

REGISTERED CHARITY NUMBER: 233839

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

Financial Statements for the Year Ended 30 September 2020

**Xeinadin Auditing
Chartered Accountants and Statutory Auditors
Beckett House
36 Old Jewry
London
EC2R 8DD**

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

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for the year ended 30 September 2020**

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**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

**Report of the Trustees
for the year ended 30 September 2020**

The trustees present their report with the financial statements of the charity for the year ended 30 September 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the Association are to provide relief for necessitous persons and their dependents who are or have been staff of the Medical Research Council in the UK or employed overseas on International contracts.

Objectives and activities

The Association receives its main funding from voluntary monthly donations from employees of the Medical Research Council and from its investment income.

The Association continues to make loans to suitable applicants at a very modest rate of interest or interest free.

The Committee of Management met regularly and undertook regular reviews of new and existing cases, as well as the annual review of grants paid quarterly and at Christmas. Contributions received are invested whenever possible and investment performance was broadly in line with market expectations, given the performance of global equity markets during the period to 30th September.

Achievements and performance

Given the objectives as stated above, the Committee of Management consider that the test of public benefit is met.

Risk Management

The major risks to which the charity is exposed, as identified by the Committee of Management, have been reviewed and systems or procedures have been established to manage those risks. The committee purchased charity insurance for the first time in September 2017, which is renewed annually.

The major risk the charity is exposed to, as identified by the Trustees, is the threat to the financial security of the charity from recent volatility in investment markets and insufficient income from investments and member contributions which could lead to disinvestment to cover cash flow.

The principal uncertainty for the charity is the consequence of the Higher Education & Research Act 2017, which has seen MRC absorbed into a new research body called the United Kingdom Research and Innovation (UKRI), together with finding members willing to join the committee.

Objectives and Activities for Public Benefit

Given the objectives as stated above, the Committee of Management consider that the test of public benefit is met.

Grantmaking

The Committee of Management have power in their absolute discretion to grant relief in any case or to refuse relief without assigning any reason therefore, and to decide the amount of any relief and whether it shall be afforded by donation, periodic grants or loan (at or free of interest).

FINANCIAL REVIEW

Financial position

The excess of expenditure over income amounted to £112,637 comprising a net deficit movement of funds during the year of £18,487, together with an unrealised loss on the investment portfolio of £94,150.

Investment policy and objectives

The main investment objective is the security of assets, hence the spread of investments amongst three recognised charitable fund managers. The assets under management performed in line with global equity markets during the year to 30th September.

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

**Report of the Trustees
for the year ended 30 September 2020**

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity to aim to cover annual expenditure from income generated during the year. Consequently the reserves are held at a sufficient level to generate an adequate income stream. Disinvestment will be required if cash flow is insufficient to cover benefit payments.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Objectives and Activities for Public Benefit

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
233839

Principal address
3rd Floor
58 Victoria Embankment
London
EC4Y 0DS

Trustees
M Pitman (Chairman)
J Clerkin (Secretary)
V Cox (Treasurer)
J Marsh MBE
J Sawkins
P Coakley
S Whytock
M Bennett
C Moody
D Poor
A Philp
C Soares (appointed 11.10.19)

Auditors
Xeinadin Auditing
Chartered Accountants and Statutory Auditors
Beckett House
36 Old Jewry
London
EC2R 8DD

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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.

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

**Report of the Trustees
for the year ended 30 September 2020**

TRUSTEES' RESPONSIBILITY STATEMENT - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees met regularly during the year to review existing cases of need and consider new applications for financial assistance. The trustees monitored cash flow, financial and data risk, and considered the charity's approach to effective governance generally.

Approved by order of the board of trustees on 27th July 2022 and signed on its behalf by:



.....
M Pitman (Chairman) - Trustee

**Report of the Independent Auditors to the Trustees of
Medical Research Council Staff
Benevolent Fund Association**

Opinion

We have audited the financial statements of Medical Research Council Staff Benevolent Fund Association (the 'charity') for the year ended 30 September 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

**Report of the Independent Auditors to the Trustees of
Medical Research Council Staff
Benevolent Fund Association**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

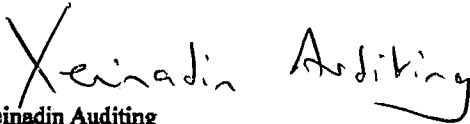
We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Xeinadin Auditing
Chartered Accountants and Statutory Auditors
Beckett House
36 Old Jewry
London
EC2R 8DD

Date: 29/07/2022

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

**Statement of Financial Activities
for the year ended 30 September 2020**

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		5,089	-	5,089	7,962
Investment income	2	19,999	-	19,999	23,707
Total		25,088	-	25,088	31,669
EXPENDITURE ON					
Charitable activities					
Grants paid		35,315	-	35,315	24,629
Christmas grants		750	-	750	1,050
Travel expenses		1,188	-	1,188	1,732
Other		6,322	-	6,322	6,316
Total		43,575	-	43,575	33,727
Net gains/(losses) on investments		(94,150)	-	(94,150)	15,387
NET INCOME/(EXPENDITURE)		(112,637)	-	(112,637)	13,329
RECONCILIATION OF FUNDS					
Total funds brought forward		807,095	-	807,095	793,766
TOTAL FUNDS CARRIED FORWARD		694,458	-	694,458	807,095

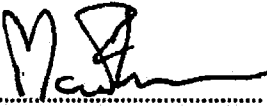
The notes form part of these financial statements

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

**Balance Sheet
30 September 2020**

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Investments	5	659,184	-	659,184	753,333
CURRENT ASSETS					
Debtors	6	27,859	-	27,859	39,952
Cash at bank		19,415	-	19,415	19,810
		<u>47,274</u>	<u>-</u>	<u>47,274</u>	<u>59,762</u>
CREDITORS					
Amounts falling due within one year	7	(12,000)	-	(12,000)	(6,000)
NET CURRENT ASSETS		<u>35,274</u>	<u>-</u>	<u>35,274</u>	<u>53,762</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>694,458</u>	<u>-</u>	<u>694,458</u>	<u>807,095</u>
NET ASSETS		<u>694,458</u>	<u>-</u>	<u>694,458</u>	<u>807,095</u>
FUNDS	8				
Unrestricted funds				694,458	807,095
TOTAL FUNDS				<u>694,458</u>	<u>807,095</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27th July 2022 and were signed on its behalf by:


.....
Trustee

The notes form part of these financial statements

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

**Notes to the Financial Statements
for the year ended 30 September 2020**

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

INCOME

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

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	2020	2019
	£	£
Dividends	19,980	23,668
Deposit account interest	19	39
	<u>19,999</u>	<u>23,707</u>

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

Notes to the Financial Statements - continued
for the year ended 30 September 2020

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2020 nor for the year ended 30 September 2019.

TRUSTEES' EXPENSES

Reimbursed expenses to trustees amounted to £1,732 (2018: £1,541)

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	7,962	-	7,962
Investment income	23,707	-	23,707
Total	31,669	-	31,669
 EXPENDITURE ON			
Charitable activities			
Grants paid	24,629	-	24,629
Christmas grants	1,050	-	1,050
Travel expenses	1,732	-	1,732
Other	6,316	-	6,316
Total	33,727	-	33,727
Net gains on investments	15,387	-	15,387
NET INCOME	13,329	-	13,329
 RECONCILIATION OF FUNDS			
Total funds brought forward	793,766	-	793,766
 TOTAL FUNDS CARRIED FORWARD	807,095	-	807,095

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

Notes to the Financial Statements - continued
for the year ended 30 September 2020

5. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 October 2019	753,333
Revaluations	(94,149)
At 30 September 2020	<u>659,184</u>
NET BOOK VALUE	
At 30 September 2020	<u>659,184</u>
At 30 September 2019	<u>753,333</u>

There were no investment assets outside the UK.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	-	1
Loans repayable	24,206	34,745
Prepayments and accrued income	3,653	5,206
	<u>27,859</u>	<u>39,952</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other creditors	12,000	6,000

8. MOVEMENT IN FUNDS

	At 1.10.19 £	Net movement in funds £	At 30.9.20 £
Unrestricted funds			
Reserve Fund	6,248	-	6,248
Accumulated Income Fund	357,987	(18,487)	339,500
Investment Reserve	442,860	(94,150)	348,710
	<u>807,095</u>	<u>(112,637)</u>	<u>694,458</u>
TOTAL FUNDS	<u>807,095</u>	<u>(112,637)</u>	<u>694,458</u>

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

Notes to the Financial Statements - continued
for the year ended 30 September 2020

8. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Accumulated Income Fund	25,088	(43,575)	-	(18,487)
Investment Reserve	-	-	(94,150)	(94,150)
	<u>25,088</u>	<u>(43,575)</u>	<u>(94,150)</u>	<u>(112,637)</u>
TOTAL FUNDS	<u>25,088</u>	<u>(43,575)</u>	<u>(94,150)</u>	<u>(112,637)</u>

Comparatives for movement in funds

	At 1.10.18 £	Net movement in funds £	At 30.9.19 £
Unrestricted funds			
Reserve Fund	6,248	-	6,248
Accumulated Income Fund	360,045	(2,058)	357,987
Investment Reserve	427,473	15,387	442,860
	<u>793,766</u>	<u>13,329</u>	<u>807,095</u>
TOTAL FUNDS	<u>793,766</u>	<u>13,329</u>	<u>807,095</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Accumulated Income Fund	31,669	(33,727)	-	(2,058)
Investment Reserve	-	-	15,387	15,387
	<u>31,669</u>	<u>(33,727)</u>	<u>15,387</u>	<u>13,329</u>
TOTAL FUNDS	<u>31,669</u>	<u>(33,727)</u>	<u>15,387</u>	<u>13,329</u>

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

**Notes to the Financial Statements - continued
for the year ended 30 September 2020**

9. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2020.

**MEDICAL RESEARCH COUNCIL STAFF
BENEVOLENT FUND ASSOCIATION**

**Detailed Statement of Financial Activities
for the year ended 30 September 2020**

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	5,089	7,962
Investment income		
Dividends	19,980	23,668
Deposit account interest	19	39
	<u>19,999</u>	<u>23,707</u>
Total incoming resources	25,088	31,669
EXPENDITURE		
Charitable activities		
Travel expenses	1,188	1,732
Grants to individuals	36,065	25,679
	<u>37,253</u>	<u>27,411</u>
Support costs		
Management		
Insurance	322	311
Governance costs		
Auditors' remuneration	6,000	6,005
	<u>43,575</u>	<u>33,727</u>
Total resources expended	43,575	33,727
Net expenditure before gains and losses	(18,487)	(2,058)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	-	(2,219)
	<u>(18,487)</u>	<u>(4,277)</u>
Net expenditure	(18,487)	(4,277)

This page does not form part of the statutory financial statements