

THE PEMBERTON-BARNES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE PEMBERTON-BARNES TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Trustees | Trustees who served during the period and up to the date of this report were as follows: Jonathon Saxton Ian McBryde Simon Males (Appointed 7 October 2020) Victoria Muir (Appointed 7 October 2020) Bridget Cass (Appointed 7 October 2020) John Stephenson (Appointed 7 October 2020) Arthur Weir (Resigned 30 April 2020) |
| Charity number | 1177423 (Registered as a Charitable Incorporated Organisation on 5 March 2018) |
| Country of registration | England and Wales |
| Registered office | 2-6 Tenter Ground Spitalfields E1 7NH |
| Auditor | Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House 108-114 Golden Lane London United Kingdom EC1Y 0TL |
| Bankers | C. Hoare & Co. 37 Fleet Street London United Kingdom EC4P 4DQ |
| Accountants | Azets 9 Thorney Leys Park Witney Oxfordshire OX28 4GE |
| Investment managers | Rathbones Investment Management Limited Port of Liverpool Building Pier Head Liverpool L3 1NW United Kingdom |

THE PEMBERTON-BARNES TRUST

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THE PEMBERTON-BARNES TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements have been prepared on the accounting policies set out in note 1 to the financial statements and comply with the charity's Constitution dated 18 January 2018, the will as modified referred to below, the applicable law and the requirements of the Statement of Recommended Practice - Accounting and Reporting by Charities (FRS 102) ("the SORP").

Objectives and activities

As previously announced, the trustees reviewed their grant giving policy to move away from the past policy of distribution based on proportionate shares towards one based mainly on fixed-term grants on a rolling basis. In future, grants will be made to charities and organisations in accordance with criteria approved by the trustees. Organisations seeking funding will need to complete an application form, submit report and accounts, confirm compliance with policies such as safeguarding, and detail their funding requirement.

The trustees will maintain the approach of giving sizeable, multi-year funding. They will continue to support those organisations that reflect the values and interests reflected in Emily Pemberton-Barnes' will, notably charities working in the East End of London and those with a particular interest in Christianity, young people and disability.

As a result a full review of all previous annuitants has been carried out in accordance with the trust's policy and the trustees have approved grants to previous annuitants totalling £224,000 to be paid during the current year.

The trustees will also consider one-off grants, to organisations that apply, and these will be considered especially where a particular project requires funding during the year. In 2020, the Trust approved the total distribution of grants of £394,509. In 2021, the Trust did not approve the distribution of grants after 31 March 2021 which is why the accounts show £nil distribution in the year to March 2021. The Trust paid a total of £293,920 (including £69,920 of one-off grants) which will be accounted for in the year to 31 March 2022.

Achievements and performance

Financial review

The trust's principal source of investment income has been rents received from the property portfolio with further income from investment in Rathbones Core Investment Fund for Charities.

The trustees sought consent from the Charity Commission to remove £1.0 million from the permanent endowment. The Charity Commission gave this permission on 17 August 2020, and this sum can now be spent by the Trust as if it were income. In view of the likely reduction in the trust's income over the foreseeable future due to market conditions, it was considered expedient to have rather more flexibility to support the organisations particularly at a time when their own fund raising has been severely constrained as a result of Covid-19.

Reserves policy

The long-term aim of the trustees is to hold in reserve around one year's net income, not only to smooth the flow of funds, and to allow for contingencies, fees and unscheduled property expenses. In total, as shown in the balance sheet, the charity held at that date unrestricted funds of £1,471,773 (2020: £69,400), designated funds of £Nil (2020: £16,781) and endowment funds of £7,510,252 (2020: £8,054,381).

THE PEMBERTON-BARNES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Going concern

The financial statements are drawn up on a going concern basis, which assumes Pemberton-Barnes Trust will continue in operational existence for the foreseeable future. The trust relies on income from investment property and multi-asset charity funds to fund its grants and the trustees seek to manage the risks around this income stream.

The strategy of the sale of commercial properties and reinvestment in multi-asset charity funds is likely to cause a reduction in net income. By their nature, these funds invest in a diversified variety of assets and provide a more stable capital and income base, with lower outgoings. Going forward, the trust intends to adopt a total return approach from its investments, which will enable trustees to manage annual cash flows more easily.

The going concern basis used in the preparation of these financial statements is based upon the expectation that Pemberton-Barnes Trust's income and expenditure on grants are at a level to ensure reserves and cash flow requirements are met.

The Trustees have reviewed the financial position and financial forecasts, taking into account the levels of cash, working capital, net current assets and the systems of financial control and risk management. The Trustees believe that they are well placed to manage operational and financial risks successfully.

The trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements for at least 12 months from the date of signing the accounts, and has determined that it remains appropriate to continue to adopt the going concern basis in preparing the accounts.

THE PEMBERTON-BARNES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Investments

The majority of the Trust's investments consist of directly held property in the UK.

The portfolio consists principally of standard retail shop units, in predominantly secondary locations. With the continued move to on-line shopping, and the effects of Covid-19 the tenant demand for such property has reduced significantly. Voids on expiry, or as a result of tenant failures, are likely to increase with rental and capital values reducing.

The Trustees wish to reduce income dependency on property and are continuing the strategy of disposals over the coming year. The auction market for secondary assets has remained strong and the Trustees have taken advantage of this by selling a number of properties. Since the end of the reporting period, the trust has sold four further properties for a total of £1.57 million.

The Trustees will seek to invest in more diversified assets with more stable income streams in order to better meet the needs of the annuitants and grantees.

The effect of the pandemic on property has caused concern and some retailers have struggled with rental commitments. The trust, which has relied on rental income to support its annuitants and grantees, has also been affected during the reporting period.

The trust gave a three month rent concession to one charity shop tenant affected by the lockdown and has allowed some other tenants to pay rent in advance on a monthly basis.

The tenant of High Street, Whitchurch entered into a CVA in July 2020 and vacated the unit in September 2020. With the difficulties of letting, the unit was sold with vacant possession in September 2021.

The tenant at The Broadway, Wimbledon, SW19 was significantly impacted by the pandemic and following negotiations the trust took an early surrender of the lease in October 2020 for a payment equating to 14 months rent. This has allowed the trust to market the premises with vacant possession with the potential to further extend the residential upper floors. The property is currently under offer for sale.

The Trust's only industrial/distribution property, in Halesowen, is let to the Royal Mail at a historic rent of £86,000 per annum, and was subject to a lease expiry on 11 November 2019. Lease negotiations have been concluded for a new 10 year lease, with a break at the fifth year. The new rent determined at arbitration will increase to £103,750pa, with effect from 30 January 2020.

BNP Paribas Real Estate carried out the last formal valuation of the portfolio in 2019. In accordance with good practice, the Trustees have therefore reviewed the values of all the properties by reference to valuations where properties are to be sold or by taking the change in the MSCI/IPD Quarterly capital value indices for the various property subsectors and applying it to 31 March 2020 property values. As a result the Trustees have resolved that the aggregate value of the portfolio of nine properties at 31 March 2021 is £6,041,000, an increase of 1.9% over the year. This compares with the MSCI/IPD capital value return of 3.5% for the same period.

The trustees intend to obtain a formal triennial independent valuation next year, for any properties still held on 31 March 2022.

In addition to the property holdings the Trust held £1.71 million in Rathbone's Core Investment Fund for Charities, as at 31 March 2021. This compares with the valuation of £1.33m at 31 March 2020.

In accordance with good governance, and the need to invest the proceeds of sales of property, the trustees have carried out a review of investment management. A number of managers, specialising in charity assets were invited to tender. The trustees approved the retention of Rathbones and agreed to appoint Sarasin and Partners with a view to dividing the trust's non-property assets between the two managers.

THE PEMBERTON-BARNES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Risk Management

The principal risks and uncertainties facing the charity remain those inherent in investment in commercial property. However, with a significant portion of the portfolio being in high street retail, maintaining this income stream will be challenging. The long-term solution is to continue the trustees' policy of diversification into managed funds.

With the diversification of assets from direct property to managed funds, the trustees have also formally adopted an Investment Policy which sets out the investment objectives, attitude to risk, ethical investment policy. This policy is to be reviewed on an annual basis to ensure that it remains up to date and remains fit for purpose.

Public benefit

The Trustees confirm that their powers are exercised after due consideration of the Charity Commission's general guidance on public benefit.

Plans for the Future

The trust will provide support to organisations and good causes, continuing the wishes of Emily Pemberton-Barnes. The trustees will work more closely with these organisations to ensure that the trust's income is used in the most effective way.

As noted, the trust is selling further properties that are considered at risk from rental and capital value falls and future voids, and reinvesting the proceeds into managed charity funds.

Structure, governance and management

This Charitable Incorporated Organisation was registered on 5 March 2018 under charity number 1177423. With the authority of an order of the Charity Commission dated 16 May 2018 the assets and undertaking of the E A Pemberton-Barnes Will Trust - charity number 207399 ('the Old Trust') - were transferred to it on 1 June 2018. The Old Trust was constituted under the terms of the 1924 will (with thirteen codicils) of Miss Emily Ann Pemberton-Barnes who died on 23 August 1943.

The Will provided that the whole of the income be distributed in stated proportions called annuities between charities named in the will or later substituted by the trustees. In 2020 the trustees reviewed its approach to grant giving with effect from the 2021/22 year. This will enable the trust to provide grants to a wider set of beneficiaries and provide flexibility to use the income as effectively as possible.

The Fund has a Responsible Investment Policy incorporating Environmental, Social and Governance oversight of all its investments. The Trust's managing agents for its properties, BNP Paribas Real Estate also have an ESG policy that is applied to its clients' portfolios.

The trustees who served during the year and up to the date of signature of the financial statements were:

Jonathon Saxton

Arthur Weir

Ian McBryde

Simon Males

Victoria Muir

Bridget Cass

John Stephenson

(Resigned 30 April 2020)

(Appointed 7 October 2020)

(Appointed 7 October 2020)

(Appointed 7 October 2020)

(Appointed 7 October 2020)

THE PEMBERTON-BARNES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Appointment of Trustees

Trustees are appointed by the continuing and retiring trustees. There is no policy affecting their appointment.

Arthur Weir retired on 30 April 2020, after many years as a trustee and was actively involved in the modernisation of the trust and the setting up of the CIO. The remaining trustees realised the need to recruit further trustees to provide a full range of skills and increase diversity and strengthen board governance. This requirement became all the more important bearing in mind the changes in grant giving, and the need to diversify the trust's income streams away from commercial property. The trustees appointed recruitment consultants to advise and search for suitable candidates and after due process appointed four new trustees on 7 October 2020.

John Stephenson is a partner in a leading London law firm and specialises in property law. He is also a trustee of a charitable trust and a church Treasurer.

Bridget Cass has been involved in the voluntary and charity sectors and was a senior executive of a major family charitable trust as well as holding a number of other positions.

Vikki Muir also has a wealth of experience in the voluntary and charity sectors and is currently the Grants Manager for a major charity dedicated to education and welfare for seafarers and their families.

Simon Males has been involved in the Financial Services for the last 30 years and has held senior executive positions in several leading financial institutions.

All the new trustees bring a wealth of experience and add considerable strengths to the trustee board at an exciting time for the future of the Pemberton Barnes Trust.

Remuneration

The trustees do not receive remuneration. They were not paid or received any benefits from employment with the charity in the period. No trustee received payment for professional or other services supplied by the charity. Trustee expenses paid or reimbursed are disclosed in note 9 to the accounts.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the report of the trustees and the 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 financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources 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 judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Sayer Vincent LLP were re-appointed as the charity's auditor during the year and have expressed their willingness to continue in that capacity.

THE PEMBERTON-BARNES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees' annual report has been approved by the trustees on and signed on their behalf by

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Ian McBryde

Trustee

Dated:

THE PEMBERTON-BARNES TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PEMBERTON-BARNES TRUST

Opinion

We have audited the financial statements of The Pemberton-Barnes Trust (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 March 2021 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
- 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 Pemberton-Barnes Trust'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 trustees' 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 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.

THE PEMBERTON-BARNES TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PEMBERTON-BARNES TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; 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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

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

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 are set out below.

THE PEMBERTON-BARNES TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PEMBERTON-BARNES TRUST

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Statutory Auditor

.....
Chartered Accountants and Statutory
Auditors
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

THE PEMBERTON-BARNES TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

| | Notes | Unrestricted funds general 2021 £ | Unrestricted funds designated 2021 £ | Endowment funds 2021 £ | Total 2021 £ |
|-----------------------------------------------------------|-------|--------------------------------------------|-----------------------------------------------|------------------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | |
| Income from Investments | 2 | 470,126 | - | - | 470,126 |
| Other income | 3 | 38,541 | - | - | 38,541 |
| Total income | | 508,667 | - | - | 508,667 |
| <u>Expenditure on:</u> | | | | | |
| Raising funds | 4 | 64,458 | - | 38,513 | 102,971 |
| <u>Charitable activities</u> | | | | | |
| Annuities | 5 | 58,618 | - | - | 58,618 |
| Total charitable expenditure | | 58,618 | - | - | 58,618 |
| Total resources expended | | 123,076 | - | 38,513 | 161,589 |
| Net income before gains on investments | | 385,591 | - | (38,513) | 347,078 |
| Net (losses)/gains on investments | 10 | - | - | 494,384 | 494,384 |
| Net incoming/(outgoing) resources before transfers | | 385,591 | - | 455,871 | 841,462 |
| Gross transfers between funds | | 1,016,781 | (16,781) | (1,000,000) | - |
| Net movement in funds | | 1,402,372 | (16,781) | (544,129) | 841,462 |
| Fund balances at 1 April 2020 | | 69,400 | 16,781 | 8,054,381 | 8,140,562 |
| Fund balances at 31 March 2021 | | 1,471,772 | - | 7,510,252 | 8,982,024 |

THE PEMBERTON-BARNES TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

| | | Unrestricted funds general 2020 £ | Unrestricted funds designated 2020 £ | Endowment funds 2020 £ | Total 2020 £ |
|-----------------------------------------------------------|-------|--------------------------------------------|-----------------------------------------------|------------------------------|--------------------|
| | Notes | | | | |
| <u>Income from:</u> | | | | | |
| Income from Investments | 2 | 540,249 | - | - | 540,249 |
| <u>Expenditure on:</u> | | | | | |
| Raising funds | 4 | 89,052 | - | 44,532 | 133,584 |
| <u>Charitable activities</u> | | | | | |
| Annuities | 5 | 442,846 | - | - | 442,846 |
| Total charitable expenditure | | 442,846 | - | - | 442,846 |
| Total resources expended | | 531,898 | - | 44,532 | 576,430 |
| Net income before gains on investments | | 8,351 | - | (44,532) | (36,181) |
| Net (losses)/gains on investments | 10 | - | - | (324,010) | (324,010) |
| Net incoming/(outgoing) resources before transfers | | 8,351 | - | (368,542) | (360,191) |
| (Loss)/gain on disposal of subsidiary | | - | - | (99,751) | (99,751) |
| Gross transfers between funds | | (114,792) | 5,491 | 109,301 | - |
| Net movement in funds | | (106,441) | 5,491 | (358,992) | (459,942) |
| Fund balances at 1 April 2019 | | 175,841 | 11,290 | 8,413,373 | 8,600,504 |
| Fund balances at 31 March 2020 | | 69,400 | 16,781 | 8,054,381 | 8,140,562 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE PEMBERTON-BARNES TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|-------------------------------------------------------|-------|------------------|---|------------------|---|
| Fixed assets | | | | | |
| Investment properties | 11 | 6,041,000 | | 5,928,915 | |
| Investments | 12 | 1,711,778 | | 1,332,531 | |
| | | <u>7,752,778</u> | | <u>7,261,446</u> | |
| Current assets | | | | | |
| Debtors | 14 | 24,380 | | 129,201 | |
| Cash at bank and in hand | | 1,324,552 | | 1,261,320 | |
| | | <u>1,348,932</u> | | <u>1,390,521</u> | |
| Creditors: amounts falling due within one year | 15 | (119,685) | | (511,404) | |
| Net current assets | | <u>1,229,247</u> | | <u>879,116</u> | |
| Total assets less current liabilities | | <u>8,982,025</u> | | <u>8,140,562</u> | |
| Capital funds | | | | | |
| Endowment funds | 17 | 7,510,252 | | 8,054,381 | |
| Income funds | | | | | |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 19 | - | | 16,781 | |
| General unrestricted funds | | <u>1,471,773</u> | | <u>69,400</u> | |
| | | <u>1,471,773</u> | | <u>86,182</u> | |
| | | <u>8,982,025</u> | | <u>8,140,562</u> | |

The financial statements were approved by the Trustees on

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 Ian McBryde
 Trustee

THE PEMBERTON-BARNES TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|-----------------------------------------------------|-------|-----------|-----------|-----------|-----------|
| Cash flows from operating activities | | | | | |
| Cash absorbed by operations | 23 | | (409,946) | | (585,972) |
| Investing activities | | | | | |
| Proceeds on disposal of investment property | | - | | 656,062 | |
| Proceeds on disposal of other investments | | 3,052 | | - | |
| Investment income received | | 470,126 | | 540,249 | |
| Distribution received from subsidiary | | - | | 100,000 | |
| Net cash generated from investing activities | | | 473,178 | | 1,296,311 |
| Net cash used in financing activities | | | - | | - |
| Net increase in cash and cash equivalents | | | 63,232 | | 710,339 |
| Cash and cash equivalents at beginning of year | | | 1,261,320 | | 550,981 |
| Cash and cash equivalents at end of year | | | 1,324,552 | | 1,261,320 |

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Pemberton-Barnes Trust is a charitable incorporated organisation registered on 5 March 2018 with the Charity Commission in England & Wales. The office address is 2 - 6 Tenter Ground, Spitalfields, London, E1 7NH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The charity meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next reporting period.

1.3 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Endowment funds are those subject to specific conditions set by donors or testators requiring that the capital must be maintained by the charity. The Endowment fund reflects the original benefaction to the charity from the will of Miss Emily Ann Pemberton-Barnes together with subsequent gains and subsequent losses.

Designated funds are included in the income funds of the charity, these are funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Where income received does not meet the requirement for income recognition in the current year, as entitlement does not exist at the balance sheet date, the charity recognises this as deferred income. The charity recognises deferred income a liability in the balance sheet until the charity has entitlement.

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings;

- Expenditure on charitable activities included the cost of making annuity payments undertaken to further the purposes of the charity and their associated support costs.
- Costs of raisings funds relate to professional costs incurred by the charity in managing the investment portfolios.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs

All support and governance costs are allocated to Annuities.

Donations payable

Charitable annuity payments are made to named beneficiaries in the furtherance of the charity's objects. Donations are now moving to fixed-term grants on a rolling basis. Annuitants will be fully reviewed each year to ensure they reflect the values and interests reflected in Emily Pemberton-Barnes' will. The payments will be recognised where there is a legal or constructive obligation to expense the grant.

Provisions for donations are made when the intention to make a donation has been communicated to the recipient but there is uncertainty about either the timing of the donation or the amount of the donation payable.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.7 Fixed asset investments

Listed investments are a form of basic financial instrument initially measured at transaction price excluding transaction costs, and are subsequently measured at their fair value at the balance sheet date using the closing quoted market share. Changes in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains / (losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using effective interest method.

2 Income from Investments

| | Unrestricted funds general 2021 £ | Total 2020 £ |
|--------------------------------|-----------------------------------------------|--------------------|
| Rental income | 437,599 | 500,771 |
| Income from listed investments | 32,525 | 39,080 |
| Bank interest | 2 | 398 |
| | <u>470,126</u> | <u>540,249</u> |

All income shown in 2020 was unrestricted.

3 Other income

| | Unrestricted funds general 2021 £ | Total 2020 £ |
|--------------------|-----------------------------------------------|--------------------|
| Surrender of lease | <u>38,541</u> | <u>-</u> |

Other income is the amount received from a tenant for surrendering their lease with the Trust, net of the rent arrears that were outstanding at the date of the surrender.

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Raising funds

| | Unrestricted funds general 2021 £ | Endowment funds 2021 £ | Total 2021 £ | Unrestricted funds general 2020 £ | Endowment funds 2020 £ | Total 2020 £ |
|-----------------------------------------|--------------------------------------------|------------------------------|--------------------|--------------------------------------------|------------------------------|--------------------|
| <u>Trading costs</u> | | | | | | |
| Accountancy fees | - | - | - | - | 2,010 | 2,010 |
| Legal expenses | - | 35,460 | 35,460 | - | 42,522 | 42,522 |
| Investment property expenses | 36,343 | - | 36,343 | 52,951 | - | 52,951 |
| | <u>36,343</u> | <u>35,460</u> | <u>71,803</u> | <u>52,951</u> | <u>44,532</u> | <u>97,483</u> |
| <u>Investment property manager fees</u> | 28,115 | 3,053 | 31,168 | 36,101 | - | 36,101 |
| | <u>64,458</u> | <u>38,513</u> | <u>102,971</u> | <u>89,052</u> | <u>44,532</u> | <u>133,584</u> |

5 Charitable activities

| | Annuities 2021 £ | Annuities 2020 £ |
|------------------------------------------|------------------------|------------------------|
| Grant funding of activities (see note 6) | - | 394,509 |
| Share of support costs (see note 7) | 14,044 | 3,525 |
| Share of governance costs (see note 7) | 44,574 | 44,812 |
| | <u>58,618</u> | <u>442,846</u> |

All expenditure on charitable activities shown in the 2020 and 2021 figures was unrestricted.

THE PEMBERTON-BARNES TRUST

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

6 Annuities

| | Annuities 2021 £ | Annuities 2020 £ |
|-----------------------------------------------------|------------------------|------------------------|
| Cost | | |
| PCC of Havering-atte-Bower | - | 44,445 |
| PCC of St Dunstan's and All Saints | - | 27,456 |
| PCC Of St. John on Bethnal Green | - | 13,728 |
| Latimer Congregational Church | - | 6,864 |
| British & Foreign Bible Society | - | 27,456 |
| London - Over - The Border Church Fund | - | 20,592 |
| Intercontinental Church Society | - | 13,728 |
| Mission To Seafarers | - | 6,864 |
| Church Mission Society | - | 6,864 |
| London City Mission | - | 6,864 |
| Royal National Mission to Deep Sea Fishermen | - | 6,864 |
| Soldiers and Airmen's Scripture Readers Association | - | 6,864 |
| Bishop of Chelmsford Discretionary Fund | - | 6,864 |
| Lake District Calvert Trust | - | 34,320 |
| Livability | - | 6,864 |
| Scout Association | - | 27,456 |
| Barnardo's | - | 27,456 |
| Elizabeth Finn Trust | - | 20,592 |
| King George and Queen's Hospitals Charity. | - | 13,728 |
| Blind Veterans UK | - | 13,728 |
| Annie McPherson Home of Industry | - | 13,728 |
| Mind | - | 6,864 |
| Royal Sailors Rest | - | 6,864 |
| Royal Agricultural Benevolent Inst | - | 6,864 |
| Language of Dance Trust | - | 6,864 |
| CharityComms | - | 6,864 |
| Freedom from Torture | - | 6,864 |
| | - | 394,509 |

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Support and governance costs

| | Support costs | Governance costs | 2021 | Support costs | Governance costs | 2020 |
|----------------------------------------|---------------|------------------|---------------|---------------|------------------|---------------|
| | £ | £ | £ | £ | £ | £ |
| Insurance | - | 709 | 709 | - | 894 | 894 |
| Legal expenses | - | 33,394 | 33,394 | - | 28,121 | 28,121 |
| Bank charges | 383 | - | 383 | 101 | - | 101 |
| Administration charges | 2,450 | - | 2,450 | 2,750 | - | 2,750 |
| Accountancy fees | - | 4,845 | 4,845 | - | 9,797 | 9,797 |
| Recruitment costs | 10,106 | - | 10,106 | - | - | - |
| Postage, printing and stationery | - | - | - | 10 | - | 10 |
| IT software costs | 1,105 | - | 1,105 | 74 | - | 74 |
| Travel and subsistence | - | - | - | 590 | - | 590 |
| Auditor's remuneration | - | 5,626 | 5,626 | - | 6,000 | 6,000 |
| | <u>14,044</u> | <u>44,574</u> | <u>58,618</u> | <u>3,525</u> | <u>44,812</u> | <u>48,337</u> |
| Analysed between Charitable activities | <u>14,044</u> | <u>44,574</u> | <u>58,618</u> | <u>3,525</u> | <u>44,812</u> | <u>48,337</u> |

8 Net movement in funds

| | 2021 | 2020 |
|-------------------------------------------------------------------------------------------|---------|-----------|
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Fees payable to the company's auditor for the audit of the company's financial statements | 5,100 | 5,000 |
| Loss/(profit) on disposal of investment property | - | (256,062) |
| | <u></u> | <u></u> |

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2020: £nil). No trustees received payment for professional services supplied to the charity. Trustee expenses paid or reimbursed in the period were £nil (2020: £590).

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Net gains/(losses) on investments

| | Endowment funds | Endowment funds |
|----------------------------------------------|-----------------|------------------|
| | 2021 | 2020 |
| | £ | £ |
| Revaluation of investments | 382,239 | (163,987) |
| Gain/(loss) on sale of investments | 60 | - |
| Revaluation of investment properties | 112,085 | (416,085) |
| Gain/(loss) on sale of investment properties | - | 256,062 |
| | <u>494,384</u> | <u>(324,010)</u> |

11 Investment property

| | 2021 |
|----------------------------------------------------|------------------|
| | £ |
| Fair value | |
| At 1 April 2020 | 5,928,915 |
| Net gains or losses through fair value adjustments | 112,085 |
| | <u>6,041,000</u> |
| At 31 March 2021 | |

The fair value of the investment property has been assessed by the Trustees as at 31 March 2021. Although no formal valuation has taken the place, the valuation has been arrived on a basis by adjusting the previous valuation by the MSCI (IPD) index for their relevant sectors.

12 Fixed asset investments

| | Listed investments | Cash in portfolio | Total |
|-----------------------------|--------------------|-------------------|------------------|
| | £ | | £ |
| Cost or valuation | | | |
| At 1 April 2020 | 1,332,531 | - | 1,332,531 |
| Additions | - | 3,042 | 3,042 |
| Valuation changes | 382,239 | - | 382,239 |
| Reanalyse cash in portfolio | (59) | 59 | - |
| Disposals | (2,982) | (3,052) | (6,034) |
| | <u>1,711,729</u> | <u>49</u> | <u>1,711,778</u> |
| At 31 March 2021 | | | |
| Carrying amount | | | |
| At 31 March 2021 | 1,711,729 | 49 | 1,711,778 |
| | <u>1,332,531</u> | <u>-</u> | <u>1,332,531</u> |
| At 31 March 2020 | | | |

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Fixed asset investments

(Continued)

| | 2021 £ | 2020 £ |
|-------------------------------------|------------------|------------------|
| Investments at fair value comprise: | | |
| Cash | 49 | 59 |
| UK Investment fund | 1,711,729 | 1,332,472 |
| | <u>1,711,778</u> | <u>1,332,531</u> |

13 Financial instruments

| | 2021 £ | 2020 £ |
|-----------------------------------------------------|------------------|------------------|
| Carrying amount of financial assets | | |
| Equity instruments measured at cost less impairment | <u>1,711,778</u> | <u>1,332,531</u> |

14 Debtors

| | 2021 £ | 2020 £ |
|---------------------------------------------|---------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 21,500 | 109,500 |
| Other debtors | - | 17,040 |
| Prepayments and accrued income | 2,880 | 2,661 |
| | <u>24,380</u> | <u>129,201</u> |

15 Creditors: amounts falling due within one year

| | Notes | 2021 £ | 2020 £ |
|------------------------------------|-------|----------------|----------------|
| Other taxation and social security | | 8,838 | 2,801 |
| Deferred income | 16 | 80,740 | 82,622 |
| Trade creditors | | 6,188 | 7,879 |
| Other creditors | | 14,094 | 408,602 |
| Accruals | | 9,825 | 9,500 |
| | | <u>119,685</u> | <u>511,404</u> |

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Deferred income

| | 2021 £ | 2020 £ |
|-----------------------|---------------|---------------|
| Other deferred income | 80,740 | 82,622 |
| | <u>80,740</u> | <u>82,622</u> |

Deferred income includes rent demands which were raised prior to the 31 March 2021. The rent demands are invoiced and due quarterly in advance. The income has been deferred as to be recognised in the following accounting period to which it will relates and when the entitlement exists.

Movement in deferred income

| | |
|--------------------------------------------------|---------------|
| Deferred income brought forward at 1 April 2020 | 82,622 |
| Increase/(decrease) | (1,882) |
| | <u>80,740</u> |
| Deferred income carried forward at 31 March 2021 | <u>80,740</u> |

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

| | Movement in funds | | | | |
|-----------------------------|----------------------------|-----------------------|-----------------------|--------------------|-------------------------------------|
| | Balance at 1 April 2020 | Incoming resources | Resources expended | Transfers | Revaluations gains and losses |
| | £ | £ | £ | £ | £ |
| Permanent endowments | | | | | |
| Investment portfolio | 1,332,532 | 3,102 | (6,095) | - | 382,239 |
| Investment property | 5,928,915 | - | - | - | 112,085 |
| Cash | 775,894 | 29,864 | (35,460) | (1,000,000) | - |
| Debtors | 17,040 | - | (17,040) | - | - |
| Creditors | - | - | (12,824) | - | - |
| | <u>8,054,381</u> | <u>32,966</u> | <u>(71,419)</u> | <u>(1,000,000)</u> | <u>494,324</u> |
| | <u>8,054,381</u> | <u>32,966</u> | <u>(71,419)</u> | <u>(1,000,000)</u> | <u>494,324</u> |

| | Movement in funds | | | | |
|-----------------------------|----------------------------|-----------------------|-----------------------|----------------|-------------------------------------|
| | Balance at 1 April 2019 | Incoming resources | Resources expended | Transfers | Revaluations gains and losses |
| | £ | £ | £ | £ | £ |
| Permanent endowments | | | | | |
| Investment portfolio | 1,496,519 | - | - | - | (163,987) |
| Investment in subsidiary | 6,916,854 | (100,000) | (6,826,404) | 109,301 | (99,751) |
| Investment property | - | 6,745,000 | (400,000) | - | (416,085) |
| Cash | - | 820,426 | (44,532) | - | - |
| Debtors | - | 17,040 | - | - | - |
| | <u>8,413,373</u> | <u>7,482,466</u> | <u>(7,270,936)</u> | <u>109,301</u> | <u>(679,823)</u> |
| | <u>8,413,373</u> | <u>7,482,466</u> | <u>(7,270,936)</u> | <u>109,301</u> | <u>(679,823)</u> |

Purpose of endowment funds

At 31 March 2021 the charity held endowment funds of £7,760,913 which comprised of an investment portfolio and investment properties transferred from the subsidiary on 1 April 2019, with subsequent gains and losses being recognised, as well as cash distributions and proceeds relating to the sale of one of the investment properties.

In August 2020 the Trust was given permission from the Charity's Commission to transfer £1,000,000 from the endowment fund to the general fund.

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18 Unrestricted funds

These are unrestricted funds which are material to the charity's activities made up as follows:

| | Movement in funds | | | | Balance at 31 March 2021 £ |
|--------------------|---------------------------------|----------------------------|----------------------------|----------------|----------------------------------|
| | Balance at 1 April 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | |
| Unrestricted funds | 69,400 | 508,669 | (123,077) | 1,016,781 | 1,471,773 |

| | Movement in funds | | | | Balance at 31 March 2020 £ |
|--------------------|---------------------------------|----------------------------|----------------------------|----------------|----------------------------------|
| | Balance at 1 April 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ | |
| Unrestricted funds | 175,841 | 540,249 | (531,898) | (114,792) | 69,400 |

Transfers between funds

In August 2020 the Trust was given permission from the Charity's Commission to transfer £1,000,000 from the endowment fund to the general fund.

In the year, the Trustee's also decided to transfer the balance in the designated funds to the unrestricted funds. The balance of £16,781 has therefore been transferred at the balance sheet date.

The net effect of these transfers £1,016,781 for the year.

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Balance at 1 April 2020 £ | Transfers £ | Balance at 31 March 2021 £ |
|---------------|---------------------------------|-----------------|----------------------------------|
| Flexible fund | 16,781 | (16,781) | - |
| | <u>16,781</u> | <u>(16,781)</u> | <u>-</u> |

| | Balance at 1 April 2019 £ | Transfers £ | Balance at 31 March 2020 £ |
|---------------|---------------------------------|----------------|----------------------------------|
| Flexible fund | 11,290 | 5,491 | 16,781 |
| | <u>11,290</u> | <u>5,491</u> | <u>16,781</u> |

Transfers between funds

In the year, the Trustee's also decided to transfer the balance in the designated funds to the unrestricted funds. The balance of £16,781 has therefore been transferred at the balance sheet date.

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20 Analysis of net assets between funds

| | Unrestricted funds 2021 £ | Designated funds 2021 £ | Endowment funds 2021 £ | Total 2021 £ |
|----------------------------------------------------|------------------------------------|----------------------------------|---------------------------------|--------------------|
| Fund balances at 31 March 2021 are represented by: | | | | |
| Investment properties | - | - | 6,041,000 | 6,041,000 |
| Investments | - | - | 1,711,778 | 1,711,778 |
| Current assets/(liabilities) | 1,471,772 | - | (242,526) | 1,229,246 |
| | <u>1,471,772</u> | <u>-</u> | <u>7,510,252</u> | <u>8,982,024</u> |
| | | | | |
| | Unrestricted funds 2020 £ | Designated funds 2020 £ | Endowment funds 2020 £ | Total 2020 £ |
| Fund balances at 31 March 2020 are represented by: | | | | |
| Investment properties | - | - | 5,928,915 | 5,928,915 |
| Investments | - | - | 1,332,531 | 1,332,531 |
| Current assets/(liabilities) | 69,400 | 16,781 | 792,935 | 879,116 |
| | <u>69,400</u> | <u>16,781</u> | <u>8,054,381</u> | <u>8,140,562</u> |

21 Events after the reporting date

Following the 2020/21 financial year end, the trust sold four investment properties at auction for £1.57m (less costs). 28 High Street, Aylesbury sold for £386,000; 63 London Road, Norwich for £265,000; 113 High Street, Bedford for £595,000 and 13-17 High Street, Whitchurch for £325,000.

22 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

THE PEMBERTON-BARNES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

| 23 Cash generated from operations | 2021 £ | 2020 £ |
|-------------------------------------------------------------------|------------------|------------------|
| Surplus/(deficit) for the year | 841,462 | (459,942) |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (470,126) | (540,249) |
| Gain on disposal of investment property | - | (256,062) |
| (Gain)/loss on disposal of investments | (60) | 99,751 |
| Fair value gains and losses on investment properties | (112,085) | 416,085 |
| Fair value gains and losses on investments | (382,239) | 163,987 |
| Dividend in specie | - | 94,230 |
| Creditors transferred from subsidiary | - | (122,127) |
| Movements in working capital: | | |
| Decrease/(increase) in debtors | 104,821 | (32,625) |
| (Decrease) in creditors | (389,837) | (31,642) |
| (Decrease)/increase in deferred income | (1,882) | 82,622 |
| Cash absorbed by operations | <u>(409,946)</u> | <u>(585,972)</u> |
