

**Registered charity number 212206**

# **The Mary Kinross Charitable Trust**

## **REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 March 2021**

# The Mary Kinross Charitable Trust

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For the year ended 31 March 2021

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# The Mary Kinross Charitable Trust

## TRUSTEES, OFFICERS AND PROFESSIONAL ADVISERS

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### TRUSTEES AND OFFICERS

#### Trustees:

The following Trustees have held office since 1 April 2020:

Mrs E J Shields (Chairwoman)  
Mrs F M Adams MBE  
Mrs E H A Barber  
Dr N E Cross  
G R Hague

Correspondent                Mrs F M Adams

Administrator               Ms A B Keown

Principal Address            36 Grove Avenue  
Moseley  
Birmingham B13 9RY

### ADVISERS

The following acted for the Charity in their capacity as:

Bankers                        Barclays Bank plc  
100 Fenchurch Street  
London EC3M 5JD

Fund Managers                Newton Investment Management Limited  
The Bank of New York Mellon Centre  
160 Queen Victoria Street  
London EC4V 4LA

Fund Custodian                The Bank of New York Mellon  
One Piccadilly Gardens  
Manchester M1 1RN

Auditor                         Mazars LLP  
Statutory Auditor  
Chartered Accountants  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Registered charity number: 212206

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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The Trustees present their report and the financial statements of the Mary Kinross Charitable Trust for the year ended 31 March 2021.

### **Financial statements**

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply 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 published on 16 July 2014.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Charitable Status**

The Mary Kinross Charitable Trust is an unincorporated charity established by a Trust Deed dated 25 March 1957 and registered with the Charity Commissioners under registration number 212206. The Deed was amended by a resolution of the Trustees on 1 December 1999 using powers granted by a Scheme of the Charity Commissioners on 20 May 1999.

#### **Trustees**

The names of the Trustees who have held office from 1 April 2020 until the date this report was approved are listed on page 2.

Trustees are appointed by the continuing Trustees. The number of Trustees shall not be fewer than three. The present Trustees do not have any specific term of office and are either daughters of the Founders, John and Mary Kinross, former colleagues of John Kinross, or others with relevant experience. Some of the children of the two family Trustees are included in Trust meetings, grant making and discussions with a view to taking on more responsibility in the future.

The induction of new Trustees includes the sharing of formal documents about the Trust, and informal discussions about its history and the grant-making policy adopted by present Trustees. Some of the Trustees are trustees of other charities and all are closely involved with a range of voluntary or charitable organisations. In addition to the experience gained and shared in this way, the Trustees benefit from membership of the Association of Charitable Foundations (ACF) and West Midlands Funders Network (WMFN). ACF provides much helpful information on good practice, changes in the law affecting charities and acts as an authoritative lobby on behalf of charitable foundations with the government and regulators. WMFN provides training and opportunities to learn from the experience of other charitable trustees and administrators. The Trustees take advantage of training events organised by professional advisers.

#### **Trust Administration**

This is carried out by the Trustees and their advisers as listed on page 2. Day-to-day financial administration is carried out by the Chairwoman and applications from grant-seekers by the Correspondent. The Trustee over-seeing a particular grant is responsible for arranging visits, relevant correspondence and reports. The majority of new grants are recommended by the Chairwoman and the Secretary, both daughters of the Founders, who also have delegated authority to agree small grants up to a total of £25,000 p.a. All other grants are discussed and agreed at meetings of Trustees.

Alice Keown has fulfilled the administrator role on a voluntary basis during the year 2020/2021, shadowing the two Trustees who carry out the day-to-day administration of the Trust. The appointment has been made permanent, starting on April 2021.

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### **OBJECTIVES, PUBLIC BENEFIT AND ACTIVITIES**

#### **Objects of the Trust**

Trustees may apply the income of the Trust Fund for the relief of poverty, the advancement of education, medical research into the causes and cure of diseases and other purposes beneficial to the community as are recognised or permitted by law as being charitable.

#### **Aims and Public Benefit**

All charities are required to report on the benefit of their work to the public. The aim of the Trustees is to distribute the income in accordance with the objects of the Trust and the grant-making policy established by the Founders.

The Trustees take into account the public benefit when deciding on grants and have given careful consideration to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives, making grants and in planning future activities.

The Trustees' aim is to make a difference over a period of time and so, for example, they have been content to support basic research which may not have immediate, direct benefits for patients, or to supply core costs which enable organisations to operate but which are not linked to a particular project. The Trustees consider that, by their policy of using the income available to make fewer but more substantial grants to carefully researched recipients, they provide more benefit than they would by making many more but smaller grants to organisations that they did not research so fully. Information about specific benefits achieved by grants of £10,000 and over is included in this report.

#### **Review of Activities of the Trust**

The income for the year was £941,341 (2020: £695,395).

Grants paid in the year totalled £838,671 (2020: £705,250) and commitments until 31 March 2025 now stand at £1,341,700 (2020: £1,264,171). The cost of administering the Trust was £20,400 (2020: £23,406).

The Trustees met virtually on four occasions during the year. Two of the virtual meetings were with the Fund Managers and other advisers and concentrated on financial matters and a review of investment performance set against current economic trends. The other meetings were to review policies and the effect of the pandemic on the Trust and to consider grant proposals and review reports from organisations to which grants were being made. Due to Covid-19 the usual trustee visits to the recipient organisations have not taken place and have been substituted by virtual meetings.

#### **Grant-making policy**

The Trustees wish to continue the policy of the Founders which was to use the Trust income to support a few carefully researched projects, rather than make many small grants. The fields of work chosen reflect the particular interests and knowledge of Trustees and at least one Trustee takes responsibility for ensuring the Trust's close involvement with organisations to which major grants are made. While recognising that the main aim of the Trust is to provide financial support, the current Trustees work to ensure that the personal interest, support and experience gained is passed on to enhance the value of a Mary Kinross Charitable Trust grant. The Founders, John and Mary Kinross, placed confidence in individuals around whom projects were formed. While the Trust no longer manages projects itself, the Trustees continue to take a similar approach when considering grant applications.

When the Trust makes a major grant, core office costs are often included, which may enable the recipients to apply for other sources of funding. Unfortunately, the Trust has to disappoint the great majority of applicants who make unsolicited appeals. Until April 2021 the Trustees have worked from home and employed no administrative staff and therefore have always preferred dealing with written correspondence rather than telephone calls or emails from applicants soliciting funds. In response to the increasing difficulty of raising funds that many of our long-standing grantees are facing, the Trustees chose to concentrate their funding on those organisations. However, as the Trust income levels recovered from the economic shock of the pandemic, the Trustees also had the opportunity to take on some new commitments.

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### **Covid-19**

The effect of the pandemic on the charities the Trust supports is outlined in the individual grant reports. The Trust has moved to online banking and has undertaken all its business this year via online meetings. One result of online meetings with grant recipients is that more Trustees have been able to join from their computers at home than would have been able to travel to in person meetings. We are nevertheless hoping that in person meetings can soon resume.

### **ACHIEVEMENTS AND PERFORMANCE**

The purpose of the Trust is to use the income to support projects, according to the policy established by the Founders. During the year, grants have been made in the fields of medical research, youth, penal affairs, mental health, health and community development.

There have been 26 grants paid of £10,000 or above and totalling £800,171. These grants are described in more detail in this Report. There have been 10 grants of lesser sums paid totalling £38,500. A full list of grants paid appears in Note 4 to the financial statements on pages 27 and 28.

### **MEDICAL RESEARCH: (Total grants £277,321)**

#### **Max Planck UCL Centre for Computational Psychiatry and Ageing Research (MPC Centre), University College London: £100,000**

The MPC centre, directed by Professor Ray Dolan, has continued to flourish. It has now established itself as the leading centre in the world for the study of psychiatric disorders using computational methods. The centre supports a graduate school jointly funded with the Max Planck Society. In 2020, this International Max Planck Research School (IMPRS) was renewed again for a further six years (2022 – 2028). The Graduate School is directed jointly by Professor Dolan (London) and Professor Ulman Lindenberger (Berlin). In 2020, Dr Quentin Huys, a new PI (Principal Investigator) within the centre was awarded a Wellcome Investigator Award to conduct studies into the neurobiology of clinical depression, and its treatment. Dr Tobias Hauser, another PI within the centre, was awarded a European Research Council (ERC) grant to study the human noradrenergic system, a control regulator of brain function. Three graduate students from the centre obtained prestigious prizes for their research during their doctoral studies. This was the second payment of a five-year agreement.

#### **Royal College of Surgeons of England (RCS): £75,000**

The RCS reports that “The support of the MKCT has been one of the cornerstones to our achievements in Surgical Trials and remains essential to the continued growth and success of surgical research across the UK. This is being achieved by the generous funding of two Chairs in Surgical Trials at the University of York. Building capacity and targeted training are key elements of our strategy to widen the impact of the overall Surgical Trials Initiative through these two posts. By training the future generation of trainees and surgeons to carry out high-level clinical research we can grow the number, reach and impact of surgical trials for patient benefit. Over the last 12 months the Covid-19 pandemic has impacted countries and healthcare systems across the globe and the NHS has seen hundreds of thousands of surgeries cancelled across the country. Despite all this, Covid-19 has also presented opportunities to design and create research for the protection of surgical staff and the benefit of seriously unwell patients. One such example at the University of York is a study to explore the impact of Covid-19 related changes on service provision. This particular work will explore patient outcomes following common fractures of the upper limb.” This was the third payment of a four-year agreement.

#### **Guy's Head and Neck Cancer Unit: £57,321**

This was a one-off grant to fill a funding-shortfall and enable research which aims to improve the outcomes for patients with head and neck cancer. Still at an early stage, the research is designed to test the outcome of combining immunotherapy with radiotherapy. The team had already raised over £800,000 and this grant enabled the research to start on time. Although the Covid-19 pandemic has caused some delays, the staff that this grant has supported have been appointed and begun preparing the experimental work.

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### **University of Edinburgh Development Trust: £45,000**

We agreed a new three-year grant of £45,000 pa to support research into Parkinson's disease which directly involves people living with this disease (PwP). The Universities of Edinburgh and Dundee have come together to accelerate access to transformative clinical trials and translational research for PwPs. The vision is shaped and informed by extensive interaction with the local patient community. Everyone with Parkinson's in South East Scotland is being invited to join a clinical trials platform called CARE-PD (Clinical Audit Research Evaluation – Parkinson's Disease). This unique resource will capture a wealth of data about each individual which will inform the understanding of the causes and progression of the condition. Importantly, it will build a database of people who can join clinical trials of novel Parkinson's therapies. While the CARE-PD platform will be developed and piloted in Lothian and Tayside, the ambition is to integrate with other health boards in the future and create a Scotland-wide health informatics platform for Parkinson's. Our donation is contributing to the salaries of Research Nurses to service the patient populations in Edinburgh and Dundee; they act as a human "link" between the patient and the research that may benefit them. With Research Nurses co-opting patients onto the CARE-PD registry, the intention is to recruit a Clinical Research Fellow in Years 2 and 3 to help implement the clinical research projects under the guidance of Dr David Breen.

### **YOUTH: (Total grants £201,350)**

#### **Bendrigg Trust: £34,300**

This sum had been agreed to support specific salary costs. When the Covid-19 pandemic led to the indefinite closure of Bendrigg, it was agreed to give the grant as an unrestricted contribution to on-going costs. Virtual meetings of the Trustees and Council have continued throughout the period. Bendrigg Trust has taken an active role in the 'Save Outdoor Education' Campaign in support of all the outdoor centres whose business had ceased during the pandemic. The Trust has been able to arrange furlough for most members of the staff while also taking advantage of some other grants and schemes. Following the end of the first lockdown, it was possible for the facilities to be used by local people with disabilities and their families. One family at a time could stay at Acorns and the grounds were opened up for socially distanced visits. Despite furlough and other schemes, the reserves held by Bendrigg Trust have been reduced. A further unrestricted grant has been agreed in 2021/22 to support the Trust as it begins to reopen and welcome groups of visitors once more. In order to ensure safe standards are maintained, groups will be smaller than usual and therefore additional financial support will continue to be needed. It is not known when the Bendrigg Alternative scheme can be restarted.

Mrs Fiona Adams is a council member of this charity which was established by The Mary Kinross Charitable Trust following discussions, which began in 1975, with the then Voluntary Services Unit at the Home Office.

#### **YES Outdoors: £34,300**

Early in 2020 we agreed a donation to Yes Outdoors to support two projects that were aimed either to help young people aged 12-13 identified by their school as being susceptible to criminality or young people aged 13-17 identified as at high-risk of becoming involved in violence and crime.

Due to the Covid-19 pandemic YES Outdoors has had to adapt both projects. Outward Bound courses planned for the younger age group have been delayed but the charity has been able to give continuing support to the most vulnerable young people who they are in contact with, helping them online with homework and involving them in practical projects whenever possible – including improving a community garden and delivering winter care packages to elderly and needy people in Camden and Islington at Christmas time. They have started an employability project knowing that future employment is a fundamental concern for many young people, and they have continued to run bicycle maintenance projects whenever possible. The van which was bought with MKCT funding has proved to be invaluable in many aspects of the charity's work during the year.

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### **Greenhouse Sports £31,500**

This was the second year of a three-year commitment totalling £95,000. The fundraiser involved with our donation writes: "London charity Greenhouse Sports has continued to deliver vital sports coaching and mentoring programmes over the last 12 months, albeit in a hybrid way (virtual and in-person) amidst the global Covid-19 pandemic of 2020.

Funding has supported 2 programmes at Crest Academy, Brent (table tennis and basketball). Over the last academic year, Greenhouse Coaches Alex and Tony have worked with over 200 young people, including 80 girls as part of an initiative to drive female participation in physical activity. Whilst schools were open, they ran sessions before, during and after school. Then, during lockdown, participants had access to #HomeCoach – our virtual coaching and mentoring initiative, and over the summer we were able to run holiday camps in local parks and recreational spaces – our most attended summer sessions in Greenhouse's 20-year history. In December, both coaches were awarded 'Unsung Hero of the term' by the teaching staff at Crest Academy in recognition of the contribution they have made to young people's development during an extraordinary year."

### **Prospex: £26,250**

Prospex is a youth work organisation working in parts of Islington and Camden in North London: our donation has supported half the salary of the Chief Executive Officer; the remainder being provided by the National Lottery Community Fund. He reports as follows:

"The Prospex Team started to work from home from 17th March 2020 and has remained 100% committed to supporting young people since then. To enable this to happen we invested in training: the staff and the entire youth team completed a course by the NSPCC entitled Keeping Children Safe Online as a grounding for the increased online work we were going to be involved in. Our initial response was: 1. To continue our One-to-one contact with some of our most vulnerable young people and their families through phone. We are also in communication with social workers where required, making sure that the young people get the best support possible. 2. Delivering some emergency food parcels from our food stock at the centre and putting these families in touch with local food banks. 3. Contacting all families on our database to speak with parents and young people offering our support, assessing needs and identifying any common issues which are affecting young people or the families we work with.

A weekly online Youth Club has been run based around art and games and, after the first lock down, we produced packs with art materials and other items to enhance the online sessions and this really improved the engagement and widened what could be done. The Duke of Edinburgh Award has adapted so that young people can continue to complete the award during lockdown and our group has met to work towards their skills, volunteering and physical sections.

The two Girls' Groups have thrived, and the street team has worked in very difficult conditions to bring calm in an area where gang crime is prevalent, and which has tragically involved a shooting close to the centre. Depending on government guidance small bubble groups have been able to meet at the Centre at certain times throughout the year. One-to-one support for the most vulnerable young people has continued and Prospex has recently started a pilot project aiming to fill a gap in local mental health services for young people both during and following the Covid-19 pandemic."

Overall Prospex has used great ingenuity to continue its work throughout the pandemic and is hoping to benefit from the many lessons learnt during this period and integrate them into their work in future. The stress they have put on mental health support for their most vulnerable young people is critical and illustrates the vital help which Prospex gives to many young people and their families in north London who are struggling to survive in the face of multiple difficulties.

### **Lucy Faithfull Foundation: £25,000**

A new three-year grant to this charity, that aims to prevent child sexual abuse, has been agreed. The grants will be made as a contribution to unrestricted funds in the hope of increasing the opportunity for the charity to develop and adapt. Most of existing funding received by the Foundation is for specific projects. The charity is concerned about the increased risk of abuse during the Covid-19 pandemic lockdown and wherever possible has adapted its services to meet the changed circumstances, including the closure of schools.



# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### **Depaul UK: £20,000**

This was the second grant in a three-year agreement to provide unrestricted funding for the Nightstop way of helping young people at risk of homelessness. The traditional Nightstop model, offering emergency accommodation to young people aged 16-25 years in the homes of volunteer 'hosts', could not continue as usual when the country went into lockdown in response to the Covid-19 pandemic. Yet the problems that so often trigger youth homelessness – family breakdown, job loss, financial difficulties, health problems – were all exacerbated by the pandemic, with domestic abuse and youth unemployment rising sharply. In order to continue to offer refuge to homeless young people, the charity took over hotels, one in London and the other in Manchester. 200 homeless young people were accommodated, and Nightstop staff offered each a personalised support plan to prevent them returning to the street. The volunteers who were able to continue to offer accommodation in their own homes were given additional support, including a new range of health and safety and risk assessments. Over 400 families have continued to provide refuge, agreeing to keep the young people for at least a week and to offer help throughout the day as well as overnight. Some other innovative responses included crash pads in unused offices, welfare packs, befriending services and paying for B&B accommodation. Meanwhile new volunteer hosts have been recruited and given training online. To help the charity continue to increase the range and scope of the services it provides to young people at risk of becoming homeless, the grant next year will be increased to £30,000.

### **New Horizon Youth Centre (NHYC): £20,000**

This was the second year of a three-year, unrestricted grant supporting the Centre's work in London with homeless young people aged 16 to 24. NHYC had to stop its face-to-face contact and close the day centre during the lockdown periods, and in between they opened but with reduced hours and a limited number of young people and staff. However, throughout the year they have delivered a range of support remotely including advice, employment support and counselling and online group sessions with the objective of reducing isolation and developing life and communication skills. This digital delivery has proved popular and effective. There has been a rise in contacts from newly homeless young people and a rise in the number sleeping rough including many more young women. Street outreach work has continued throughout lockdown, picking up on the most vulnerable young people, but visiting young people in custody has not been possible. In response to the shortage of emergency accommodation in London, particularly for those under 25, NHYC are working with Depaul UK to set up Hotel 1824, a refurbished 40 bed hotel in West London which will accommodate up to 350 young people in the coming year. NHYC will give residents complete wraparound support and will strengthen the safety net for those most at risk, giving young people in danger of sleeping rough a safe place to stay in the short term as NHYC finds them somewhere to call home in the long term.

Three further small grants were made in this category.

### **PENAL AFFAIRS: (Total grants £128,000)**

#### **Margaret Carey Foundation (MCF): £30,000**

The second payment of a three-year, unrestricted grant was used to support the charity as it adapted to the effects the Covid-19 pandemic. During the initial lockdown, all activities in prisons and in the community ceased. Prison workshops are slowly being reopened and an online store has been set up to sell refurbished bikes in the Bradford area. Some training has been moved online. The charity has been able to take advantage of some offers of emergency funding and is looking forward to reopening its workshops as restrictions ease. The general increase in cycling during lock-down, and the serious effects that the virus has had in the Bradford area, have seen a surge in the demand for bicycles and for bike-maintenance training. The Foundation is hopeful that the training available from its prison workshops will continue to create good opportunities for permanent employment for prisoners released with new skills and qualifications.

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### **Circles UK: £25,000**

This was the final payment of a three-year grant to provide unrestricted funds to support the work of the central office. It provides the framework for regional groups of Circles of support and accountability that aim to “build safer communities through local volunteers working with sex offenders to minimise alienation, support reintegration and so prevent sexual reoffending”. Cuts in funding from the Probation Service in 2018 resulted in the closure of some regional networks and a reduction in the number of Circles. The Covid-19 pandemic has exacerbated social isolation and increased the risk of sexual abuse, especially online and inter-familial abuse. The central office has continued to work to strengthen and refine the network for Circle Providers and to encourage new Providers to join. They have condensed government, health and workplace Covid-19 guidance and explored ways of shifting face to face provision to virtual or remote means and provided specific guidance on how to make telephone contact more meaningful. Because the Core Member (the sexual harm causer) of a Circle is often not allowed access to the internet, telephone contact has been essential. While existing Circles have been able to adapt to telephone contact, it has been difficult for Providers to start new Circles, despite the continuing demand.

An innovative new programme called Circles ReBoot, specifically for people who access Child Sexual Exploitation Material on the internet, was launched through an online event attended by over 100 people, including international participants. The programme will be rolled out as a pilot from the end of April 2021.

### **Prison Radio Association (PRA): £23,000**

The final payment of a three-year grant was made to support the work at Styal Prison in Cheshire. The charity reports that “Covid-19 has had a huge impact on people in custody. Prisons have been running dramatically reduced regimes. Many prisoners have been locked up for up to 23 ½ hours a day. Visits from families and ‘non-essential’ personnel have been cancelled, as have the majority of activities including education, employment and faith services. Despite PRA staff having to move out of the studios at HMP Brixton and HMPYOI Styal, we have continued to provide an uninterrupted radio service throughout this time. Our ability to provide trustworthy information, distraction and comfort, directly to people in their cells, has been needed more than ever before.” PRA staff have also continued to work with individual women released from Styal, supporting them as they enter further training or employment.

### **The Hardman Trust: £20,000**

The aim of The Hardman Trust is to “provide selected long-sentence prisoners, demonstrating a desire for change through positive behaviour and achievements while in prison, with financial awards, special morale-boosting events and post award support, and all prisoners with access to a high-quality directory of financial resources and support. In this way we seek to increase the number of prisoners who become positive contributors to society.” Despite the effect of the pandemic on prisons which made the normal Award ceremonies impossible, Governors were encouraged to organise small ceremonies in each establishment so that the prisoners to whom awards had been made would feel valued and know that their achievements had been recognised. Production and distribution of the Hardman Directory has continued as normal. The charity has appointed a post-award support manager to contact award winners after their release – to collect information and offer continuing support.

### **Feltham Community Chaplaincy Trust (FCCT): £10,000**

This grant was the final payment of a three-year agreement to provide unrestricted funds to support FCCT which works in Feltham A, the Young Offender Institute, and Feltham B, the prison for young adults. Volunteers help young men leaving custody not to reoffend and to lead purposeful lives.

### **Restore Support Network (RSN): £10,000**

This was the final payment of a three-year agreement with this charity which supports older prisoners following their release from prison. Many of these people have multiple and complex care needs. Given near the start of the Covid-19 pandemic, the grant provided core funding to enable volunteers to continue to run the helplines in prisons and the community.

Two further small grant was made in this category.

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### **MENTAL HEALTH: (Total grants £80,000)**

#### **Bipolar UK: £40,000**

The Trust has been supporting Bipolar UK, the only national bipolar charity, since 1995. This grant was the second of a two-year agreement to provide a contribution to core costs. The charity is continuing to provide peer support services to people directly affected by the severe mental health condition, bi-polar disorder. Bipolar UK provides help, support and advice to people with the diagnosis, their families and carers via groups and an online e-community forum. Support is also offered via telephone and email services and has continued throughout the pandemic.

#### **Growing Well: £30,000**

The second of a three-year agreement, this grant contributed to the core costs of a specialist farm-based mental health charity. Each year around 120 people are helped to recover their mental health while learning horticultural skills and gaining qualifications. Growing Well is recognised as a leader in the field of Care Farming. Although much of the work takes place outside, the communal spaces where training and shared meals take place are too small to allow for safe social distancing. Therefore the difficult decision to close the site to volunteers was taken during the Spring 2021 lockdown when more infectious variants of Covid-19 were prevalent in the locality. As far as possible, volunteers have been offered support by telephone and online. Recognising the need for increasing services for people recovering from mental ill health, plans are being made to expand the service.

#### **St Anne's Hostel: £10,000**

A one-off grant was made to enable a long-established hostel for homeless men in Birmingham to trial counselling support for men with issues around mental health and addiction problems. The grant enabled the recruitment of a specialised support worker.

### **HEALTH: (Total grants £77,000)**

#### **Barry & Martin's Trust (B&MT): £30,000**

The Trust continues to be a key supporter of this small British charitable trust which works in the field of HIV/Aids prevention and care in China, giving support to health care projects in many parts of the country in both hospital and community settings.

The Covid-19 pandemic has inevitably affected the Trust's work. However, although it has not been possible for trustees to travel to China during the year, they have been able to stay in touch with the numerous projects which the Trust supports with the help and advice of their China director Zhen Li in Beijing as well as other key Chinese advisors. Indeed, record donations were made in 2020.

B&MT's Founder and Chairman, Martin Gordon, received the CBE award in the New Year Honours 2021 Overseas and International List "for services to people living with HIV and AIDS in China." This recognition was very well received by people all over China who have been involved with B&MT's work, some since its foundation in 1997.

#### **NAZ Project, London: £20,000**

We agreed a two-year funding commitment of £20,000 p.a. to NAZ to support their counselling work. The Chief executive writes: "NAZ is a Black led HIV and sexual health agency serving Black, Asian and Minority Ethnic Communities. 2020 has brought unprecedented challenge, loss and untold anxiety to the communities we serve at NAZ. The funding and support from MKCT have allowed us to provide online talking therapies to some of the most vulnerable members of society. At a time when face to face support was all but diminished, yet the need for connection and psychological safety was at its highest, NAZ was able to move its services online and telephone to continue with our vital work supporting the mental and emotional wellbeing of our service users. We have seen a significant growth in footfall as people contact NAZ desperate to address pre-existing non Covid-19 related issues, but which are then compounded by a new normal and the accumulative impact of social distancing."

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### **Mildmay Hospital Day Service: £17,000**

We agreed a renewed three-year grant of £17,000 p.a. to support art therapy at Mildmay hospital. The Covid crisis led to a fundamental change in Mildmay's work. Early in 2020, the UK Government began moving many rough sleepers from the streets, realising both their vulnerability in catching and transmitting Covid-19, as well as their general poorer underlying health. By July 2020, with the London Covid-Care Centre at London City Airport being decommissioned and an alternative, with fewer beds, needed, Mildmay was asked to take in homeless Covid-19 patients who were being isolated and tested. This worked well and there has been a steady stream of these patients since then. Mildmay's extensive rehabilitation expertise is relevant for post-Covid-19 recovery and it is now designated as London's primary facility for homeless Covid-19 patients not requiring intensive care. It provides rapid-testing, accommodation in which to self-isolate, and medical care and recovery for those with confirmed Covid-19 infection. This has clearly affected the art therapist's work and he writes: "Covid-19 has affected the running of the whole hospital; we now have the Homeless Pathway in addition to HIV clients. My role has been impacted to the extent that I am now unable to work with any groups – a hugely valuable side to the work I have been doing here since 2017. As Day Therapy is no longer running, I now work with an entirely new, solely ward-based clientele. All my sessions are carried out individually in clients' rooms. The methodology I employ is the same as it has always been – undirected art making with total autonomy over content by the client and continuing to focus on the images in relation to unconscious processes. Where cognitive disability renders this aim impossible the sessions tend to be focused on relational art making between myself and the client. I have found that the clients really appreciate the one-to-one time I am able to offer them. The lockdown has been experienced as oppressive by many – lack of family visits has been a particular struggle. Art therapy continues to offer patients valuable space to reflect upon and explore all aspects of this uncomfortable and confusing time for all, made doubly difficult by the disorientation of a hospital stay."

Two further small grants were made in this category.

### **COMMUNITY DEVELOPMENT: (Total grants £63,000)**

#### **Citizen's Advice Enfield: £36,500**

A new two-year agreement had been made to provide a grant that would allow the CAB to employ additional telephonists with the skills to deal with enquiries and problems over the phone. The lack of sufficiently qualified telephonists had often led to long queues of people hoping to book an in-person appointment forming well before opening times. It was fortuitous that the first grant was paid as the Covid-19 pandemic caused closure of offices and ended most in-person appointments. While continuing to deal with the many existing problems relating to welfare benefits, debt and housing, the pandemic has led to many additional requests for help from food banks and also with family and relationship problems.

#### **Narthex Sparkhill: £20,000**

Discussions about making a one-off, unrestricted grant to this charity had begun before the Covid-19 pandemic. The charity offers support to people living in poverty in south Birmingham. It runs food banks and other projects, including debt and money advice. By the time funds were available to pay the grant, the charity's operating costs had been affected by the pandemic and had increased sharply. The number of people applying for help had more than doubled, and there were other unplanned, expensive items to be added to the budget, including personal protective equipment for staff and volunteers at the food banks. Food donations also increased, and an extra member of staff was needed to help with the donations and packing of parcels. Services were adapted, for example by moving all advice services to telephone consultations, to meet the increased need as far as possible.

Two further small grants were made in this category.

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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### MISCELLANEOUS: (Total grants £12,000)

#### **Little Black Dog: £10,000**

Since its inception in 1957 and until 2019 the Trust had a majority holding in a Guernsey based company which provided a significant proportion of its income. This grant has been made to recognise the long-standing support received from one of the Guernsey-based directors of the company.

The Charity rescues dogs from Spain who are homeless and at risk and re-homes them, by finding suitable adoptive homes in Guernsey and the Channel Islands. To assist further with these adoptions, Little Black Dog deals with all the necessary medical requirements for the dogs to travel, as well as all transportation from Spain to Guernsey.

One further small grant was made in this category.

### **FINANCIAL REVIEW**

#### **Investment Policy and Performance**

The investment policy of the Trustees is to try and preserve the capital value of the Trust in real terms and to increase income over time to enable them to develop the Trust's charitable activities. The Fund Manager, Newton Investment Management Ltd., has been asked to select carefully a portfolio of not more than 60 high quality investments on a worldwide basis, excluding tobacco companies. In addition to the Endowment Fund, there is an Income Fund which resulted from an exceptional dividend paid in 1995. The value of the Income Fund is shown in Note 11 on page 31. This fund has, in some years, made it possible for the Trustees to take on future commitments larger than anticipated annual income.

The Fund Manager, Newton Investment Management, reports that "the portfolio return for the financial year is by all appearances an extraordinary one given the high return, however, the report covers very closely the period when the market recovered from the initial and sharp downturn that accompanied the start of the Covid-19 pandemic. Whilst economic activity in sectors of the economy, which were dependent either directly or indirectly on social activity, suffered throughout the year, the actions of the central banks and fiscal policy makers around the globe reassured markets sufficiently for market levels to recover fully.

Not all sectors were negatively impacted. Companies, often those classified as 'structural growth' companies in the business of digital connectivity, and those on the right side of ESG trends, performed very strongly. Dividends were the major victim as higher paying companies tended to be in the negatively impacted sectors. For example, demand for oil and gas fell sharply, and banks were prevented from paying dividends by their regulators. With economies now starting to open up, in the developed world at least, dividend income appears to have passed its trough, however it is clear that in aggregate there has been a reset to a lower overall distribution level for some companies that were perhaps over-distributing previously.

Against this background, the returns for the portfolio and for the major indices over the year were as follows:

#### **Portfolio: 39.60%**

Benchmark: 33.81%

FTSE All Share: 26.71%

FTA Govt. All Stocks: -5.54%

FTSE World ex UK £: 40.84%

Source: Newton, as of 31 March 2021.

The fund manager has long advocated a cautious approach to stock selection whilst looking for structural growth opportunities and this continued throughout this extraordinary year for markets. In the earlier part of the year some of the strongest contributions came from stocks in the technology and basic materials sectors. As the emergence of vaccines encouraged a recovery in depressed, more cyclical stocks, due to the

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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improving prospects for more 'normal' economic activity, the fund manager rotated some stocks. Therefore, balance in portfolios has been key. Some stocks in the health care sector have not contributed as expected. Demand for their medical devices has been reduced because many elective medical procedures have been postponed because of Covid-19.

From a sector perspective, the portfolio's overweight and underweight preferences are little changed from the previous year, with technology remaining overweight albeit with a keen eye on valuations after strong performance, and underweight positions compared to the benchmark in financials, the consumer sectors, and in oil and gas. From a regional perspective, the preferred sectoral and stock positions have led to owning fewer UK equities and more Europe ex- UK stocks compared to the benchmark, and this has added to relative performance.

The fund manager aims to balance a search for relative stability in much of the portfolio, with a preference for sustainable long-term growth, looking to maintain a sensible balance, with exposure to high quality cyclical names to benefit from the economic upswing. However, a desire for structural growth is apparent in the significant exposure to the technology sector as well as companies well placed to make market share gains across other sectors once the current economic challenges abate."

### **Assessment of Major Risks to the Trust**

The Trustees have examined the major strategic, business and operational risks which the Trust faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The risks posed by the Covid-19 pandemic include loss of income and increased need from the charities that the Trust has long-supported.

All trustees of endowed trusts have to balance capital growth against assured income. The Income Fund described above has enabled the Trustees to set an investment policy which aims to achieve long term capital growth while ensuring that there is sufficient income to meet all the grant commitments made by the Trustees.

The Trustees have always considered their investment guidelines at regular intervals. In response to the continuing uncertainties posed by Brexit during the Covid-19 pandemic, the Trustees have discussed their guidelines at each meeting with the Fund Managers, taking the latest position on Brexit into account.

### **Reserves Policy**

The Trust maintains its Endowment Fund to generate income for grant-making purposes. As described under the heading of 'Grant-making policy' the Trustees identify carefully selected organisations, within the scope of the objects of the Trust, to receive grants from the Trust within the bounds of its income. The existence of the Income Fund has allowed the Trustees unusual freedom to research and develop major projects, in line with the wishes of the Founders. Because of the time needed to develop such projects they may not come to fruition at regular intervals and so, in some years, funds accumulate in order to allow grant making to exceed income generation in other years.

The balance held in the Endowment Fund at 31 March 2021 was £58,117,803 (2020: £42,686,049), and in the Unrestricted funds at 31 March 2021 was £962,441 (2020: £380,838).

## **FUNDRAISING**

The Trustees do not raise funds. Instead, they make grants using the income from the investments endowed by the Founders John and Mary Kinross.

## **PLANS FOR FUTURE PERIODS**

The Trustees intend to continue their grant making policy and personal involvement with organisations to which grants are made, as set out above. The economic and social impacts of Covid-19 have concentrated the Trustees' priorities on their long-standing commitments. The Trustees continued reviewing the grants

# The Mary Kinross Charitable Trust

## TRUSTEES' REPORT

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with recipients, albeit virtually, and have learnt that the challenges faced this year have made the recipients' work and the offer of unrestricted grants more vital than ever. Many of the charities have adapted in innovative ways to the challenges they have faced during the pandemic and we anticipate that some of the new ways of working will become normal practice in future.

Long-term funding is given to The Eve Brook Scholarship Fund and to The Warstock Community Centre. The Trustees have authorised grants totalling £710,500 in 2021/22, £353,898 in 2022/23, £237,302 in 2023/24 and £40,000 in 2024/25. The Trustees confirm that the assets of the Charity are available and sufficient to fulfil the present obligations of the Trust. Details of future commitments, agreed at the time this Report was written, are set out in a table in note 4, on page 28 of the Financial Statements.

### **AUDITOR**

Mazars LLP was re-appointed as the auditor during the year and has expressed willingness to continue in that capacity.

### **STATEMENT OF DISCLOSURE TO AUDITOR**

So far as the Trustees are aware:

- a) There is no relevant audit information of which the charity's auditor is unaware; and
- b) They have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by the Trustees and signed on their behalf by

Elizabeth Shields

Elizabeth Shields (Jul 22, 2021 18:54 GMT+1)

Elizabeth Shields

Chairwoman

Date: 22-Jul-2021

# The Mary Kinross Charitable Trust

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees are responsible for preparing the Trustees' Annual Report 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 the incoming resources and application of resources of the charity 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 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 charity will continue in business.

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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.



# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARY KINROSS CHARITABLE TRUST

## Opinion

We have audited the financial statements of The Mary Kinross Charitable Trust (the 'charity') for the year ended 31 March 2021 which comprise Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of 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 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 Charities Act 2011.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARY KINROSS CHARITABLE TRUST

We have nothing to report in this regard.

## **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Report of the Trustees.

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 financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 15, 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**

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 the 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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice UK, health and safety regulation, anti-bribery, corruption and fraud, and money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to significant one-off or unusual transactions.

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARY KINROSS CHARITABLE TRUST

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of the audit report

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and regulations made or having effect thereunder. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

  
Vincent Marke (Jul 28, 2021 09:01 GMT+1)

Mazars LLP  
Chartered Accountants and Statutory Auditor

The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: 28-Jul-2021

Mazars LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# The Mary Kinross Charitable Trust

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 March 2021

	Notes	Endowment Fund £	Unrestricted Funds £	Total 2021 £	Total 2020 £
<b>Income from:</b>					
Investments	1	-	941,341	941,341	695,395
<b>Total income</b>		-	941,341	941,341	695,395
<b>Expenditure on:</b>					
Costs of generating funds:					
Investment management costs	2	(287,262)	-	(287,262)	(170,356)
Charitable activities	3	-	(936,600)	(936,600)	(441,327)
<b>Total expenditure</b>		(287,262)	(936,600)	(1,223,862)	(611,683)
Net gains/(losses) on investments	7	15,719,016	576,862	16,295,878	2,648,947
Impairment of investments		-	-	-	(5,637,333)
<b>Net movement in funds</b>		15,431,754	581,603	16,013,357	(2,904,674)
Fund balances brought forward at 1 April 2020		42,686,049	380,838	43,066,887	45,971,561
Fund balances carried forward at 31 March 2021	11	58,117,803	962,441	59,080,244	43,066,887

# The Mary Kinross Charitable Trust

## BALANCE SHEET

As at 31 March 2021

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	6	4	4
Investments	7	60,404,057	44,365,598
		<u>60,404,061</u>	<u>44,365,602</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	106,244	32,524
		<u>106,244</u>	<u>32,524</u>
CREDITORS: amounts falling due within one year	9	(798,861)	(752,739)
		<u>(798,861)</u>	<u>(752,739)</u>
NET CURRENT LIABILITIES		(692,617)	(720,215)
CREDITORS: amounts falling due after more than one year	10	(631,200)	(578,500)
		<u>(631,200)</u>	<u>(578,500)</u>
NET ASSETS		<u>59,080,244</u>	<u>43,066,887</u>
<b>FUNDS</b>			
Endowment fund	11	58,117,803	42,686,049
Unrestricted funds	11	962,441	380,838
		<u>58,117,803</u>	<u>42,686,049</u>
NET ASSETS		<u>59,080,244</u>	<u>43,066,887</u>

The financial statements on pages 19 to 32 were approved by the Board of Trustees and authorised for issue and are signed on its behalf by:

*Elizabeth Shields*

Elizabeth Shields (Jul 22, 2021 18:54 GMT+1)

Elizabeth Shields

Chairwoman

Date: 22-Jul-2021

The accounting policies and notes on pages 22 to 32 form part of these financial statements.

# The Mary Kinross Charitable Trust

## STATEMENT OF CASH FLOWS

As at 31 March 2021

		Total funds 2021 £	Total funds 2020 £
	<i>Notes</i>		
<b>Cash flows from operating activities</b>			
Net movement in funds		16,013,357	(2,904,675)
Deduct interest income in investment activities		(941,341)	(695,394)
Add impairment of investments		-	5,637,333
Deduct gains on investment		(16,295,878)	(2,648,947)
Decrease/(increase) in debtors		-	276,180
Increase/(decrease) in creditors		98,822	(253,510)
Net cash used in operating activities		(1,125,040)	(589,013)
<b>Cash flows from investing activities</b>			
Interest and dividends		941,341	695,394
Purchases of investments		(15,069,761)	(43,560,515)
Proceeds from sale of investments		13,538,165	45,785,509
Net cash from investing activities		(590,255)	2,920,388
Change in cash and cash equivalents		(1,715,295)	2,331,375
Cash and cash equivalents brought forward		2,471,001	139,626
Net increase in cash		755,706	2,471,001
Cash and cash equivalents carried forward:			
Bank balances	8	106,244	32,524
Investment cash balances	7	649,462	2,438,477
		755,706	2,471,001

# The Mary Kinross Charitable Trust

## ACCOUNTING POLICIES

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### General Information

The Mary Kinross Charitable Trust is an unincorporated registered charity in England and Wales. The registered charity number and principal address are shown on page 2.

The principal activity is distribution of the income from the fund endowed by John and Mary Kinross for charitable purposes as set out in the Trust Deed and for public benefit.

The financial statements are presented in Sterling and this is the functional currency of the charity. The financial statements are rounded to the nearest whole pound.

### Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

### Going concern

These financial statements have been prepared on the going concern basis as the Trustees consider that there are sufficient reserves available to meet the charity's liabilities as they fall due.

### Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Non-UK dividends are shown gross including the associated tax credits unless the tax deducted is considered irrecoverable.

### Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Grants payable are payments made to third parties when the Charity enters into a binding commitment with the recipient organisation. These grants are accounted for in the Statement of Financial Activities. In the event of the conditions attaching to grants not being fulfilled, the amount of the grant is credited back to the Statement of Financial Activities. A summary of grants payable is given in note 4 of the financial statements.

# The Mary Kinross Charitable Trust

## ACCOUNTING POLICIES

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### **Costs of generating funds**

The costs of generating funds comprise those costs directly attributable to managing the investment portfolio and raising investment income.

### **Charitable activities**

Costs of charitable activities include grants made and governance costs as shown in note 3.

### **Governance costs**

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice and include costs related to statutory audit and professional fees.

### **Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

### **Tangible Fixed Assets**

Tangible fixed assets consist of portraits which are treated as non-depreciable and are not considered to have a market value.

### **Fixed Asset investments**

Listed investments are stated at closing bid price at the balance sheet date with the exception of UK government securities which are valued using Gilt-Edged Market Makers Association (GEMMA) prices. Unlisted investments are valued at net asset value of the audited financial statements of the entity in which the investments are held.

Movement in the carrying value of any investment is treated as unrealised, except in the year of disposal when the surplus or loss on disposal is shown as realised and represents the difference between either the brought forward carrying value, or cost, if purchased in the year, and disposal proceeds. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

### **Realised Gains and Losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investment are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and carrying value. Where the fair value is below historic cost this is classified as impairment. Realised and unrealised gains are combined in the Statement of Financial Activities.

### **Fund accounting**

Details of the nature and purpose of each fund are set out in note 11.

### **Financial instruments**

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.



# The Mary Kinross Charitable Trust

## ACCOUNTING POLICIES

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### **Critical accounting estimates and estimates of judgment**

In preparing the Financial Statements Trustees make estimates and assumptions which affect reported results, financial positions and disclosures of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# The Mary Kinross Charitable Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1	INVESTMENT INCOME	2021	2020
		£	£
	Income from listed investments - UK	241,950	156,360
	- non UK	793,364	601,440
	Income from unlisted investments - non UK	-	-
	Less: Unrecoverable foreign tax	(94,137)	(63,253)
	Interest on cash deposits	164	848
		<u>941,341</u>	<u>695,395</u>

Income arising from investments is unrestricted as described in note 11 on page 31.

No income was received during the year from the one unlisted investment (2020: Nil). The investment is described in note 7 on page 30.

2	COSTS OF GENERATING FUNDS	2021	2020
		£	£
	Investment management fees	<u>287,262</u>	<u>170,356</u>

### 3 ANALYSIS OF CHARITABLE EXPENDITURE

	Grant funded activity £	Governance costs £	2021 £	2020 £
New grants made during the year (see note 4)	916,200	20,400	936,600	441,327
Total	<u>916,200</u>	<u>20,400</u>	<u>936,600</u>	<u>441,327</u>

# The Mary Kinross Charitable Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

### 4 GRANTS PAYABLE

Paid in the	2021
year	Total
£	£

#### Grants

Total grants payable at 1 April 2020	(1,264,171)
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#### Grants paid in the year to 31 March 2021

##### Medical Research

Max Planck UCL Centre, University College London	100,000
Royal College of Surgeons of England	75,000
Guy's Head & Neck Cancer Unit	57,321
University of Edinburgh Development Trust	45,000
	<hr/>
	277,321

##### Youth

Bendrigg Trust	34,300
YES Outdoors	34,300
Greenhouse Sports	31,500
Prospex	26,250
Lucy Faithfull Foundation	25,000
Depaul UK	20,000
New Horizon Youth Centre	20,000
Gospel Oak Action Link	5,000
Play for Progress	3,000
Eve Brook Scholarship Fund	2,000
	<hr/>
	201,350

##### Penal Affairs

Margaret Carey Foundation	30,000
Circles UK	25,000
Prison Radio Association	23,000
The Hardman Trust	20,000
Feltham Community Chaplaincy Trust	10,000
Restore Support Network	10,000
Prisoners' Penfriends	5,000
Clean Break Theatre Co	5,000
	<hr/>
	128,000

##### Mental Health

Bipolar UK	40,000
Growing Well	30,000
St Anne's Hostel	10,000
	<hr/>
	80,000

# The Mary Kinross Charitable Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

4 GRANTS PAYABLE ( <i>continued</i> )	Paid in the year £	2021 Total £
<u>Health</u>		
Barry & Martin's Trust	30,000	
NAZ Project London	20,000	
Mildmay Hospital Day Service	17,000	
Spitalfields Crypt Trust	5,000	
St Joseph's Hospice	5,000	
	<hr/>	
	77,000	
 <u>Community Development</u>		
Citizens Advice Enfield	36,500	
Narthex Sparkhill	20,000	
The Destitution Project	5,000	
Warstock Community Centre	1,500	
	<hr/>	
	63,000	
 <u>Miscellaneous</u>		
Little Black Dog	10,000	
Edgbaston High School for Girls	2,000	
	<hr/>	
	12,000	
 Total paid in the year		838,671
		<hr/>
		(425,500)
 <u>Grant commitments at 31 March 2021</u>		
Future commitments payable:		
In the year ended 31 March 2022 (see note 9)	710,500	
In the year ended 31 March 2023 (see note 10)	353,898	
In the year ended 31 March 2024 (see note 10)	237,302	
In the year ended 31 March 2025 (see note 10)	40,000	
	<hr/>	
		1,341,700
		<hr/>
 New grants during the year ended 31 March 2021		916,200
		<hr/> <hr/>

# The Mary Kinross Charitable Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

4	GRANTS PAYABLE ( <i>continued</i> )	2021/22 £	2022/23 £	2023/24 £	2024/25 £
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The major recipients for future grants are:

### **Medical Research**

Max Planck UCL Centre, University College London	100,000	100,000	100,000	-
Royal College of Surgeons of England	75,000	-	-	-
University of Edinburgh	45,000	45,000	-	-

### **Youth**

Bendrigg Trust	100,000	-	-	-
Prospex	26,500	26,898	27,302	-
Greenhouse	32,000	-	-	-
Depaul UK	30,000	30,000	30,000	-
Lucy Faithfull Foundation	25,000	25,000	-	-
New Horizon Youth Centre	20,000	-	-	-
Play for Progress	15,000	15,000	15,000	-
GOAL (Gospel Oak Action Link)	5,000	5,000	5,000	-
Eve Brook Scholarship Fund	2,000	-	-	-

### **Penal Affairs**

Margaret Carey Foundation	30,000	-	-	-
Hardman Trust	20,000	20,000	20,000	-

### **Health**

Rare Dementia Support	50,000	-	-	-
Barry & Martin's Trust	30,000	30,000	-	-
NAZ Project London	20,000	-	-	-
Mildmay Mission Day Service	17,000	17,000	-	-

### **Mental Health**

Growing Well	30,000	40,000	40,000	40,000
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### **Community Development**

Citizens Advice Enfield	36,500	-	-	-
Warstock Community Centre	1,500	-	-	-

710,500	353,898	237,302	40,000
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# The Mary Kinross Charitable Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

### 5 ANALYSIS OF GOVERNANCE COSTS

GOVERNANCE COSTS	2021 £	2020 £
Audit fees	9,223	7,800
Accountancy fees	8,229	10,873
Sundry expenses	2,948	4,733
	<u>20,400</u>	<u>23,406</u>

Sundry expenses include:

£863 reimbursed to two Trustees (2020: £1,926 to two Trustees) for expenses incurred during the year in respect of postage and stationery, telephone and other administration expenses.

The Trustees are the key management personnel of the Trust, none of whom received any remuneration during the year (2020: £Nil).

Auditor's remuneration

The auditor's remuneration including VAT of £9,223 constituted the audit fee for the year of £9,120 (2020: £7,800). and prior year under provision of £103 (2020: £Nil).

### 6 TANGIBLE FIXED ASSETS

	Portraits £
Cost	
As at 1 April 2020 and 31 March 2021	4
Depreciation	
As at 1 April 2020 and 31 March 2021	-
Net book value	
31 March 2021	4
31 March 2020	4

The Trustees do not consider that the portraits, comprising paintings depicting Mrs Kinross the mother of the Founder, have a market value.

# The Mary Kinross Charitable Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

7 FIXED ASSET INVESTMENTS	Listed £	Unlisted £	Total £
Fair value at 1 April 2020	41,604,701	322,420	41,927,121
Additions at cost	15,069,761	-	15,069,761
Sale proceeds from disposals	(13,538,165)	-	(13,538,165)
Gains in the year	16,173,318	122,560	16,295,878
Fair value at 31 March 2021	59,309,615	444,980	59,754,595
Historical cost at 31 March 2021	49,435,342	322,420	49,757,762
Summary of Fixed Investments		2021 £	2020 £
Fair value at 31 March 2021		59,754,595	41,927,121
Cash balances held as part of the Investment Portfolio		649,462	2,438,477
		60,404,057	44,365,598
Made up as follows:			
UK Investments:			
- Listed		15,527,270	11,542,101
Non-UK Investments:			
- Listed		44,431,807	32,501,077
- Unlisted		444,980	322,420
		60,404,057	44,365,598

Unlisted investments comprise a 9.4% holding in Kenilworth Vineries Limited, a company incorporated in Guernsey, which was acquired following the voluntary liquidation of Island Properties Limited in July 2019. The valuation of £444,980 (2020: £322,420) is based on 9.4% of the net assets of the company as at 31 December 2019. The financial statements for the year to 31 December 2020 have not yet been prepared but the directors of the company do not envisage a material difference at this time.

8 CASH AND CASH EQUIVALENTS	2021 £	2020 £
Bank balances	106,244	32,524

# The Mary Kinross Charitable Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

9	CREDITORS	2021	2020
		£	£
	Amounts falling due within one year:		
	Accruals	88,361	67,068
	Grants (see note 4)	710,500	685,671
		<u>798,861</u>	<u>752,739</u>

10	CREDITORS	2021	2020
		£	£
	Amounts falling due after more than one year:		
	Grants (see note 4)	631,200	578,500
		<u>631,200</u>	<u>578,500</u>

11	ANALYSIS OF CHARITABLE FUNDS	Endowment Fund	Unrestricted Funds
		£	£
	Balance brought forward as at 1 April 2020	42,686,049	380,838
	Income	-	941,341
	Expenditure	(287,262)	(936,600)
	Gains and Losses	15,719,016	576,862
	Balance carried forward as at 31 March 2021	<u>58,117,803</u>	<u>962,441</u>

	ANALYSIS OF CHARITABLE FUNDS – Previous year	Endowment Fund	Unrestricted Funds
		£	£
	Balance brought forward as at 1 April 2019	45,268,417	703,144
	Income	-	695,395
	Expenditure	(170,356)	(441,327)
	Gains and Losses	3,018,995	(370,048)
	Impairment of investments	(5,431,007)	(206,326)
	Balance carried forward as at 31 March 2020	<u>42,686,049</u>	<u>380,838</u>

The unrestricted funds comprise those funds which the Trustees are free to use in accordance with charitable objects.

The Endowment Fund represents those assets which must be held permanently by the charity, principally investments. Income arising on the Endowment Fund can be used in accordance with the objects of the charity. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.



# The Mary Kinross Charitable Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

12	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Endowment £	Unrestricted £	Total Funds 2021 £
	Tangible fixed assets	-	4	4
	Investments	58,193,268	2,210,789	60,404,057
	Current assets	-	106,244	106,244
	Current liabilities	(75,465)	(723,396)	(798,861)
	Long term liabilities	-	(631,200)	(631,200)
		<u>58,117,803</u>	<u>962,441</u>	<u>59,080,244</u>
	ANALYSIS OF NET ASSETS BETWEEN FUNDS – Previous year	Endowment £	Unrestricted £	Total Funds 2020 £
	Tangible fixed assets	-	4	4
	Investments	42,741,817	1,623,781	44,365,598
	Current assets	-	3,2524	32,524
	Current liabilities	(55,768)	(696,971)	(752,739)
	Long term liabilities	-	(587,500)	(587,500)
		<u>42,686,049</u>	<u>380,838</u>	<u>43,066,887</u>

As noted in the Trustees' Financial Review, the Income Fund represents the proceeds of an exceptional dividend. The Income Fund is calculated as 3.6% of the Endowment Fund. The proportion would be adjusted if funds had been allocated from the Fund during the year.

### 13 TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

Mrs Fiona Adams is a council member of the Bendrigg Trust.

Bendrigg Trust received an unrestricted grant of £34,300 in the year. (2020: £65,000).

Mrs Fiona Adams did not receive any fees as a council member from the recipient organisation above in the year ended 31 March 2021 (2020: £Nil).

Dr Neil Cross is a Regent of the University of Edinburgh. The University of Edinburgh received £45,000 in the year (2020: £Nil).

The future commitments are shown under grants in note 4 on page 28.