

**THE E J W GIBB MEMORIAL TRUST**

**Report and Accounts**

**31 December 2021**

**REPORT AND ACCOUNTS**  
**Year ended 31 December 2021**

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## **REPORT OF THE TRUSTEES**

### **Year ended 31 December 2021**

#### **TRUSTEES**

The trustees who served during 2021 are listed below.

Professor R Gleave - (retired as Chairman for two years to May 2021)

Professor C Hillenbrand

Dr A D Marsham

Professor A C S Peacock

Professor H Kennedy

Professor A V Williams

Dr A Niyaziloglu-Djagalov (retired 28 May 2021)

Dr Chris Markiewicz (appointed 28 May 2021)

Professor Jaako Hameen-Anttila (appointed 28 May 2021)

Dr Dominic Brookshaw (appointed 28 May 2021)

Dr Helen has expressed enthusiasm for joining us in 2022

Prospective new trustees are proposed and elected at the annual meeting of the Trustees. They are proposed primarily for their knowledge of the objectives of the trust and are directed to the Charity commission guidance 'CC3 - The Essential Trustee: what you need to know, what you need to do.'

The trustees are incorporated under the name The Trustees of the Charity in Memory of E J W Gibb.

#### **OBJECTIVES AND PUBLIC BENEFIT**

The income of the trust has under its constitution to be applied to promote and advance the study of the language, literature and history of the Turks, the Arabs and the Persians. This is achieved by publishing works, including research for doctorates and accompanying manuscripts, which would mostly not be viable on a commercial basis, and arranging for their distribution and sale.

The Trustees also offer two annual scholarships for postgraduate students, who are studying in a British university. The first is for students who are at an advanced stage of their doctoral research in any area of Middle Eastern Studies from the 7<sup>th</sup> century to 1918. The second is in memory of Alexander (Sandy) Morton for doctoral research in the area of classical Persian Studies. This was generously funded by members of his family.

The Trustees have had regard to the Charity Commission's guidance on public benefit.

#### **ORGANISATION AND POLICIES**

The affairs of the trust are conducted by the Secretary to the Trustees, who charges fees based on his time incurred. Books published by the trust are held by specialist distributors and sold by Oxbow Books Ltd. and Casemate Academic, who also arrange book production and retain a share of the net proceeds of sales. The trustees make publishing decisions with advice from Oxbow Books Ltd.

The trustees meet annually to review progress with publishing projects, consider proposals for new or reprinted publications, approve proposed scholarship awards and consider the annual report and financial statements.

The policy for reserves is to contain costs so as to leave a surplus from recurring income. This surplus is then applied in furthering the objectives at a level that will enable charitable support to be provided for those publishing projects that are judged to be worthwhile. The unrestricted reserve has built to be over £303,000 over the 119 year life of the charity; this is substantial but the trust relies on the income earned on its investment in Charity Authorised Investment Funds. Grants for scholarship are awarded annually, assuming applications of sufficient merit are received.

## REPORT OF THE TRUSTEES

### Year ended 31 December 2021

The investment policy of the Trustees is to invest in a spread of unit trusts, being usually Charity Authorised Investment Funds for charity investment, with the objective of earning an increasing income while maintaining the value of investments in real terms, after adjusting for inflation.

The trustees identify and review major risks to which the charity might be exposed and endeavour to manage the risks.

#### RESULT FOR THE YEAR

The total investment income for the year was £13614 (2020 - £12,194, 2019 £14,497). Although this is an 11.6% improvement on the previous year it is still below the pre-pandemic level. The proceeds of book sales increased by £2,823 to £11,350 (2020 - £8,527; 2019 - £9,790) net of commission. Electronic book sales income saw an increase of £417 to £2,018 (2020 - £1,601, 2019 - £1,670) net of commission; Both the printed, as well as the Electronic book sales showed increases of 15.9% and 24.9% respectively on pre-pandemic sales.

The trust awards annual scholarships. There were two Centenary Scholarship of £2,000 each and one A H Morton Scholarship of £3,000. The first instalment of £1,000 each for the Centenary and the £1,500 for the Morton Scholarship was paid in the year.

Administration and governance costs increased by £557 to £4,979 (2020 - £4,422, 2019 - £5,388). However, it was still less than the costs in 2019 due to the pandemic, when no physical meetings were possible. The result was a surplus for the year of £7,114 (2020 - £7,355, 2019 £6,614) in the unrestricted income and expenditure account and a surplus of £1,804 in the restricted scholarship fund (2020 - £2,447, 2019 - £418) as shown by the Statement of Financial Activities.

#### INVESTMENTS

The market value of investments held throughout the year increased by £41,531 (2019 - a decrease of £20,190) as the majority of the funds are invested in UK equities and are focused on providing regular income. UK Equities appreciated by 18.7% in 2021, whilst Global Equities appreciated by 19.63%. This was a significant improvement for UK Equities compared to 2020 when they declined by 11.8% whereas Global Equities appreciated by 12.7%. The Charities Property Fund investment saw an increase of 3.1% in the year (declined by 1% in 2020). The total portfolio as at 31<sup>st</sup> December 2021 was worth approximately £427,000 (2020 - £386,000, 2019 - £406,000), invested wholly in units in equity trusts designed for charity investment. This was an increase of 5% on pre-pandemic levels.

The income on investments for the year was:

	2021	2020
Dividends	£13,614	£12,169
(Decrease) or Increase on previous year	£1,341	(£2,273)
Return on year end valuation	3.2%	3.2%

Despite the increase in the Dividend income on previous year, the Return on year end valuation is the same as a result of the significant increase in the market value of investments at the end of the year. The investments are shown in detail in note 5 on page 12. The investments are held in the incorporated name of The Trustees of the Charity in Memory of E J W Gibb.

#### STOCK OF BOOKS

The method of valuation of the books, held as stock for sale, assumes that quantities of books (produced several years ago) that exceed the sales for the last three years of the particular book, may not be sold and should have no value in the accounts. Stocks are held by the trust's distributors both in England and in the USA.

#### FUNDS AVAILABLE

**REPORT OF THE TRUSTEES**  
**Year ended 31 December 2021**

The income fund at 31 December 2021 stood at £303,000 (2020 - £270,000, 2019 - £283,000) including the unrealised surplus on its investments of £107,000 (notes 1 and 5), which could be spent on the purposes of the trust. However, if the whole of this were to be spent on publications and scholarships the investment backing of the trust would only be £46,000, being the balance on the endowment fund. The scholarship fund in memory of Alexander (Sandy) Morton is held in a restricted fund worth £130,000 at the year end.

**BOOK PRODUCTION COSTS**

The costs of books or work thereon, included in the charge of £8,793 in the statement of financial activities account on page 7 and as work in progress, were:

	Cumulative £	2021 £	2020 £
Fada'il-i Balkh	8,485		7,005
The Portrait of Abul Qasim al-Baghdadi	6,971	6,971	
Print on demand reprints		1,604	867
ISBNs		218	369
Ebook Conversions		-	-
Total book production costs in year		8,793	8,241

**BOOK STOCK MOVEMENTS**

The movements for the year 2021 are shown on pages 13 and 14, which are not part of the formal accounts. The following totals are noteworthy; numbers are for volumes rather than for sets of volumes:

	2017	2018	2019	2020	2021
<b>Books produced</b>					
Reprints	354	422	381	170	240
New productions	290	216	-	200	252
<b>Sales</b>					
The Mathnawī of Jalal'uddin Rumi English translation (3 volumes)	477	272	256	106	54
Averroes - on the Harmony	107	133	60	89	106
Averroes - Tahafut Al-Tahafut	102	80	65	120	121
Other volumes	460	859	610	476	516
	1,146	1,094	991	791	797
<b>Disposals</b>					
Scrapped and damaged	18	950	64	69	7
<b>Stocks remaining at 31 December</b>	5,360	3,900	3,420	3,206	3,324

**REPORT OF THE TRUSTEES**  
**Year ended 31 December 2021**

**ADVISERS AND SERVICE PROVIDERS**

**Publishing Advisers and book distributors**

Oxbow Books Ltd  
trading as Casemate UK  
The Old Music Hall  
106 Cowley Road  
Oxford OX4 1JE

Casemate Publishers and Book Distributors, L.L.C.  
trading as Casemate Academic  
1950 Lawrence Road,  
Havertown, PA 19083  
USA

**Independent Examiner**

Stuart Berriman FCCA FCA  
7 Quay Court,  
Colliers Lane,  
Stow-cum-Quay,  
CB25 9AU

**Bankers**

CAF Bank Ltd  
King's Hill  
West Malling  
Kent ME19 4TA

**Web site address**

<http://www.gibbtrust.org>

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its results for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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, which disclose with reasonable accuracy at any time the financial position of the charity. 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.

*Z Hassan*

Secretary to the Trustees

79 Fairview Crescent  
Rayners Lane  
Harrow  
Middlesex  
HA2 9UB

Principal office  
29<sup>th</sup> September 2022

## **Independent Examiner's Report to the Trustees of the EJW Gibb Memorial Trust**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 7 to 11.

### **Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: Stuart Berriman FCA FCCA

Independent Examiner

Chater Allan LLP

Beech House

4A Newmarket Road

Cambridge, CB5 8DT

11<sup>th</sup> October 2022

# STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2021

	Year to 31st December 2021				Year to 31st December 2020			
	Unrestricted Fund £	Restricted Fund £	Endowment Fund £	Total 2021 £	Unrestricted Fund £	Restricted Fund £	Endowment Fund £	Total 2020 £
<b>Income from:</b>								
Charitable activities:								
Publication and sale of books	13,476	-		13,476	10,127	-		10,127
Investments	9,560	4,054		13,614	8,247	3,947		12,194
Total income	23,036	4,054	-	27,090	18,374	3,947	-	22,321
<b>Expenditure on:</b>								
Charitable activities:								
Book production	8,793			8,793	8,241			8,241
Scholarships	2,750	2,250		5,000	2,250	1,500		3,750
Other costs	4,429			4,429	528			528
Total cost of charitable activities	15,972	2,250	-	18,172	11,020	1,500	-	12,520
	7,064	1,804	-	8,868	7,355	2,447	-	9,801
<b>Gains (losses) on investment assets:</b>								
Realised				-				-
Unrealised	26,741	10,222	4,568	41,531	(19,183)	2,493	(3,500)	(20,190)
<b>Net income</b>	33,804	12,026	4,568	50,398	(11,829)	4,940	(3,500)	(10,389)
<b>Reconciliation of funds</b>								
Total funds brought forward	270,709	117,983	41,501	430,193	282,538	113,043	45,001	440,582
Total funds carried forward	304,514	130,009	46,069	480,591	270,710	117,983	41,501	430,193

The restricted fund was established in 2015 to provide for an annual scholarship, in memory of Alexander (Sandy) Morton, for doctoral research in the area of classical Persian Studies.



**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2021**

**STATEMENT OF CASH FLOWS**  
**Year ended 31 December 2021**

	Note	Total 2021 £	Total 2020 £
<b>RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net income		50,398	(10,389)
<i>Adjustments for:</i>			
Losses (Gains) on investment assets		(41,531)	20,190
Dividends and interest from investments		(13,614)	(12,194)
(Increase) Decrease in stocks		(1,448)	(4,722)
(Increase) Decrease in debtors		(1,178)	(583)
(Decrease) or Increase in creditors		4,471	(1,744)
Net cash (used in) provided by operating activities		<u>(2,901)</u>	<u>(9,442)</u>

**STATEMENT OF CASH FLOWS**

Net cash (used in) provided by operating activities, as above	(2,901)	(9,442)
<i>Cash flows from investing activities:</i>		
Dividends and interest from investments	13,614	12,194
Sale or (Purchase) of investments	-	-
	<u>10,713</u>	<u>2,752</u>
Bank and deposit balances at start of year	27,541	24,790
Bank and deposit balances at end of year	<u>38,254</u>	<u>27,542</u>


**NOTES TO THE ACCOUNTS**  
Year ended 31 December 2021

**BALANCE SHEET**  
31 December 2021

	Note	2021	2020
		£	£
<b>INVESTMENTS</b>			
Capital fund	1	45,828	41,260
Morton Scholarship fund	1	128,057	117,835
Income fund	1	253,867	227,126
	5	<u>427,752</u>	<u>386,221</u>
<b>CURRENT ASSETS</b>			
Stock of books	3	17,398	15,955
Bank balance	2	26,754	16,041
COIF Charity Funds deposit	2	11,500	11,500
Debtors		5,686	4,508
Prepayments and accrued income		101	96
		<u>61,438</u>	<u>48,100</u>
<b>Less CURRENT LIABILITIES</b>			
falling due within one year			
Creditors		4,741	115
Accruals		3,858	4,013
		<u>8,599</u>	<u>4,128</u>
<b>NET CURRENT ASSETS</b>		<b>52,839</b>	<b>43,972</b>
<b>NET ASSETS</b>		<b><u>480,591</u></b>	<b><u>430,193</u></b>
<b>Capital fund - Endowment</b>		<b>46,069</b>	<b>41,501</b>
<b>Morton Scholarship fund - Restricted</b>		<b>130,009</b>	<b>117,983</b>
<b>Income fund - Unrestricted</b>		<b>304,514</b>	<b>270,710</b>
		<b><u>480,591</u></b>	<b><u>430,193</u></b>

Approved by the Board of Trustees on 29<sup>th</sup> Sep 2022

and signed on its behalf by

  
A C S

Trustee

Legal status

The E J W Gibb Memorial Trust

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Printed 29-Sep-22

## **NOTES TO THE ACCOUNTS**

### **Year ended 31 December 2021**

The EJW Gibb Memorial Trust was established in 1902 by Indenture and is registered with the Charity Commission under reference 228040 ACL and with the Inland Revenue under reference EW37208.

#### **Public benefit and basis of preparation**

The EJW Gibb Memorial Trust meets the definition of a public benefit entity under FRS 1020.

The financial statements have been prepared under the historical cost convention except for investments, which are included at market value, and in accordance with the Financial Reporting Standard (FRS 1020) applicable in the United Kingdom and the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS 1020 (2019).

#### **Going concern basis**

The Trustees consider that the going concern basis is appropriate as they consider the reserve levels and expected investment income to be sufficient to ensure that the Trustees can meet their financial obligations for the next 12 to 18 months and on that basis the Charity is a going concern.

#### **Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is entitled to them as income or capital, it is probable the income or capital will be received and the amount can be measured reliably.

#### **Expenditure**

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SoFA category.

#### **Income from investments**

Dividends are included according to the date upon which they are payable.

Interest on deposits for the accounting year includes interest accrued, which was received after the year end.

#### **Investment gains and losses**

Gains or losses on sales are recognised at the time of sale. Unrealised gains or losses on revaluation of the investments at the year-end are accounted for through the Statement of Financial Activities.

#### **Investments**

Unit trust holdings are included in the balance sheet at their bid price.

#### **Stocks of books**

The quantity of books held is reduced to the number estimated to be realisable, after making due allowance for obsolete and slow moving items. The reduced quantities are valued at cost of production. Production costs of pending publications are carried forward as work in progress at cost, provided the publication is likely to proceed.

#### **Rounding**

Some of the pages of these financial statements are generated by computer programs; consequently minor differences occur from rounding to whole pounds.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2021**

**1. INVESTMENTS**

	2021 £	2020 £
<b>Movement in the year</b>		
Market value at 1 <sup>st</sup> January	386,221	406,411
Net unrealised investment (deficits) or gains	41,531	(20,190)
Market value at 31 <sup>st</sup> December 2021	<u>427,752</u>	<u>386,221</u>

**Analysis of holdings at 31<sup>st</sup> December 2021**

	Total £	Capital fund £	Restricted fund £	Income fund £
Shares in open ended investment companies and unit trusts				
At market value	427,752	45,828	128,057	253,867
Original cost	<u>271,795</u>	<u>21,962</u>	<u>102,997</u>	<u>146,836</u>
Increase in value of investments, unrealised	<u>155,957</u>	<u>23,866</u>	<u>25,060</u>	<u>107,031</u>

Page 12 contains a full list of the investments.

**2. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	31 <sup>st</sup> December 2021			31 <sup>st</sup> December 2020		
	Unrestricted fund £	Restricted fund £	Endowment Fund £	Unrestricted Fund £	Restricted Fund £	Endowment Fund £
Investments	253,867	128,057	45,828	227,126	117,835	41,260
Bank balances and Deposit	36,061	1,952	241	27,152	148	241
Other current assets	<u>23,185</u>	<u>-</u>	<u>-</u>	<u>20,560</u>	<u>-</u>	<u>-</u>
	313,113	130,009	46,069	274,838	117,983	41,501
Less current liabilities	<u>8,549</u>	<u>-</u>	<u>-</u>	<u>4,128</u>	<u>-</u>	<u>-</u>
	<u>304,564</u>	<u>130,009</u>	<u>46,069</u>	<u>270,710</u>	<u>117,983</u>	<u>41,501</u>

**3. STOCK AND WORK IN PROGRESS**

	31 <sup>st</sup> December 2021 £	31 <sup>st</sup> December 2020 £
Stock of books	17,398	15,955
Work in progress	<u>-</u>	<u>-</u>

**4. REMUNERATION OF TRUSTEES**

Neither trustees nor any persons connected with them received remuneration.