trustees, two external trustees and two *ex officio* trustees. Current trustees of the Margaret Thatcher Scholarship Trust are:

External trustees

Mrs Clara Freeman OBE,
Lord Sherbourne of Didsbury,

Internal trustees

Professor Almut Suerbaum,
Professor Stephen Weatherill,

Ex officio trustees

Baroness Royall of Blaisdon, and
Mr Andrew Parker.

OBJECTS AND ACTIVITIES

The charity's objects are specifically restricted to promoting and advancing education at the University of Oxford, and in particular at Somerville College, including by providing financial support to outstanding students from all over the world and by supporting academic posts and other initiatives which help to nurture the talents of these students.

The focus remains on mentoring these students and ensuring that they are fully supported in order to achieve their potential, while also providing the Somerville Development Programme that all Somervillians can access.

Fundraising continues for both the endowment and spend-down scholarships.

PUBLIC BENEFIT

It is a duty of the charity's trustees to report on the organisation's public benefit in the Trustees Annual Report. To meet this requirement, charities must be able to demonstrate that:

- there is an identifiable benefit which has arisen by fulfilling the charity's aims;
- the beneficiaries are the public, or a section of the public.

THE MARGARET THATCHER SCHOLARSHIP TRUST

REPORT OF THE DIRECTORS AND TRUSTEES

FOR THE YEAR ENDED 31 JULY 2022

PUBLIC BENEFIT cont.

The trustees have satisfied themselves that, in achieving the objectives described in this report, The Margaret Thatcher Scholarship Trust meets the public benefit requirement. The trustees have given due regard to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 in coming to this conclusion.

ACHIEVEMENTS AND PERFORMANCE

In 2021.22 we welcomed nine new Thatcher Scholars: four doing undergraduate studies, 2 on Masters courses and three undertaking DPhil studies. With the remaining Thatcher Scholars from previous years, this brought the total number of scholars in College to 25, and the number of alumni to 12. One of the unnamed undergraduate scholarships was named for Ann and Giles Currie, whose six figure gift enabled the establishment of the Margaret Thatcher Scholarship Trust.

The Trustees approved the reinvestment into the endowment of £572,000 from the reserves to endow a further undergraduate scholarship in perpetuity.

The Somerville Development Programme continued to provide valuable training for students and was able to return to in-person sessions, although the learnings from the previous year enabled the continuation of hybrid events.

There were 13 applications for Thatcher Development Awards of which 8 were approved. Grants ranged from £450 to £2,000, with the mean grant being £1,472. The total funds awarded for Thatcher Development Awards was £11,775, although the final total was £10,475 as one project was unable to go ahead and so their grant of £1,300 was returned. Two overseas undergraduate scholarships were awarded in Hilary term 2022 for 2022 entry and six new graduate scholarships of which two DPhils are partnering with the Clarendon Scholarships in a new partnership. There are a further two DPhils and two Masters scholars.

FINANCIAL REVIEW

The Trust has total incoming resources of £542k (2021: £512k). Of this £116k (2021: £108k) came from donations and £426k (2021: £398k) from investment income. Total expenditure was £629k (2021: £519k), with investment in scholarships increasing by £155k (42%). The significant increase in the cost of scholarships is as a result of: a number of costs anticipated to come in 2020.21 that fell into 2021.22 (the fees for one undergraduate and the awarding of a postponed undergraduate scholarship); a new overseas undergraduate scholarship being awarded and that scholar started in 2021; and the impact of an extra scholarship being awarded in 2020.21.

The net deficit before investment movement for the year was £(88)k (2021: £1,798k), representing a planned increase in the number of scholarships. There was a modest capital loss on investments of £139k.

In the year £572k was transferred from free reserves to the endowment to endow a further undergraduate scholarship in perpetuity.

At the year-end net assets totalled of £11,456k (2021: £11,683k) being unrestricted funds of £310k (2021: £970k) and endowment funds of £11,147k (2021: £10,713k).

PLANS FOR THE FUTURE

The Trust will continue to fundraise to build the endowment of the Trust and to make awards to selected scholars. The Somerville Development Programme has become a fundamental part of the offering that Somerville makes to its students and will continue to give them the tools and skills that they need to fulfil their academic potential at College and to go out into the world and make a positive impact.

THE MARGARET THATCHER SCHOLARSHIP TRUST

REPORT OF THE DIRECTORS AND TRUSTEES

FOR THE YEAR ENDED 31 JULY 2022

GOING CONCERN

The Margaret Thatcher Scholarship Trust has considered its financial performance in the past year, the risks we face and our financial projections for the next twelve months and beyond. We are satisfied that we have adequate resources to continue operating for the foreseeable future, and that we have the appropriate controls in place to manage any material change in circumstances. We have therefore prepared our accounts on the basis that we are a going concern.

The charity has cash resources and has no requirement for external funding in excess of current facilities. The Trustees have a high expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In making their assessment the Trustees have considered the impact on the business of Covid-19 including the ability of the charity to continue to operate within Somerville College. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

RESERVES POLICY

At present the charity holds unrestricted funds, representing income received not yet expended for the purposes given.

Now that the core activities of the trust are established the Board of Trustees will monitor the level of reserves appropriate to its level of activity and associated risk, to ensure that sufficient funds are available to meet the objectives of the Charity on an on-going basis.

THE MARGARET THATCHER SCHOLARSHIP TRUST

REPORT OF THE DIRECTORS AND TRUSTEES

FOR THE YEAR ENDED 31 JULY 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Margaret Thatcher Scholarship Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity [and the group] and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Statement as to disclosure of information to auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the Board on 19th October 2022 and signed on its behalf



Andrew Parker
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARGARET THATCHER SCHOLARSHIP TRUST FOR THE YEAR ENDED 31 JULY 2022

Opinion

We have audited the financial statements of The Margaret Thatcher Scholarship Trust ('the charitable company') for the year ended 31 July 2022 which comprise 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 Financial Reporting Standard 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 charitable company's affairs as at 31 July 2022 and of its income and expenditure, 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 Companies Act 2006.

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 charitable company 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 charitable company'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARGARET THATCHER SCHOLARSHIP TRUST FOR THE YEAR ENDED 31 JULY 2022

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARGARET THATCHER SCHOLARSHIP TRUST FOR THE YEAR ENDED 31 JULY 2022

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the charitable company's operations were Companies Act 2006 and relevant Taxation legislation.

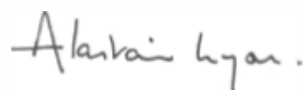
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and agreement of investment income to relevant supporting documentation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Alastair Lyon
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Reading Date: 22 November 2022

THE MARGARET THATCHER SCHOLARSHIP TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 JULY 2022

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 £	2021 £
INCOME AND ENDOWMENTS FROM:						
Donations	3	116,151	-	-	116,151	108,442
Investment income	3	425,622	-	-	425,622	398,405
Miscellaneous income		-	-	-	-	4,812
Total incoming resources		541,773	-	-	541,773	511,659
EXPENDITURE ON:						
Charitable activities	4	629,453	-	-	629,453	519,226
Total expenditure		629,453	-	-	629,453	519,226
Net (expenditure)/ income before gains		(87,680)	-	-	(87,680)	(7,567)
Net (loss)/gain on investments	6	-	-	(138,605)	(138,605)	1,805,927
Net (expenditure)/ income and net movement in funds		(87,680)	-	(138,605)	(226,285)	1,798,360
Transfer between funds		(572,000)	-	572,000	-	-
Net (expenditure)/ income and net movement in funds		(659,680)	-	433,395	(226,285)	1,798,360
RECONCILIATION OF FUNDS:						
FUND BALANCES AT 1 AUGUST 2021		969,515	-	10,713,265	11,682,780	9,884,420
FUND BALANCES AT 31 JULY 2022		309,835	-	11,146,660	11,456,495	11,682,780

All amounts relate to continuing activities. The company has no gains or losses other than the results for the year.

THE MARGARET THATCHER SCHOLARSHIP TRUST
BALANCE SHEET
AT 31 JULY 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Investments	6	11,341,742	11,480,347
CURRENT ASSETS			
Debtors		-	-
Cash		717,818	1,151,730
		<u>717,818</u>	<u>1,151,730</u>
Creditors: amounts falling due within one year	7	(603,065)	(949,297)
NET CURRENT ASSETS		<u>114,753</u>	<u>202,433</u>
NET ASSETS		<u>11,456,495</u>	<u>11,682,780</u>
FUNDS	8		
Endowment Funds		11,146,660	10,713,265
Restricted Funds		-	-
Unrestricted Funds		309,835	969,515
TOTAL FUNDS		<u>11,456,495</u>	<u>11,682,780</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard (FRS102) (effective 01 January 2015)

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

Approved and authorised for issue by the Board on 19th October 2022 and signed on its behalf



Andrew Parker
Trustee

The notes on pages 11 to 17 form part of these financial statements.

THE MARGARET THATCHER SCHOLARSHIP TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. STATUS

Margaret Thatcher Scholarship Trust, Somerville College, Oxford is a registered charity (number: 1154547) and qualifies for exemption from corporation and capital gains tax on its charitable activities.

The company is limited by guarantee and has no share capital. The Memorandum of Association provides that all members are liable to contribute a sum not exceeding £1 in the event of the company being wound up while they are members or within one year of ceasing to be members.

The charity's objects are specifically restricted to promoting and advancing education at the University of Oxford, and in particular at Somerville College, including by providing financial support to outstanding students from all over the world and by supporting academic posts and other initiative which help to nurture the talents of these students.

2. ACCOUNTING POLICIES

The principal accounting policies adopted in preparation of the financial statements are as follows:-

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015) - (Charity SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared under the historical cost convention, modified to include the revaluation of investments at market value.

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Report of the Directors and Trustees on page 4.

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 following judgements and estimates are considered by the Trustees to have most significant effect on amounts recognised in the financial statements.

In the view of the Trustees, in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements

THE MARGARET THATCHER SCHOLARSHIP TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

c) Income recognition

All income is recognised once the Trust has entitlement to the income, the economic benefit is probable and the amount can be reliably measured.

Donations and Grant Income:

Donations and grants that do not impose specific future performance-related or other specific conditions are recognised on the date on which the charity has entitlement to the resource, the amount can be reliably measured and the economic benefit to the Trust of the donation or grant is probable. Donations and grants subject to performance-related conditions are recognised as and when those conditions are met. Donations and grants subject to other specific conditions are recognised as those conditions are met or their fulfilment is wholly within the control of the Trust and it is probable that the specified conditions will be met.

Investment income:

Interest on bank balances is accounted for on an accrual basis with interest recognised in the period to which the interest relates. Dividend income and similar distributions are recognised on the date the share interest becomes ex-dividend or when the right to the dividend can be established.

d) Resources Expended and Basis of Allocation of Costs

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.

All costs are directly attributable to specific activities.

e) Investments

Investments such as hedge funds and private equity funds which have no readily identifiable market value are initially measured at their costs and subsequently measured at their fair value at each reporting date without deduction of the estimated future selling costs.

Fair value is based on the most recent valuations available from their respective fund managers.

f) Other financial Instruments

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.

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 MARGARET THATCHER SCHOLARSHIP TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. ACCOUNTING POLICIES (CONTINUED)

g) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Permanent endowment funds arise where donors specify that the funds should be retained as capital for the permanent benefit of the Trust. Any income arising from the capital will be accounted for as unrestricted funds unless the donor has placed restricted the use of that income, in which case it will be accounted for as a restricted fund.

Expendable endowment funds are similar to permanent endowment in that they have been given, or the Trust has determined based on the circumstances that they have been given, for the long term benefit of the Trust. However, the Trustees may at their discretion determine to spend all or part of the capital.

3. INCOMING RESOURCES FROM GENERATED FUNDS

	2022 £	2021 £
Donations	116,151	108,442
Investment income	425,622	398,405
Miscellaneous income	-	4,812
	<u>541,773</u>	<u>511,659</u>

4. TOTAL RESOURCES EXPENDED

	2022 £	2021 £
Charitable activities		
Scholarships	521,071	366,152
Development awards	2,758	7,105
Student access	-	-
Salaries	65,831	53,753
Consultancy fees	32,350	85,910
Miscellaneous admin expenses	7,443	6,306
	<u>629,453</u>	<u>519,226</u>

THE MARGARET THATCHER SCHOLARSHIP TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

5. BOARD OF TRUSTEES

The members of the Board received no remuneration during the year (2020: £Nil) and no expenses were reimbursed to trustees during the year (2020: £Nil).

6. INVESTMENTS

	2022 £	2021 £
Valuation at start of year	11,480,347	9,674,420
New money invested	-	-
(Decrease)/Increase in value of investments	(138,605)	1,805,927
	<u>11,341,742</u>	<u>11,480,347</u>

7. CREDITORS

	2022 £	2021 £
Amount owed to Somerville College	595,440	933,897
Accruals	7,625	15,400
	<u>603,065</u>	<u>949,297</u>

8. FUNDS

2022	Balance 1 August 2021 £	Incoming Resources £	Movement in funds Resources Expended £	Loss on Investments £	Transfers £	Balance at 31 July 2022 £
Endowment funds	10,713,265	-	-	(138,605)	572,000	10,146,660
Restricted Funds	-	-	-	-	-	-
Unrestricted funds	969,515	541,773	(629,453)	-	(572,000)	309,835
	<u>11,682,780</u>	<u>541,773</u>	<u>(629,453)</u>	<u>(138,605)</u>	<u>-</u>	<u>11,456,495</u>
Total funds	<u>11,682,780</u>	<u>541,773</u>	<u>(629,453)</u>	<u>(138,605)</u>	<u>-</u>	<u>11,456,495</u>

THE MARGARET THATCHER SCHOLARSHIP TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

8. FUNDS CONTINUED

2021	Balance 1 August	Movement in funds			Balance at 31 July
		Incoming Resources	Resources Expended	Gain on Investments	
	2020 £	£	£	£	2021 £
Endowment funds	9,058,278	-	-	1,654,987	10,713,265
Restricted Funds	-	-	-	-	-
Unrestricted funds	826,142	511,659	(519,226)	150,940	969,515
Total funds	9,884,420	511,659	(519,226)	1,805,927	11,682,780

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2022	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Investments	195,082	-	11,146,660	11,341,742
Cash	717,818	-	-	717,818
Creditors	(603,065)	-	-	(603,065)
	309,835	-	11,146,660	11,456,495
2021	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Investments	767,082	-	10,713,265	11,480,347
Cash	1,151,730	-	-	1,151,730
Creditors	(949,297)	-	-	(949,297)
	969,515	-	10,713,265	11,682,780

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10. AUDITOR'S REMUNERATION

The auditors' remuneration in respect of audit services to the company was £2,025 (2021: £1,800) excluding VAT.

11. FINANCIAL INSTRUMENTS

The financial statements include the following in respect of items held at fair value:

	2022	2021
	£	£
Financial assets measured at fair value through profit or loss	11,341,742	11,480,347
Financial assets measured at amortised cost	717,818	1,151,730
Financial liabilities measured at amortised cost	603,065	949,297

12. RELATED PARTIES

There have been no related party transactions in the reporting period that require disclosure. At the year end the Trust owed Somerville College £595,440 (2021: £933,897)

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is deemed to be Somerville College and as such The Margaret Thatcher Scholarship Trust financial statements have been included within the consolidated financial statements of Somerville College. However, despite the Charity working for the benefit of the College, it is controlled independently by the Trustees of the Charity. Copies of the Somerville College consolidated financial statements can be obtained from the Charity Commissioners.

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14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 £
INCOME AND ENDOWEMENTS FROM:					
Donations	3	108,442	-	-	108,442
Investment income	3	398,405	-	-	398,405
Miscellaneous income		4,812	-	-	4,812
Total incoming resources		511,659	-	-	511,659
EXPENDITURE ON:					
Charitable activities	4	519,226	-	-	519,226
Total expenditure		519,226	-	-	519,226
Net (expenditure)/ income before gains		(7,567)	-	-	(7,567)
Net gain/ (loss) on investments	6	150,940	-	1,654,987	1,805,927
Net income and net movement in funds		143,373	-	1,654,987	1,798,360
RECONCILIATION OF FUNDS:					
FUND BALANCES AT 1 AUGUST 2020		826,142	-	9,058,278	9,884,420
FUND BALANCES AT 31 JULY 2021		969,515	-	10,713,265	11,682,780