



THE EVELYN TRUST

A COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2021**

Company no 166995
Charity no 232891

THE EVELYN TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2021

INDEX	PAGE
Chair's report	1 - 2
Charitable activities review and Report of the Trustees	3 - 13
Independent auditor's report	14 - 17
Statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 - 31

THE EVELYN TRUST

CHAIR'S REPORT

For the year ended 31 March 2021

The year to March 2021 marked an important milestone: the centenary of the foundation of The Evelyn Nursing Home, later to become the Evelyn Hospital. For obvious reasons, the celebrations had to wait. It was, to nobody's surprise, a challenging 12 months for the Evelyn Trust and the researchers and community workers it supports. What is surprising is how positive our recent journey has been.

Upbeat factors include a very high-quality selection of grant applications from Cambridgeshire based early-stage medical research and health and well-being projects; record contributions from third party donors; the new charity director quickly coming up to speed; and a healthy return on our investments. There were difficulties too. The Board was unable to meet face to face during the year. While online meetings are fine, it is hard to generate spontaneous debate on screen. Trustees look forward to meeting properly again soon. COVID-19 restrictions prevented us from carrying out reviews of grant outcomes from April to October. These are vitally important. We are catching up. As the COVID-19 experience got under way, we made some changes to the risk register, which like every risk register struggles to foresee the unforeseeable.

The Trust remains very much on course. Evidence of the demands on our funds and the compelling nature of the projects that come our way is that in the year to 31 March 2021, Trustees agreed to fund 35 grants totalling £1.33m as against 31 grants for £1.03m in 2020-2021. This is in line with our unchanged target of giving roughly £1m per year, with scope to vary in occasional years depending on merit and need. Within last year's total were two COVID-19 related medical research projects for £300,000 in all. The small grants programme for projects under £10,000 really seems to be meeting a need, chiefly in the health and well-being area, largely pandemic related. Small grants rose significantly from £113,000 to £202,000 year on year.

Net of write-backs reclaimed because the money was unspent, total grant giving comes to £1.19m, still a significant increase on 2019-2020. Since the sale of the Evelyn Hospital and the establishment of the foundation 18 years ago, the Trust has awarded 281 grants worth £19.2m before write-backs. As intended by the Trust's founders, we have made a significant positive impact on medical research and health and well-being in our area.

But how to measure that impact? Our volunteer grant outcomes assessors check on progress at the end of each project and again two years after completion. The Medical Grants Outcomes Review Panel (MORP) managed, despite COVID-19 restrictions, to assess eight completed projects last year, of which one was deemed outstanding, four were very good and three satisfactory. The health and well-being grant review team looked at three completed projects, of which one was outstanding and two very good.

Looking ahead to the coming year, the Trust can continue its level of support thanks to the generosity of donors and the performance of its own funds. For 2021-2022, by the end of August, Trustees had approved £1.37m of grants of which about 60 per cent will be for medical research and the balance for health and well-being.

Turning to the Trust's own funds, the portfolio's value rose by 21 per cent over the past year, more than making up for the previous year's 8.8 per cent decline. Total funds stood at £29.24m at the end of March, which represents a £4.70m surplus over the inflation adjusted value of the initial fund on a management accounting basis. While good to have, the Investment Committee takes the sensible view that surpluses can be ephemeral.

The financial gain for the year was £5.71m, as against a £2.35m loss in 2020. The gain included £559,000 of donations from Catherine Thomas, Adrian and Jane Frost, the Pemberton Family Trusts and the James Bradfield Memorial Trust. Thanks are due to our donors for their exceptional generosity. It is hugely appreciated.

There was a largely one-off rise in running costs last year, caused by a planned overlap for the incoming charity director Rebecca Wood with her predecessor Bill Pike. That was partly offset by savings in other areas, but nevertheless leading to a rise in running costs to 0.68 per cent of the inflation adjusted value of the fund, from 0.57 per cent in the previous year. Running costs remain well below the national charity average and should be held back over time by recent investment in an online grant management system, which should increase efficiencies.

At the AGM in November 2020, it was agreed to re-appoint existing office holders: Jeremy Newsum as Chair of the Investment Sub-Committee, Adrian Frost as Chair of the Audit Sub-Committee and Trevor Baglin as Chair of the

THE EVELYN TRUST

CHAIR'S REPORT

For the year ended 31 March 2021

Medical Grants Sub-Committee. The following were also re-elected to office: Will Dawkins as Chair of the Board and Chair of the Nominations Committee, Adrian Frost as Vice-Chair and Catherine Thomas as Chair of the Health and Wellbeing Grants Sub-Committee.

Thanks are due for the tireless work of the Medical Advisory Committee, chaired by Professor John Bradley, with Professors David Lomas, Patrick Maxwell and Lucy Raymond. Their clear and impartial advice is enjoyed and appreciated. Thanks are also due to the MORP, chaired by Professor Hill Gaston with Professors John Pickard and Juliet Compston. Their critical scrutiny ensures that the Trust's and donors' money brings a proper return.

The coming year will be a time of planned Board renewal. At the next AGM in October 2021, I will retire after 10 years as Chair, to be succeeded by Jeremy Newsum. I will remain on the board as a Trustee.

An Evelyn Trustee for the past five years, Jeremy brings a very valuable mixture of commercial board as well as charity experience. He is a former CEO of Grosvenor Group, the international property business, the Senior Independent Non-Executive Director of Wates Group, the construction, property services and development company, Chair of Cambridge Literary Festival and was the founder Chair at Cambridge Ahead, the business collaborative advising local and national government on the optimum conditions for the growth of Cambridge. He has been a member of the Council of Imperial College, London and for several years was a Church Commissioner, advising on the investments of the Church of England. He is a former Trustee of both the Westminster Foundation and LandAid, the property industry's charity for disadvantaged children and young people. His appointment is excellent news for the Trust.

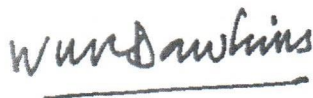
Bill Pike retires as a Trustee at the forthcoming AGM. Bill has served as Charity Director to the Trust for ten years, a period of much growth for the Trust, during which he has managed the Trust's day to day affairs with acumen and efficiency. His contribution and support has been much appreciated both by me, as Chair, and by the entire Board. Trustees welcomed Rebecca Wood to the role of Charity Director in January this year and thanks are due to both for a successful transition.

Julia Squier, who has been a Trustee for 23 years, will also be retiring at the AGM. She has been hugely generous with her common sense, trenchant advice and in many other ways. Julia has been a pleasure to work with and will be sadly missed.

Looking ahead, Catherine Thomas, who joined the trust nine years ago will be retiring in the coming year. She has been a superb chair of the Health and Wellbeing Sub-Committee, to which she brings a combination of good judgement, common sense and attention to detail.

A search is well under way for two Trustees to take office during 2021, with further Board renewal to come.

Delayed by COVID-19, the opportunity cannot be far away to celebrate the Trust's centenary and our Board changes with the many members of the Evelyn community. In the meantime, the Trustees look forward to continuing to support vital medical research and community health in Cambridgeshire for many years to come.



Will Dawkins
Chair

27 September 2021

THE EVELYN TRUST

CHARITABLE ACTIVITIES REVIEW

For the year ended 31 March 2021

I am honoured to be writing my first Charitable Activities Review of The Evelyn Trust's grant funding, as new Charity Director and Company Secretary, taking over from Bill Pike after his 10 successful years.

The Evelyn Trust's grant giving covers medical research and health in Cambridgeshire from the clinic to the community. This involves early-stage research and health and wellbeing projects, as well as significant capital programmes. During the year to 31 March 2021, 35 grants totalling just over £1.33m were awarded to successful applicants in Cambridgeshire.

Our Health and Wellbeing programme has a rolling small grants programme, with applications of between £4,000 and £10,000 reviewed quarterly. We agreed a budget increase from £113,000 to £202,000 to provide extra opportunity to local charities supporting our community. We awarded a record 24 small grants at a time when they were "never more needed", in the words of a campaign by a coalition of charitable leadership and policy organisations.

Our larger grants are usually awarded in an annual application programme, reviewed and recommended to the Board by the medical grants and health and wellbeing grants committees. The decision making on our medical grants is further supported by advice from our Medical Advisory Committee, an independent body of senior experts. All grants are carefully managed to ensure that they have a high probability of achieving the intended outcomes. Funds are disbursed over the period of the grant, often several years, which is why we have significant balances of unpaid grants. The Evelyn Trust has low support costs. Services are provided by a small team. We have put in some extra resource this year to cover the costs of running the Charity Director handover period, but with other savings, our administrative and governance costs remained low – 0.68% of the inflation adjusted value of the fund and on budget.

After a careful review of processes, the Trustees have agreed that we should invest in and implement an online grant management system, given the ever-increasing numbers of grants with our extending history of grant-giving, and to make it easier for applicants to store and send information. COVID-19 has increased our awareness of how very useful online systems can be.

At the end of the financial year 2020/21, 88 grants were open with a total value of £5.8 million and with amounts still to be claimed of £3.0 million. An overview of the work of the Trust during 2020/21 follows, including those projects completed during that time and the impact made by them. There is also a summary of grant decisions made for this new financial year, 2021/22.

The Impact of COVID-19

The home-based nature of The Evelyn Trust's office meant that management and day to day operations were not significantly impacted by COVID-19. For grant administration and governance, we made the move to online meetings with applicants, grant-holders and our committees. There was careful follow up of all our grants to understand the impact on project delivery. During the early phases of lockdown, many research projects stalled as the University of Cambridge and other research facilities were closed, and a number of clinical researchers returned to front line NHS roles. Research facilities were only gradually re-opened from June onwards and there were knock-on impacts on the practicalities of research, including reduced lab occupancies, delayed ethics approvals and problems with getting signatures on grants. Community charities had to determine whether they could continue service delivery using an online / socially distanced model, reduce services, or in some cases postpone projects. The Evelyn Trust approach was to be flexible and supportive throughout. The financial impact of COVID-19 on our existing grants has been a slowdown in grant payments for projects that have been delayed. Almost all our grants have terms which restrict payment if funded activity slows or deadlines are deferred.

THE EVELYN TRUST

CHARITABLE ACTIVITIES REVIEW

For the year ended 31 March 2021

Our response to the COVID-19 pandemic included a rapid turnaround, emergency funding round. This consisted of three strands:

- Small, targeted funding offered to eight local charities in awards of £5,000 each to allow them to adapt delivery models so they could continue to help their beneficiaries
- An award to Addenbrooke's Charitable Trust of £40,000 towards a Psychological Support Service for Staff at Addenbrooke's Hospital, "Doctors for Doctors". The ongoing need for support coming out of the pandemic has been shown by this successful and oversubscribed service being taken on by the NHS.
- A call for research applications that were targeting the COVID-19 threat but not in the major international areas of vaccine development, etc. With the extra support of The Pemberton Family Trusts, two projects at University of Cambridge shared an award of £300,000, with Professor Ken Smith's project making national headlines after identifying differences in immune responses and how they relate to the severity of people's symptoms.

The first two strands were awarded at the end of financial year 2019/20 (i.e. by 31 March 2020) and all payments made by 31 March 2021; the third strand was awarded in April 2020 and will complete in September 2021.

Medical Research Grants

We have a preference to support medical research that is at the proof-of-concept stage or studies that could lead to new clinical practice. Often, we will support early-stage researchers who are not yet able to obtain grant support from major research funding bodies such as the Medical Research Council, National Institute for Health Research or other funding charities. We consistently receive feedback that The Evelyn Trust plays a vital role in this. Our Medical Advisory Committee's guidance is pivotal to the decision making of our Board, alongside our medical Trustees.

For 2020/21, we received 50 medical research outline applications amounting to nearly £7m. Of these, we approved six for funding, with a total value of £544k. As mentioned above, we also set up a separate fund for COVID-19-related research. We received 10 applications worth approximately £1.5m, and funded two COVID grants for a total of £300k. In addition, we received a donation to fund a project on childhood epilepsy, which was awarded in the sum of £210k. In total, we have agreed nine medical research grants for 2020/21 with a value of £1,054k. Details of projects supported are given in note 5 to the accounts.

The projects we funded included research into obesity-related liver disease; improving the diagnosis of dementia using deuterium metabolic imaging; improved sound processing for adults with cochlear implants; understanding autoimmunity; and work on simple treatments to improve blood vessel health in chronic obstructive pulmonary disease (COPD).

In 2021/22, we received 31 outline medical research applications worth £3.4m, of which 16 were invited to submit detailed proposals. Of these, nine projects worth £651k were approved by the Board at its meeting in May 2021. The project applications submitted to us were across a very wide range of research and of excellent quality. Trustees were faced with difficult choices from a strong field.

With a very generous donation from the James Bradfield Memorial Fund, we were able to make a special call for projects whose aim was to improve treatment for childhood epilepsy. With the agreement of the Fund, we selected an innovative project - known as EAGLET - led by Dr Ronit Pressler, which will develop EEG techniques for the diagnosis of neonatal seizures and epilepsy. The James Bradfield Memorial Fund is donating the £210k of restricted funding needed for the project, which will be managed by The Evelyn Trust. £146k of these funds were received in 20/21, with the remainder expected over the next two years. As part of this special call, another excellent project on childhood epilepsy was transferred to our main grants programme in 2021/22 and is also being funded directly by The Evelyn Trust.

The Evelyn Trust normally agrees to fund a Research Training Fellowship (RTF) every year; given the pandemic, the RTF scheme was suspended for 2020/21, and the Trustees agreed instead to fund two RTFs in

THE EVELYN TRUST

CHARITABLE ACTIVITIES REVIEW

For the year ended 31 March 2021

2021/22. This is a vitally important way of supporting clinician scientists at a very early stage in their research careers and helps to ensure that research results reach the clinic.

Another fellowship is in memory of the late Sir Patrick Sissons, former Regius Professor of Physic, was Chair of the Medical Advisory Committee for The Evelyn Trust for some years. As the Sir Patrick Sissons Evelyn Doctoral Fellowship completes this year, we have agreed with Darwin College to share funding for a further award in Sir Patrick's name, the Sir Patrick Sissons Evelyn Trust Darwin College PhD studentship in medicine. The award will be advertised this autumn, with funding projected to begin in 2022/23.

In summary, we believe that our carefully chosen projects increase the pool of medical knowledge and help to make the Cambridge Biomedical Campus one of the most productive in the world in terms of discovery and development.

Health and Wellbeing Programme

We provide grants for health and wellbeing projects across Cambridgeshire, including the Fens and Peterborough, and it has been pleasing to expand our giving to some charities new to The Evelyn Trust over the last year.

Our grant programme has two strands: applications for larger projects annually and our quarterly small grants fund. In Cambridgeshire, we are one of the few local funders which will consider grants for larger scale projects above £10,000, and which are often much larger. We like to support development and change projects but will also help to protect existing services where we are able.

For 2020/21, for the Health and Wellbeing programme we received 15 major applications for the Large Grants Programme worth a total of £1.25m. Of these, we funded two for a total of £77,000. Our Large Grants went to 20Twenty Productions for their programme to increase confidence and social mobility in children, and Cambridge Ethnic Community Forum for an arts programme to improve mental health in women. These projects had to adjust to online conditions but are continuing successfully to help their communities. In addition, we made a special award from our Small Grants budget to establish "living well" groups for those with arthritis in the region. This application was initially made to our Large Grants; however, to ensure a rapid response, we transferred it to the Small Grants programme.

In our Small Grants programme, we funded nine COVID-19 Health & Wellbeing emergency grants. We relaxed our conditions against funding "business as usual" to allow charity services to keep going. Consequently, we received a total of 35 Small Grant applications, totalling £334k. Of these we approved 24, allocating funding of £202k.

We were also able to allocate £19k of our funds restricted in 2018/19 to mental health projects, with funding awarded to Little Miracles and Cambridge Acorn, supporting families with their mental health.

For the current year (2021/22), by the end of August we had agreed to support 5 grants totalling £300k through our Large Health and Wellbeing grants programme, as well as beginning to agree Small Grants from our budget of £100,000 for this new financial year. The large awards have almost all had strong links to mental health, including two projects to help the mental health of those in our homeless community; a counselling project for children and young people in Fenland; and a counselling service for adult carers. We have, in addition, funded a project to develop patient education standards in the seriously disabling condition of myelopathy.

Capital Projects

As well as our grants to Medical Research and to Health and Wellbeing projects, we are also approached to fund major capital projects. Accounting rules require us to book these grants when they are committed, and we usually spread the funding payments over years in order to maintain our regular grant giving capacity.

THE EVELYN TRUST

CHARITABLE ACTIVITIES REVIEW

For the year ended 31 March 2021

We completed our funding of £750,000 for The Evelyn Surgical Training Centre at the end of March 2021. This means that current major capital projects which are open in our accounts and being paid over time are as follows:

- ACRC - Evelyn Research Endoscopy Suite (paid until 2024/25): £400,000 still payable of the £1,000,000 committed
- New Magpas Training Facility (paid from when development begins): £500,000 committed

Following an application in November 2020, we formally agreed in May 2021 to donate £250,000 to the planned Maggie's centre on the Addenbrooke's site, subject to planning permission and the proviso that work begins in 2023 as forecast. We expect funding to be spent in the 2022/23 and 23/24 financial years.

Alongside these major capital projects, two of our Small Health and Wellbeing Projects were for capital items – £5,900 equipment for Brampton's Village Hub and £10,000 support towards a minibus for FACET – Fenland Area Community Enterprise Trust.

Evaluating the Impact of our Giving

An important feature of our continued successful grant programme is that all our projects are subjected to an end of grant evaluation process. For medical research grants, this includes an external review and assessment of the project, particularly whether the results were accepted for publication in notable journals or whether further grant funding was received. It should be noted that by its very nature medical research can lead to a negative or a positive result – both of which are scientifically -useful - particularly at the early stages.

Eight completed medical research projects were reviewed in 2020/21 under the Medical Grants Outcomes Review Panel's scoring system. Given COVID-19 restrictions, this is a lower number than usual. Of these, one was rated outstanding, four were rated very good, and three as satisfactory. There were two reviews under our programme of follow up two years after projects have completed: one outstanding and one very good. These reviews show that our funding is delivering significant benefits.

Three health and wellbeing projects were reviewed at the end of the grant period and were evaluated against the objectives of the original project. Sometimes specific targets are set. For other projects (especially mental health), individual outcomes matter. Under the scoring system, one project was rated outstanding and two as very good, which is pleasing. There was also follow up after two years on one of our projects, which was rated very good. Our small grants are reviewed through simple reports to the Charity Director, who monitors the projects, as it is not considered practical for us to evaluate each one in a similar way to the larger projects.

Future capacity for Evelyn Trust giving

In 2020/21 our income includes donations of £559k, thanks to the continuing generosity of Adrian and Jane Frost, together with Catherine Thomas, The Pemberton Family Trusts and the James Bradfield Memorial Trust, with additional contributions from the gift aid we have been able to claim on some of these donations. In the current financial year we are delighted to anticipate funding from donations of around £314k through the kindness of our benefactors.

Looking forwards

The COVID-19 pandemic continues to produce uncertainties. Small local charities struggle to deliver their services, or even just survive. Scientists have faced restrictions on working in labs, and clinical scientists have been withdrawn from research to return to the wards. What is certain is that demand for grant funding will continue to increase. Pandemic-induced volatility in the markets produces a risk for our investments. The Evelyn Trust continues to review the risks but is encouraged that the year end value of our investments rose by

THE EVELYN TRUST

CHARITABLE ACTIVITIES REVIEW

For the year ended 31 March 2021

21% over the year. Given our surplus over the inflation adjusted fund and our reserves policy, we are confident we can maintain our grant-giving at our normal rate for the foreseeable future.

In this year of our centenary, we will look for special projects related to the current and future health of Cambridgeshire as a celebration of this milestone. We have taken £1m out of our investments to protect value while we consider which projects to fund. The celebration event itself has been put off until November 2022, in the hope that we will be able to see everyone face to face - something we very much look forward to.

A handwritten signature in black ink, appearing to read 'Rebecca Wood', with a large, stylized initial 'R' and 'W'.

Rebecca Wood
Charity Director

27 September 2021

THE EVELYN TRUST

REPORT OF THE TRUSTEES

For the year ended 31 March 2021

The Trustees (who are Directors for Companies Act purposes) present their report together with the financial statements of The Evelyn Trust for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared on the basis of the accounting policies set out on pages 21 to 23 of the financial statements and comply with current statutory requirements, the Memorandum and Articles of Association of the Trust and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition - October 2019). Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities for the public benefit

The principal aims of the charity are the relief of sickness and the preservation and protection of health for the public benefit and the promotion of medical research and medical education, particularly in Cambridge and the surrounding area. The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The Trust's charitable activities are usually in the form of grants for capital projects, for clinical research projects and fellowships and for staff and teams engaged in specific innovative programmes to provide health/wellbeing support to the public. Grants are distributed at the Trustees' discretion to selected registered charities and institutions and any private or personal benefit accruing to such bodies or their staff is purely incidental. All applications are assessed objectively and fairly and the Trust also uses external advisers including its Medical Advisory Committee to inform the Board of Trustees as to the suitability of a medical application. When selecting successful applications Trustees consider the benefits which should accrue weighed against any identified criteria that might cause detriment or harm. Such benefits are open to all, the ultimate beneficiaries of the Trust's activities being those whose sickness is relieved and health/wellbeing preserved and protected.

The activities undertaken to achieve the Trust's aims are discussed in more detail in the Chair's Report and Charitable Activities Review on pages 1 to 7 of the financial statements.

Review of achievements, performance for the year and future plans

The Trust is a grant making charity and has awarded 35 grants during the year, totalling £1,333,329, for medical research, treatment and health/wellbeing. Set against this £148,191 has been written back in respect of grants awarded in previous years but not fully taken up. Grant expenditure is set out in more detail in note 5 to the financial statements.

Investment income and donations during the year to 31 March 2021 totalled £1,022,566 and gains on investments were £6,185,029 for the year.

These matters together with a review of future plans are discussed further in the Chair's Report and Charitable Activities Review.

Financial review

The results for the year ended 31 March 2021 are set out on page 18 of the financial statements.

Investments returned an overall gain for the year of £6,649,063 (2020: loss of £1,338,123) and are comprised of: investment income of £464,034 (2020: £710,133) and gains on investments of £6,185,029 (2020: losses of

THE EVELYN TRUST

REPORT OF THE TRUSTEES

For the year ended 31 March 2021

£2,048,256). During the year there were new grants awarded of £1,333,329 and £148,191 was written back in respect of grants awarded in previous years which resulted in net charitable grants of £1,185,138 (2020: grants awarded were £1,034,608, write backs were £52,429 resulting in net charitable grants of £982,179).

The surplus carried forward to reserves for the year ended 31 March 2021 amounted to £5,709,164 compared with a deficit of £2,350,367 in the previous year. At 31 March 2021 The Trust had total funds of £29,237,865 comprised of unrestricted income funds of £29,298,202 and deficit restricted funds of £60,337. Donors have committed to make donations in future years which are expected to cover the shortfall held in this restricted fund at 31 March 2021 (see note 12 of the financial statements). At 31 March 2021 funds in excess of the initial value of the fund adjusted for the effects of inflation amounted to £4,701,566 (2020: funds were £828,173 below the initial value). The Trustees consider that the Trust's assets and funds are available and adequate to fulfil its obligations.

The principal risks faced by the Trust and the management of those risks are discussed further below under 'Structure, Governance and Management' and in the Chair's Report and Charitable Activities Review.

Reserves policy

The Trustees have reviewed the Trust's needs for reserves in line with the guidance issued by the Charity Commission. At 31 March 2021 the Trust has total funds of £29,237,865. The Trustees seek, in the longer term, to maintain the initial value of the fund (see note 15 of the financial statements) in real terms and believe that reserves at the current level are appropriate to ensure the Trust can run effectively and meet the needs of the current and future beneficiaries. In consultation with the Investment Committee, the Grants Committee and the Audit Committee, the Trustees regularly monitor and review the reserves policy together with the part of the unrestricted income fund that is freely available to spend on the Trust's charitable purposes.

Investment policy and objective

Trustees' powers of investment are governed by the Trustee Act 2000. The charity has funds invested through discretionary agreements with two Investment Managers, Schroder & Co. Limited and Ruffer LLP. These funds are invested with a medium level of risk within a well diversified portfolio and the assets are to be managed for total return.

The Trust's ethical investment policy states that The Trust will not invest directly in a company that generates more than 10% of its total revenue from tobacco, alcohol or gambling; nor will it invest in a managed fund that holds more than 10% of its portfolio in such companies. In addition, the Trustees ask that the investment managers monitor the underlying exposure to such companies to ensure that, in normal circumstance, this exposure does not exceed 3% of the Trust's total portfolio.

The Trust delegates the management of the investment portfolio to its investment managers. The Trustees' current investment objective has been to generate an average annualised real return of 3.0% above the UK Consumer Price Index (CPI), over the longer term, after management fees and expenses.

Grant Making policy

The amount to be applied to grants each year is determined by reference to both the investment funds' performance and the wish to recognise the reserves policy objective of maintaining the initial value of reserves in real terms. This support is usually in the form of grants for capital projects, for clinical research projects and fellowships and for staff and teams engaged in specific innovative programmes to provide health/wellbeing support to the public, as set out in our Objectives above.

THE EVELYN TRUST

REPORT OF THE TRUSTEES

For the year ended 31 March 2021

Reference and administrative details

Charity name:	The Evelyn Trust
Company Registration Number:	166995
Charity Registration Number:	232891
Registered Office:	Shakespeare House, 42 Newmarket Road, Cambridge, CB5 8EP
Principal address:	PO Box 223, Saffron Walden, Essex, CB10 9BP

Directors and Trustees

For the purpose of company law the Trustees are the Directors of the Company. The Trustees and officers serving during the year and since the year end were as follows:

Mr W M R Dawkins (Chair)	
Ms A E Agnew	
Dr T P Baglin	
Dr R C Fitzgerald	
Mr A C Frost (Vice Chair)	
Mr J H M Newsum	(re-elected 29 October 2020)
Mr J W Pemberton	
Mr W Pike	(re-elected 29 October 2020)
Mrs J E O Squier	(re-elected 29 October 2020)
Mrs C P Thomas	

Company Secretary:	Mr W Pike (resigned 29 January 2021); Mrs R A Wood (appointed 29 January 2021)
Charity Director:	Mr W Pike (retired 31 January 2021); Mrs R A Wood (appointed 1 February 2021)

All Trustees served throughout the year. Ms A E Agnew, Mr T P Baglin and Mr J W Pemberton retire by rotation at the next Annual General Meeting and being eligible offer themselves for re-election.

<i>President</i>	Mr M H J Agnew
------------------	----------------

Advisers

Bankers:	Barclays Bank Plc, PO Box 885, Mortlock House, Vision Park, Histon Cambridge, CB4 9DE
Solicitors:	Hewitsons, 42 Newmarket Road, Cambridge, CB5 8EP
Investment Managers:	Schroder & Co. Limited, 31 Gresham Street, London, EC2V 7QA Ruffer LLP, 80 Victoria Street, London, SW1E 5JL
Auditors:	Peters Elworthy & Moore, Registered Auditors, Chartered Accountants, Salisbury House, Station Road, Cambridge CB1 2LA

THE EVELYN TRUST

REPORT OF THE TRUSTEES

For the year ended 31 March 2021

Structure, Governance and Management

Constitution

The Evelyn Trust is a registered charity, Charity Registration No 232891, established in 1920. The charity is constituted as a company limited by guarantee and is a public benefit entity. In the event of the charitable limited company being wound up during the period of membership or within the year following, company members are required to contribute an amount not exceeding £1.

Board of Trustees

The Articles of Association stipulate that unless otherwise determined at a General Meeting the number of members of the Board of Trustees shall not be less than four nor more than twelve.

The Trust has introduced formal Board of Trustee effectiveness reviews and the requirements of the Trust in terms of the time and skills required of the Trustees is regularly reviewed by the Nominations Committee and the Board. If new Trustees are to be appointed candidates are widely sought and invited to interview by Trustees. If successful they are asked to join a meeting of the Board as a prospective Trustee to help them more fully understand the workings of the Trust, after which a formal invitation is made to join the Board as a Trustee.

The Trust has a formal induction process for new Trustees and all Trustees are encouraged to attend appropriate external training courses to keep their skills up to date.

Committees and key management personnel

The activities of the Trust are supported by a committee structure which is headed up by the Board of Trustees to which the following five sub-committees report: The Medical Research Grants Sub-Committee (chaired by Mr T P Baglin), The Health and Wellbeing Grants Sub-Committee (chaired by Mrs C P Thomas), The Investment Sub-Committee (chaired by Mr J H M Newsum), The Audit Sub-Committee (chaired by Mr A C Frost) and The Nominations Committee (chaired by Mr W M R Dawkins). The Medical Advisory Committee is a committee of medical specialists, none of whom are Trustees, which advises the Medical Research Grants Sub-Committee.

The Board of Trustees delegate the day-to-day management of the charity to the Charity Director. During the year Mr W Pike served as Charity Director until his retirement from the role on 31 January 2021. Mrs R A Wood was appointed Charity Director Designate on 1 July 2020 and then Charity Director on 1 February 2021. Fees paid for the services of Mr Pike as Charity Director were paid to The Gimach Partnership. Fees paid to Mrs Wood for her services as Charity Director Designate and now Charity Director are paid to Wood Professional Services and Support Ltd (see note 4 of the financial statements). The remuneration is set by the Board of Trustees.

Risk management

The Trustees are responsible for the management of the risks faced by the Charity. Trustees have examined the major business and operational risks which the charity faces and confirm that systems have been established to manage those risks which include a review at Board meetings.

The principal risks faced by the Trust lie in the performance of investments, operational risks from ineffective grant making and governance risks associated with the capacity of the Trust to secure its longer term future.

THE EVELYN TRUST

REPORT OF THE TRUSTEES

For the year ended 31 March 2021

The charity uses various financial instruments the main purpose of which is to generate funds for charitable purposes. The main risks arising from the charity's financial instruments are market risk, credit risk, liquidity risk and the risk of capital impairment. The Trustees review and agree policies for managing each of these risks which are summarised below.

The charity holds investments which are subject to market and capital impairment risks. An Investment Policy is in place (see page 9) and The Trust uses the services of Investment Managers with whom the Investment Committee and Board of Trustees meet regularly. The Trustees believe that their return objectives are achievable but demanding, particularly in current market circumstances. They acknowledge that the portfolio will be invested in assets and strategies whose values will fluctuate. Risk is considered in the context of the overall portfolio. The Trustees ask that the portfolio should be suitably diversified so as to give reasonable assurance that the investment objectives are achieved over the medium term. The Trustees' perspective is long term and they have a reasonable tolerance of short term volatility. As part of the more detailed risk management of the Trust's investments, the Investment Committee provide risk parameters to the Investment Managers covering asset allocation, eligible assets, currency, limitations on asset classes, liquidity risk, credit risk and the maturity, duration and concentration of investments.

Recognising the return objectives and time horizons, it is accepted that the portfolio may be invested in certain assets and strategies whose value cannot be readily realised. However, risk parameters are adopted to limit the extent of liquidity risk with an objective that at least 75% of the portfolio should be held in assets that can be realised, in normal market conditions, within 10 business days; and all the portfolio, with the exception of structured products, should be held in assets that can normally be expected to be realised within twelve months unless otherwise agreed. The charity seeks to manage liquidity risk by having sufficient facilities available to meet up to six months of anticipated grant payments and running costs.

In respect of credit risk management the charity's risk parameters require that investments in debt instruments, including debt funds, should generally be made in instruments or securities of issuers with a credit rating of at least investment grade.

The Trust carries out regular Board of Trustee effectiveness reviews and the Nominations Committee regularly reviews the time and skills required of the Trustees. The Trust carries out end of grant reviews and uses external advisers including its Medical Advisory Committee which advises as to the suitability of medical grant applications. Strategy Review meetings are held periodically contributing to mitigation of longer term governance risks.

Impact of COVID-19 control measures

The impact of COVID-19 control measures on the activities, investment performance and future plans of the Trust have been discussed in both the Chair's Report and the Charitable Activities Review on pages 1-7 of the financial statements. Trustees recognise the inherent uncertainties in making predictions about the impact of COVID-19 on the economy, asset prices generally and the extent and duration of social distancing measures. The most significant areas of judgement and uncertainty affecting items in these financial statements are set out in note 1a) on page 21 together with a note on the trust's ability to continue as a going concern (1 b) on page 21).

Trustees' responsibilities for the financial statements

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

THE EVELYN TRUST

REPORT OF THE TRUSTEES

For the year ended 31 March 2021

Company and charity law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice;
- 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;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

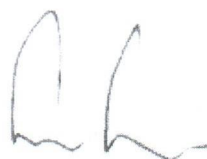
So far as each of the Trustees is aware at the time the report is approved:

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

Auditors

Peters Elworthy & Moore offer themselves for reappointment as auditors of the company and a resolution proposing their reappointment will be put to the Annual General Meeting.

THE TRUSTEES' REPORT PAGES 3 TO 13 FOR AND ON BEHALF OF THE BOARD OF TRUSTEES



Adrian Frost
Vice Chair

27 September 2021

THE EVELYN TRUST

INDEPENDENT AUDITOR'S REPORT

For the year ended 31 March 2021

Opinion

We have audited the financial statements of The Evelyn Trust (the 'Trust') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If,

THE EVELYN TRUST

INDEPENDENT AUDITOR'S REPORT

For the year ended 31 March 2021

based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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

THE EVELYN TRUST

INDEPENDENT AUDITOR'S REPORT

For the year ended 31 March 2021

and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

THE EVELYN TRUST

INDEPENDENT AUDITOR'S REPORT

For the year ended 31 March 2021

Use of our report

This report is made solely to the Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Trust's members those matters we are required to state to them in an Auditors' 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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jayne Rowe (Senior Statutory Auditor)

for and on behalf of
PETERS ELWORTHY & MOORE
Statutory Auditor

Salisbury House, Station Road, Cambridge, CB1 2LA

3. October 2021

THE EVELYN TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total restricted and unrestricted funds 2020 £
Income:					
Investment income	3	464,034	-	464,034	710,133
Donations	12	412,515	146,017	558,532	312,520
Total income		876,549	146,017	1,022,566	1,022,653
Expenditure:					
Raising funds					
Investment management costs		(105,810)	-	(105,810)	(97,658)
Charitable activities					
Grant giving	5	(1,095,411)	(226,540)	(1,321,951)	(1,120,523)
Total expenditure		(1,201,221)	(226,540)	(1,427,761)	(1,218,181)
Gains and losses on investments:					
Gains / (losses) on investments		6,183,598	1,431	6,185,029	(2,048,256)
Investment management costs		(70,670)	-	(70,670)	(106,583)
Net gains / (losses) on investments		6,112,928	1,431	6,114,359	(2,154,839)
Net income / (expenditure) and net movement in funds	2	5,788,256	(79,092)	5,709,164	(2,350,367)
Reconciliation of Funds	12				
Total funds brought forward		23,509,946	18,755	23,528,701	25,879,068
Total funds carried forward		29,298,202	(60,337)	29,237,865	23,528,701

There are no recognised gains or losses other than the results for the year as set out above.

During the year to 31 March 2020 there was no restricted income, expenditure, losses or gains and all movements in the statement of financial activities were in respect of unrestricted funds.

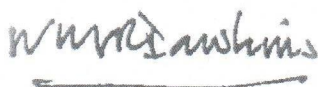
THE EVELYN TRUST

BALANCE SHEET AT 31 MARCH 2021

Company no 166995

	Note	2021 £	2020 £
Fixed assets			
Investments	6	<u>31,514,602</u>	<u>26,013,363</u>
Current assets			
Debtors	7	<u>103,102</u>	<u>16,682</u>
Cash at bank and in hand	8	<u>685,421</u>	<u>591,263</u>
Total current assets		788,523	607,945
Liabilities			
Creditors: amounts falling due within one year	9	<u>(1,788,452)</u>	<u>(1,257,054)</u>
Net current liabilities		(999,929)	(649,109)
Total assets less current liabilities		30,514,673	25,364,254
Creditors: amounts falling due after more than one year	10	<u>(1,276,808)</u>	<u>(1,835,553)</u>
Net assets	13	<u>29,237,865</u>	<u>23,528,701</u>
The funds of the charity	12		
Unrestricted income funds		<u>29,298,202</u>	<u>23,509,946</u>
Restricted income funds		<u>(60,337)</u>	<u>18,755</u>
Total charity funds	15	<u>29,237,865</u>	<u>23,528,701</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 27 September 2021.



Will Dawkins
Chair

27 September 2021

The accompanying accounting policies and notes form an integral part of these financial statements.

THE EVELYN TRUST

STATEMENT OF CASH FLOWS

For the year ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds 2021 £	Total funds £	Total restricted and unrestricted funds 2020 £
Cash flows from operating activities:					
Net cash (used in) / provided by operating activities	14	<u>(980,366)</u>	<u>81,266</u>	<u>(899,100)</u>	<u>(922,615)</u>
Cash flows from investing activities:					
Dividends and interest from investments		464,034	-	464,034	710,133
Purchase of investments		(7,525,296)	-	(7,525,296)	(5,111,779)
(Purchase) / disposal of cash investments		254,187	-	254,187	(6,879)
Proceeds from disposal of investments		7,929,553	-	7,929,553	5,502,167
Investment management costs		<u>(129,220)</u>	<u>-</u>	<u>(129,220)</u>	<u>(138,574)</u>
Net cash provided by investing activities		<u>993,258</u>	<u>-</u>	<u>993,258</u>	<u>955,068</u>
Change in cash in the year		<u>12,892</u>	<u>81,266</u>	<u>94,158</u>	<u>32,453</u>
Cash at the beginning of the year	8	<u>572,508</u>	<u>18,755</u>	<u>591,263</u>	<u>558,810</u>
Cash at the end of the year	8	<u>585,400</u>	<u>100,021</u>	<u>685,421</u>	<u>591,263</u>

During the year to 31 March 2020 there were no cash flows relating to restricted funds.

The accompanying accounting policies and notes form an integral part of these financial statements.

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. 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) (second edition - October 2019) - (Charities SORP (FRS 102)), 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. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The most significant areas of judgement and key assumptions that affect items in the accounts are to do with assessing the liability for grants payable where settlement is expected after more than one year from the date of the award (see (h) below for more information). With respect to the next reporting period, 2021-22, the most significant area of uncertainty that affects the carrying value of assets held by the Trust is the performance of investments and investment markets (see the investment policy and risk management sections of the Trustees' report for more information).

b) Preparation of the accounts on a going concern basis

Trustees have assessed whether material uncertainties exist that could cast significant doubt on the Trust's ability to continue as a going concern together with possible mitigations against such uncertainties. Whilst these assessments have been significantly more difficult given the uncertainties about the impact of COVID-19 control measures, the Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The Chair's Report and Charitable Activities Review (pages 1-7) and the Report of the Trustees (page 12) discuss the underlying factors further.

c) Income

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable and the amount can be measured reliably by the Trust. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due which is normally upon notification by the Trust's investment manager.

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when there is evidence of entitlement, receipt is probable, the amount can be measured reliably and provided that there are no donor-imposed restrictions as to the timing of any related expenditure, in which case recognition is deferred until the pre-condition has been met. Any associated gift aid is accounted for when receivable.

d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category.

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

ACCOUNTING POLICIES (continued)

Investment management costs

The costs of raising funds, as shown in the Statement of Financial Activities, consist of investment management fees relating to investment income. In the same statement, those investment management fees that relate to gains / (losses) on investments are shown deducted from those gains / (losses). The total investment management fees are allocated between these two categories with reference to the return targets for investment managers at the start of the year.

Costs associated with acquiring and disposing of investments, such as commissions, form part of the acquisition cost of the investment or reduce the return on disposals. These costs are therefore not part of investment management costs.

Grants

Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the Trust.

Discounting to present value

Grants payable after more than one year are accounted for at present value where the effect of discounting is material.

Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Allocation of support costs

Support costs are allocated between governance costs and other support costs. Where possible, expenditure is allocated directly to the relevant cost category. Where items of expenditure / support costs relate to more than one cost category the costs are allocated on the basis of time spent in respect of each cost category.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

e) Fund accounting

Unrestricted funds are available for expenditure on the general objects of the charity. Restricted funds are held as a result of donations received/ receivable for specified areas of the Trust's work.

f) Investments and gains and losses on investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their opening carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

ACCOUNTING POLICIES (continued)

g) Current assets / liabilities

Financial instruments included in current assets and liabilities are all basic financial instruments and are initially recognised at transaction value and subsequently measured at settlement value.

Cash at bank and in hand

Cash at bank and in hand includes cash, deposits repayable on demand and short term deposits.

Prepayments

Prepayments are valued at the amount prepaid net of any trade discounts due.

Trade creditors and accruals

Trade creditors and accruals are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Trade creditors and accruals are normally recognised at their settlement amount after allowing for any trade discounts due.

Grants payable

Grants payable are funding commitments to third parties in the furtherance of the charitable objectives of the Trust.

h) Grants payable: amounts falling due after more than one year

Grants payable are funding commitments recognised at present value where settlement is due over more than one year from the date of the award and the effect of discounting is material.

2 INCOME AND NET INCOME / EXPENDITURE

The income of the Trust is attributable to activities for the relief of sickness and the preservation and protection of health for the public benefit and the promotion of medical research and medical education, particularly in Cambridge and the surrounding area. Net income / (expenditure) is stated after charging:

	2021	2020
Auditors' remuneration:	£	£
Audit services - Peters Elworthy & Moore	8,904	7,944

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

3 INVESTMENT INCOME

	2021	2020
	£	£
Investment income comprises income from:		
Dividends - listed UK equities and bonds	118,721	252,129
Dividends – overseas equities and bonds	126,660	142,303
Interest from UK cash deposits	4,701	4,416
Other interest	357	4,090
Income from other UK investments	198,023	290,841
Income from other overseas investments	15,572	16,354
	<u>464,034</u>	<u>710,133</u>

4 PAYMENTS TO TRUSTEES, SENIOR MANAGEMENT PERSONNEL AND CONNECTED PARTIES

The following remuneration was paid during the year to Trustees, senior management personnel and connected parties:

	2021	2020
	£	£
Fees paid to The Gimach Partnership for the services of the Charity Director and Grants Co-ordinator	55,600	69,370
Fees paid to Wood Professional Services and Support Ltd.	52,506	-
	<u>108,106</u>	<u>69,370</u>

The fees paid to The Gimach Partnership were paid under the legal authority of provisions set out in the Trust's Memorandum of Association. The Gimach Partnership is controlled by W Pike together with members of his close family.

W Pike retired as Charity Director on 31 January 2021 and R A Wood was appointed Charity Director on 1 February 2021.

Wood Professional Services and Support Ltd is controlled by R A Wood together with members of her close family and the fees paid during the year were for the services of the Charity Director and Grants Co-ordinator from 1 February 2021 and prior to that for the services of the Charity Director Designate and Grants Co-ordinator Designate.

Expense reimbursements made to The Gimach Partnership and Wood Professional Services and Support Ltd were as follows:

	2021	2020
	£	£
Travel expenses for the Gimach Partnership	163	1,031
Office expenses:		
The Gimach Partnership	1,942	3,502
Wood Professional Services and Support Ltd	3,338	-
	<u>5,443</u>	<u>4,533</u>

No other Trustee received remuneration or payments for expenses during the years to 31 March 2021 and 31 March 2020.

Further information concerning the remuneration of key management personnel is set out on page 11 of these financial statements.

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

5 CHARITABLE ACTIVITIES

	2021 £	2020 £
Grant giving may be summarised as follows:		
Grants to Institutions:		
Medical research grants and fellowships	1,054,482	791,737
Medical treatment, health/wellbeing and training grants	262,947	242,871
Grants for buildings, facilities and equipment for medical treatment and health / wellbeing	15,900	-
	<u>1,333,329</u>	<u>1,034,608</u>
Grant funding credited to expenditure in respect of earlier years' grants	(148,191)	(52,429)
Total Grants to Institutions	1,185,138	982,179
Discount to present value on grants payable after more than one year	(31,000)	-
Governance costs	52,042	48,848
Other support costs	115,771	89,496
	<u>1,321,951</u>	<u>1,120,523</u>

	£ 2021	£ 2020
Grants to Institutions were awarded as follows:		

Medical research grants and fellowships:

The Babraham Institute

Research using RNA sequencing to understand poor vaccine responses in older people	-	37,965
--	---	--------

The University of Cambridge

Modelling obesity associated liver disease using stem cell derived hepatic organoids	20,000	-
Research into the stem cells used for cell-based cartilage therapy	93,160	-
Use of Deuterium Metabolic Imaging to improve dementia diagnosis	62,826	-
Research into inflammatory pathways in autoimmune disease	168,458	-
Research to improve speech perception for people with cochlear implants	51,979	-
Research into the role of specialised pro-resolving mediators in COPD	147,624	-
Development of treatments using MesEncymal cells to moderate excessive immune responses in patients with COVID-19 pneumonitis	60,000	-
Research into the immune pathways operating in patients with COVID-19 infections	240,000	-
Research to improve the diagnosis of neonatal seizures and epilepsy	210,435	-
Research into Charcot-Marie-Tooth neuropathies and treatment	-	184,378
Use of biomarkers to guide oesophageal neoplasia patient management	-	191,270
Research of gastrointestinal dysfunction in Parkinson's Disease	-	46,605
Understanding the genetic alterations that cause lymphoma	-	62,543
Research into endometrial dysfunction and cancer in obesity	-	10,000
Research into DNA damage response in neurodegenerative diseases	-	188,976
Research into mononuclear phagocyte subsets in Psoriatic Arthritis	-	70,000
Grant funding credited to expenditure in respect of grants made in earlier years	(126,886)	(32,152)
	<u>927,596</u>	<u>721,620</u>

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

CHARITABLE ACTIVITIES (continued)

	2021 £	2020 £
Addenbrooke's Charitable Trust		
Psychological support service during the COVID-19 pandemic	-	40,000
Cambridge & District Citizens Advice Bureau		
IT support for COVID-19 systems revisions	-	5,000
Cambridge Ethnic Community Forum		
Improving refugee and migrant women's health and well-being through mobile arts	50,000	-
CPSL Mind		
Mums Matter training courses	-	29,730
Disability Cambridgeshire		
Early intervention caseworker for mental health and autism clients	-	10,000
Disability Huntingdonshire		
Mind Matters project	5,000	-
COVID-19 response project	-	5,000
	5,000	5,000
Disability Peterborough		
In depth casework support	10,000	-
Peterborough Citizens Advice Bureau		
Services at Peterborough Cavell Centre	-	10,000
St John & Red Cross Defence Medical Welfare Service		
Welfare support officer service for Addenbrooke's	-	50,000
20Twenty Productions CIC		
Family learning project to increase social mobility	27,000	-
Versus Arthritis		
Living Well with Arthritis project	11,400	-
Other institutional grants awarded for £10,000 or less:		
Nineteen awards during the year to 31 March 2021	159,547	-
Sixteen awards during the year to 31 March 2020	-	93,141
	159,547	93,141
<u>Grants for buildings, facilities and equipment for medical treatment and health / wellbeing:</u>		
Institutional grants awarded for £10,000 or less:		
Two awards during the year to 31 March 2021	15,900	-
<u>Grant funding credited to expenditure in respect of grants made in earlier years:</u>		
Addenbrooke's Charitable Trust	-	(14,732)
Arthur Rank Hospice Charity	(21,305)	-
Institutions awarded grants of £10,000 or less	-	(5,545)
Total institutional grants	1,185,138	982,179

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

6 INVESTMENTS

	Listed UK equities and bonds £	Overseas equities and bonds £	Other UK, overseas and multi- asset investments £	UK cash deposits £	Total £
Market value at 1 April 2020	5,418,336	8,240,103	11,473,956	880,968	26,013,363
Acquisitions at cost	404,197	6,988,606	154,407	-	7,547,210
Sales proceeds from disposals	(3,044,142)	(4,130,026)	(755,385)	-	(7,929,553)
Movement in cash deposits	-	-	-	(254,187)	(254,187)
Net gain / (loss) on disposal and revaluation*	902,150	3,371,427	1,864,192	-	6,137,769
Market value at 31 March 2021	<u>3,680,541</u>	<u>14,470,110</u>	<u>12,737,170</u>	<u>626,781</u>	<u>31,514,602</u>
Historical cost at 31 March 2021	<u>3,350,076</u>	<u>11,189,470</u>	<u>10,401,484</u>	<u>626,781</u>	<u>25,567,811</u>

The asset allocation of investments at 31 March 2021 is as follows: Equities 51%, Bonds 7%, Multi-Asset Funds 25%, Property 5%, Private Equity 5%, Cash deposits 2% and Others 5%.

At 31 March 2021 52% of assets are held in pounds sterling, 12% in US dollars, 3% in euros and 33% in other currencies.

The main risks for the Trust arising from exposure to these investments are considered in the Trustees' Report, in particular in the sections on Financial review and Risk management.

* net of management fees of £47,260.

7 DEBTORS

	2021 £	2020 £
Prepayments and accrued income	<u>103,102</u>	<u>16,682</u>

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

8 ANALYSIS OF CASH AND CHANGES IN NET DEBT

	Unrestricted funds £	Restricted funds £	Total £
Cash at 1 April 2020	572,508	18,755	591,263
Cash flows	12,892	81,266	94,158
Cash at 31 March 2021	<u>585,400</u>	<u>100,021</u>	<u>685,421</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	11,587	13,649
Other creditors and accruals	58,307	70,870
Grants payable	<u>1,718,558</u>	<u>1,172,535</u>
	<u>1,788,452</u>	<u>1,257,054</u>

Included in other creditors is £4,398 (2020 £15,000) received in 2019 and held by the Trust acting as agent.
During the year to 31 March 2021 £10,602 of the funds received as agent were dispersed in accordance with the agency agreement.

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Grants payable	<u>1,276,808</u>	<u>1,835,553</u>

11 RECONCILIATION OF MOVEMENTS IN GRANTS PAYABLE

	£
Grants payable at 1 April 2020	3,008,088
Grants in the year	1,333,329
Grant funding unused and written back	(148,191)
Discount to present value on grants payable after more than one year	(31,000)
Grants paid in the year	<u>(1,166,860)</u>
Grants payable at 31 March 2021	<u>2,995,366</u>

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

12 ANALYSIS OF CHARITABLE FUNDS

For the year ended 31 March 2021:	Funds at 1 April £	Income £	Expenditure £	Net gains / (losses) on investments £	Funds at 31 March £
Unrestricted funds	23,509,946	876,549	(1,201,221)	6,112,928	29,298,202
Restricted funds:					
Mental health support	18,755	-	(18,755)	-	-
James Bradfield Memorial Award	-	146,017	(207,785)	1,431	(60,337)
Total charitable funds	23,528,701	1,022,566	(1,427,761)	6,114,359	29,237,865

For the year ended 31 March 2020:	Funds at 1 April £	Income £	Expenditure £	Net gains / (losses) on investments £	Funds at 31 March £
Unrestricted funds	25,860,313	1,022,653	(1,218,181)	(2,154,839)	23,509,946
Restricted funds	18,755	-	-	-	18,755
Total charitable funds	25,879,068	1,022,653	(1,218,181)	(2,154,839)	23,528,701

During the year to 31 March 2021 donations were received for the James Bradfield Memorial Award to support research to improve the diagnosis of neonatal seizures and epilepsy. Donors have committed to make donations in future years which are expected to cover the shortfall held in this restricted fund at 31 March 2021.

In the year to 31 March 2019 a donation was received which established a restricted fund for £18,755 to be used for grants to support mental health. During the current year these funds were fully utilised to support two grants: one to Little Miracles to support their mental health services to families with disabled children; and one to the Cambridge Acorn project to support their therapeutic work with children and families.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

At 31 March 2021:	Fixed assets £	Current assets £	Liabilities falling due within one year £	Liabilities falling due after more than one year £	Total £
Unrestricted funds	31,491,257	646,415	(1,744,176)	(1,095,294)	29,298,202
Restricted funds	23,345	142,108	(44,276)	(181,514)	(60,337)
Total	31,514,602	788,523	(1,788,452)	(1,276,808)	29,237,865

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

At 31 March 2020:	Fixed assets £	Current assets £	Liabilities falling due within one year £	Liabilities falling due after more than one year £	Total £
Unrestricted funds	26,013,363	589,190	(1,257,054)	(1,835,553)	23,509,946
Restricted funds	-	18,755	-	-	18,755
Total	26,013,363	607,945	(1,257,054)	(1,835,553)	23,528,701

14 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total restricted and unrestricted funds 2020 £
Net income / (expenditure) for the year	5,788,256	(79,092)	5,709,164	(2,350,367)
Adjustments for:				
(Gains) / losses on investments	(6,183,598)	(1,431)	(6,185,029)	2,048,256
Donated investments	-	(21,914)	(21,914)	-
Dividends and interest from investments	(464,034)	-	(464,034)	(710,133)
Investment management costs	176,480	-	176,480	204,241
(Increase) / decrease in debtors	(44,333)	(42,087)	(86,420)	45,141
(Decrease) / increase in creditors	(15,225)	600	(14,625)	6,668
Increase / (decrease) in grants payable	(237,912)	225,190	(12,722)	(166,421)
Net cash used in operating activities	(980,366)	81,266	(899,100)	(922,615)

During the year to 31 March 2020 there were no cash flows relating to restricted funds.

THE EVELYN TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

15 INITIAL VALUE OF THE FUND

The Trustees seek to maintain the initial value of the fund in real terms (refer to the Reserves Policy on page 9). Trustees have determined the value of the indexed initial fund and the funds in excess of this value at 31 March as follows:

	2021 £	2020 £
Initial value of the fund as at 31 March 2003	16,875,980	16,875,980
Protection of the fund for the effects of inflation		
Previous years	7,480,894	7,122,045
Current year	179,425	358,849
Initial value adjusted for the effects of inflation	24,536,299	24,356,874
Funds in excess / (below) of the adjusted initial value	4,701,566	(828,173)
Total charity funds at 31 March	29,237,865	23,528,701

The values of the Consumer Price Index at 31 March were: 2003: 75.3 2020: 108.6 2021: 109.4

16 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2021 or 31 March 2020.

17 RELATED PARTY TRANSACTIONS

During the year The Evelyn Trust was invoiced £57,705 (2020: £73,903) by The Gimach Partnership, an entity controlled by Mr W Pike and his close family, in respect of the services supplied by Mr Pike in his role as the Charity Director. Mr Pike served as a Trustee throughout the year and as Charity Director from 1 April to 31 January 2021.

During the year The Evelyn Trust was invoiced £55,844 (2020: £nil) by Wood Professional Services and Support Ltd, an entity controlled by Mrs R A Wood and her close family, in respect of the services supplied by Mrs Wood in her role as the Charity Director and Charity Director Designate. During the year The Evelyn Trust made a grant of £10,000 to Tom's Trust for whom Mrs Wood acts as Chief Executive Officer and a grant of £8,255 to Stars Children's Bereavement Support Service for whom Mrs Wood acts as a trustee.

Note 4 on page 22 sets out in more detail the payments to The Gimach Partnership and Wood Professional Services and Support Ltd. At the year-end there was a balance owing to The Gimach Partnership of £nil (2020: £5,758) and to Wood Professional Services and Support Ltd £5,883 (2020: £nil)

In the year to 31 March 2021 Mrs C P Thomas, a Trustee, donated £69,066 to the Trust as one of the donors to The James Bradfield Memorial Award (see note 12 above). Other donations from Trustees in the year were £250,000 (2020: £250,000).

18 CONTROLLING PARTIES

The Board of Trustees is the controlling party of the charity, meaning the Trustees have control of day to day decision-making for the Trust.