

REGISTERED COMPANY NUMBER: 00819630 (England and Wales)
REGISTERED CHARITY NUMBER: 237934

Report of the Trustees and
Financial Statements for the Year Ended
31 July 2022
for
The Farmington Trust Limited



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Report of the Trustees

ADMINISTRATIVE INFORMATION

Registered Company Number
00819630 (England and Wales)

Registered Charity Number
237934

Registered Office
Harris Manchester College
Mansfield Road
Oxford
OX1 3TD

Trustees

H M Henderson (Chairman)
Dr C Wills (resigned 01.10.22)
P N H Gibbs
P J H Wills (resigned 01.10.22)
R D C Henderson
Sir J Kemp-Welch (resigned 12.01.22)
R H Wills
Hon R I H Wills (resigned 01.10.22)
I L H Ormerod
Rev Prof J Shaw
Dr T R Hands
Rt Hon A K Kakkar, Professor The Lord
R J Hickey (appointed 01.10.22)
M J H Wills (appointed 01.10.22)
C H Blampied (appointed 01.10.22)

Auditors

A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Bankers

Coutts and Co
440 The Strand
London
WC2R 0QS

Finance & Investment Sub-Committee

Certain powers of the governors can be delegated to a Finance & Investment Sub-Committee. This Committee shall consist of a minimum of three governors.

Members

P N H Gibbs
H M Henderson
R D C Henderson
G W W Hudson

Solicitors

Burges Salmon
Narrow Quay House
Narrow Quay
Bristol
BS1 4AH

Investment Advisors

Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

Report of the Trustees (continued)

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2022. 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

The Charity is established to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education especially but not exclusively Christian Education, likely to promote morality and the acceptance of moral standards in human conduct including especially:

- 1) To promote and facilitate in any part of the world the study of the lives, writings and teachings of men and women of all religions, particularly Christian lives, writings and teachings and of moral philosophers of all nationalities.
- 2) To organise residential or other courses of study and conferences and establish paid residential or other Fellowships and to provide accommodation, food, drink and other amenities (either free of charge or on such terms as may be thought fit) to persons attending such residential or other courses of study and Conferences.
- 3) To establish fellowships, scholarships and prizes.
- 4) To publish and publicise the results of any residential or other courses of study or conferences or other work of the Trust.
- 5) To purchase, take on, lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, equip and alter any buildings or erections on any such property.

These activities have been carried out in the name of the Farmington Institute which for twenty years prior to the 1 August 2015 has been based at Harris Manchester College in the University of Oxford. In the minds of many of the teachers, chaplains and schools who have been supported in their work by the Charity, the Farmington Institute has been perceived to its advantage, as being part of the College and thereby of the wider University. Against this background and as outlined in the report of the Trustees for the year ended 31 July 2015, on and with effect from 1 August 2015 the Charity and Harris Manchester College entered into a Co-Operation Agreement and in accordance with its terms:

- 1) The activities of the Farmington Institute were formally transferred to the College;
- 2) The Charity transferred the use of its building, via a sub-lease to the College;
- 3) The Charity makes annual ongoing grants to the College to meet the total annual cost of the Farmington Institute;
- 4) The Charity, via its Trustees, is involved with the general governance of the College and more specifically the activities of the Farmington Institute;
- 5) The Charity made an additional single grant to the College of £5,001,645 which is included in the College's endowment and ring-fenced to support the common charitable purposes of the Charity and the College.

Report of the Trustees (continued)

The Co-Operation Agreement provides for the relationship between the Charity and the College to be continually reviewed and, if successful, continue beyond an initial term of ten years.

The Charity aims to meet its objective indirectly by making the ongoing grants to fund the Farmington Institute at Harris Manchester College in accordance with the terms of the Co-Operation Agreement. In the year to 31st July 2022 the annual grant to the College to support the transferred activities was £669,689 (2021 - £601,786).

We summarise the activities of the Farmington Institute.

- 1) To provide scholarships for teachers of RE in Secondary, Primary and Special Needs Schools. These Scholarships are tenable for up to one year and can be based either at a university or a school. The research should be of benefit to the individual teacher, the wider teaching community, and to school children.
- 2) To support head teachers by offering scholarships tenable for up to one term. The scholarships are to Enable head teachers to undertake research on values and standards, and to have time to familiarize themselves with recent educational thinking, as well as to have the time and facilities for forward planning.
- 3) To offer fellowships to members of Her Majesty's Armed Forces, to undertake research on moral and Ethical leadership in the University of Oxford.
- 4) To offer short-term fellowships and bursaries to clergy and ministers of religion and academics who are Involved in RE.
- 5) To disseminate recent and interesting work in RE.
- 6) To build up a network of support for those involved in RE teaching.

Public Benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

STRATEGIC REPORT

Achievement and performance

Charitable activities

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was of £669,689 (2021 - £601,786).

Report of the Trustees (continued)

The achievement and performance of the Institute

Below is an extract from the report to trustees, including future plans, delivered by Rev. Dr Sir Ralph Waller who is directly employed by the Trust to provide his services as Director of the Farmington Institute.

This year we have had 33 scholars who were engaged in some of the most cutting-edge research regarding Religious Education. All of these were teachers of Religious Education in either secondary or primary schools. For every Scholar, the Institute paid for a replacement teacher, an induction course, a tutor, travelling expenses, and reimbursement of agreed out of pocket expenses. We also paid a university fee for those who wished to be associated with a university. All Scholars are required to make a public presentation of their research, attend an annual conference where they present their work, and produce a written report which is available to any other teacher who requests it.

We also offered scholarships to four head teachers to undertake research related to values and standards in schools. We provided these scholars with a tutor, a replacement teacher, and a university affiliation, if they required it.

This year we have commissioned Professor Michael Snape to write a book illustrating Christian Leadership in the Armed Forces. SPCK have agreed to publish this book and it should be available in the near future.

We now have approximately 800 reports (written by Farmington Scholars) dealing largely with the key aspects of teaching Religious Education. These reports are constantly requested by other school teachers and interested parties.

Due to the Covid pandemic, we felt that disadvantaged children were even more likely to be further disadvantaged by the outbreak of Covid 19. In response to this, we selected 41 schools who had already had an association with Farmington or were recommended to us and made grants to these schools to help them in supporting disadvantaged children. This is a five year commitment of £110,000 per year and we have now fulfilled the second year of this commitment. This timely help has been hugely appreciated by the receiving schools.

The Institute has continued to support the Armed Forces and particularly chaplains, both individually and as groups.

The Institute has supported the SPCK website on school assemblies.

We have also provided the use of our library to other charities, although this year, due to the pandemic, this opportunity has not been extensively used.

We have this year completed the two Headteacher Forum groups which were meeting and laid plans for a new group of secondary heads to meet and instigated our first primary headteachers forum.

We have commenced three new initiatives for the coming year.

1. RE Teachers' Forums; we have made arrangements to hold three of these, in Lincoln, Bristol and Liverpool. Each forum consists of approximately ten teachers and will meet six times during the year.
2. We are planning to offer study Scholarships to Chaplains who are working with young people in young offenders' institutions.

Report of the Trustees (continued)

3. We will be offering a scholarship to a Senior Member of the Armed Forces to undertake research into some aspects of moral and ethical leadership.

We plan to continue the tradition of hosting groups of teachers from local schools.

The Institute has continued the tradition of providing opportunities for clergy and ministers to undertake periods of study.

Mini scholarships are given in order to undertake particular pieces of work. This year we have given five.

We are continually grateful to the universities who have hosted our Scholars, and especially Harris Manchester who have provided a home for us. We would like to record our grateful thanks to the following who have generously agreed to host our scholars this last year:

- Bath: Bath Spa University, Religions, Philosophies & Ethics, Department of Humanities
- Belfast: St Mary's University College; Stranmillis University College; and Queen's University Belfast
- Bristol: University of Bristol
- Cambridge: University of Cambridge, Faculty of Education/Homerton College
- Chester: University of Chester
- Durham: University of Durham, St Chad's College
- Exeter: University of Exeter, School of Education (preferably Spring or Summer term)
- Glasgow: University of Strathclyde, School of Education, John Anderson Campus and University of Glasgow
- Lampeter/Carmarthen: University of Wales Trinity Saint David
- Lincoln: University of Lincoln and Bishop Grosseteste University
- Liverpool: Liverpool Hope University, Department of Theology & Religious Studies and Liverpool John Moores University/Liverpool Community Spirit
- London: St Mary's University, Twickenham
- Norwich: University of East Anglia, Centre for Spirituality & Religion in Education, School of Education & Lifelong Learning
- Oxford: University of Oxford, Harris Manchester College
- Warwick: University of Warwick, Institute of Education, Warwick Religions & Education Research Unit
- York: York St John University

Investment performance

Cazenove report for the 12 months to 31st July 2022

The Cazenove portfolio returned -3.73% in the year to 31st July 2022, marginally behind the Trust's benchmark of -2.25% and ahead of the ARC Balanced peer group index which fell by 3.93%. Our third benchmark, CPI+3%, rose 13.4% over the period.

This was an extremely challenging period for both equity and bond markets. Interest rate expectations had already started to rise at the start of the period, as pent-up demand emerged following prolonged periods of lockdown across the globe. Supply chain issues coupled with China's zero tolerance COVID policy resulted in inflationary pressures, which were subsequently exacerbated by Russia's invasion of Ukraine.

Report of the Trustees (continued)

The rapid repricing of interest rates expectations early in 2022 resulted in very volatile conditions in equity and bond markets around the globe. In the UK, political uncertainty and large twin deficits saw a fall in sterling against the dollar, which provided some protection for global portfolios denominated in sterling.

Although the UK equity market as measured by the FTSE 100 appeared to post a strong performance (+9.6%) over this period, its heavy weighting to oil, gas and mining companies hid falls in the rest of the market. Over the same period, the broader FTSE 250 index fell by 10%. The MSCI World equity index fell by a similar amount in nominal terms.

Over the period we built up cash weightings (to above 10%). The portfolio's exposure to alternatives provided some shelter with a commodities tracker in particular showing strong gains. Our private equity investment trusts fell sharply in line with other long duration assets. Elsewhere, our equities proved relatively resilient, but bonds fell – albeit by not nearly as much as the broader Government bond indices,

At the time of writing the outlook remain very uncertain. Corporate earnings, which held up well at the start of the year, are likely to see downgrades in the second half of the year. Markets are still second guessing where interest rates will peak. Valuations in equity markets look reasonable but may decline further depending on the direction of corporate earnings. However, bond markets are beginning to offer attractive yields and we are beginning to take advantage of these. Until the outlook is clearer, ongoing caution will be warranted.

Report of the Trustees (continued)

Financial review

Financial position

For the year ended 31 July 2022, net income amounted to £965,420 (2021 - £2,320,677). Net assets totalled £26,570,422 (2021 - £25,605,002). Details of the financial position of the Charity are set out in the following accounts.

Principal funding sources

Income generated from investments held in the Designated Fund and Endowment Fund, together with rental income received on properties let by the Trust.

Reserves policy

The Statement of Financial Activities summarises the incoming resources and funds expended and these are analysed between unrestricted funds, restricted funds and endowment funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Part of an unrestricted fund may be designated as a separate fund.

Free reserves available for day to day activities amounted to £539,609 (2021 - £136,575) (unrestricted current assets less unrestricted current liabilities). Funds held are adequate and available to meet the obligations of the trust.

Future plans

In accordance with the Co-Operation Agreement with Harris Manchester College the Charity has agreed to devote its resources for a minimum period of ten years exclusively in support of the activities of the Farmington Institute at Harris Manchester College.

It is intended to continue all the initiatives undertaken during the current year as set out in the extract of the report to the trustees delivered by Rev. Dr Sir Ralph Waller who is directly employed by the Trust to provide his services as Director of the Farmington Institute.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Report of the Trustees (continued)

Recruitment and appointment of new trustees

The Trustees may from time to time appoint any person as a Trustee to fill a vacancy or as an addition to the number of Trustees. Any person shall retain his office only until the next Annual General Meeting but will then be eligible for re-election.

Most of the assets of the Charity have derived from gifts and legacies from our Founder, the late Hon. Robert Wills. These include a large amount of agricultural property in and around the town of Northleach in the Cotswolds. The balance of the liquid assets is managed by Cazenove & Co. In the recruitment and appointment of new Trustees persons have been sought who have expertise related to:

- (i) the management of agricultural property, and in particular local knowledge of the property at Northleach;
- (ii) the management of our liquid investment funds;
- (iii) the management of charitable trusts;
- (iv) the purpose of the Farmington Trust as set out above under "Objectives and Activities", in particular those relating to education and research in religion and morality.

Induction and training of new trustees

After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

Related parties

There are no related parties other than the Trustees listed on Page 2.

Declaration of Interests

All the trustees and the Director of the Farmington Institute are members of a sub-committee of the governing body of Harris Manchester College charged with overseeing the activities of the Farmington Institute. In addition:

- Mr H M Henderson, Chairman of the Trustees, is a member of the governing body of Harris Manchester College and has formerly worked with Cazenove & Co, the Trust's stockbrokers.
- The Rev. Dr. Sir Ralph Waller, who is directly employed by the Trust to provide his services as Director of the Farmington Institute within Harris Manchester College, is also the former Principal of Harris Manchester College.
- Mr R D C Henderson, a Trustee, is a member of the investment committee of Harris Manchester College.
- Sir John Kemp-Welch, a Trustee, formerly worked with Cazenove & Co, the Trust's stockbrokers.
- Mr G W Hudson, a volunteer and a member of the Finance and Investment Sub-Committee, is a non-stipendiary Official Fellow and member of the governing body of Harris Manchester College and has also been involved in the property development work carried out in Northleach.
- Rev. Prof. Jane Shaw, a trustee, is the current Principal of Harris Manchester College.
- Professor, The Lord Kakkar is an Honorary Fellow of Harris Manchester College.

Report of the Trustees (continued)

Policy decisions of the charity are made by the Trustees with the involvement of Mr George Hudson, a volunteer and former Company Secretary, and the Rev. Dr Sir Ralph Waller, who serves as Director of the Farmington Institute. Rev. Dr Sir Ralph Waller is also the former Principal of Harris Manchester College. On a day to day basis invoices are approved by either Rev. Dr Sir Ralph Waller or Mr George Hudson, (unless an invoice is more than an agreed limit in which case approval of both parties is required) with the oversight of our accountants, who have full access to the bank account, and subject to being within the budget. All payments are made via online banking. In the ensuing year, a new audit procedure has been implemented, allowing the auditor live access to the supporting papers of all invoices.

The budget for the year, at which income and expenditure is forecast, is created within the Finance & Investment Sub-committee. A major element of the budget is the Ongoing Grant to Harris Manchester College for the funding of the activities of the Farmington Institute, the amount of which is determined by a formula contained within the Co-operation Agreement and is based on the average of the twelve last quarterly valuations of the endowment together with the Net Rental Income drawn from the most recently available audited financial statements. This is then further approved at the Trustees meeting. The Finance & Investment Sub-committee reviews the investment policy about suitable investments, together with the projected income and capital growth of those investments.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Farmington Trust Limited for the purposes of company law) 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).

Company 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 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 charitable company will continue the business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

Report of the Trustees (continued)

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable 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 auditors are aware of that information.

AUDITORS

The auditors, A D Accounts Limited (Registered Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 14th November 2022 and signed on the board's behalf by:

H M Henderson – Chairman and Trustee

Report of the Independent Auditors

Opinion

We have audited the financial statements of The Farmington Trust Limited (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charitable company's affairs as at 31 July 2022 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 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.

Report of the Independent Auditors (continued)

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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
- The charitable company has not kept adequate accounting records; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 charitable company'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 charitable company 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.

Report of the Independent Auditors (continued)

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.

The extent to which our procedures are capable of detecting irregularities, including fraud 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;
- Specific laws and regulations applicable to the Charity were identified from our knowledge and experience of the activities of the Charity.

The laws and regulations identified were that of the Companies Act 2006, the Charities Act 2011 and tax legislation.

We assessed the extent of compliance with laws and regulations identified above through making enquiries of personnel and inspecting board minutes, lease agreements and other legal documentation.

Throughout the audit, we were mindful of identified laws and regulations and remained alert to instances of non-compliance throughout the audit.

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

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud/error and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Tested for large and unusual bank transactions.
- Performed substantive procedures looking at transactions linked with related parties and those involved in the day to day running of the business.

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 be aware of non-compliance. Auditing standards also limit audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and the inspection of the 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.

Responsibility for the prevention of irregularities, including fraud, rests with the trustees.

Report of the Independent Auditors (continued)

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 charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of A D Accounts Limited (Registered Auditors)
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Date: 15th November 2022

Statement of Financial Activities – Income and Expenditure

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS:						
Donations and legacies	2	451,500	-	-	451,500	1,500
Investment income	3	375,192	-	117,647	492,839	460,558
Other income		54,540	-	-	54,540	55,686
Total income		881,232	-	117,647	998,879	517,744
EXPENDITURE ON						
Raising funds:						
Investment management costs	4	95,532	-	32,945	128,477	127,763
Charitable activities:						
Attributable to grant making	5	747,404	-	-	747,404	679,153
Total expenditure		842,936	-	32,945	875,881	806,916
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		38,296	-	84,702	122,998	(289,172)
Net investment gains	12	1,226,397	-	(383,975)	842,422	2,609,849
NET INCOME/(EXPENDITURE)		1,264,693	-	(299,273)	965,420	2,320,677
RECONCILIATION OF FUNDS	19					-
Total funds brought forward		17,019,332	9,636	8,576,034	25,605,002	23,284,325
Transfers between funds		-	-	-	-	-
Net Income/(Expenditure)		1,264,693	-	(299,273)	965,420	2,320,677
TOTAL FUNDS CARRIED FORWARD		18,284,025	9,636	8,276,761	26,570,422	25,605,002

Balance Sheet

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS						
Tangible assets	13	<u>121,985</u>	<u>-</u>	<u>-</u>	<u>121,985</u>	<u>268,110</u>
Investments						
Investments	14	7,324,608	-	7,930,951	15,255,559	16,374,181
Investment property	15	<u>10,533,355</u>	<u>-</u>	<u>345,810</u>	<u>10,879,165</u>	<u>9,105,001</u>
		17,979,948	-	8,276,761	26,256,709	25,747,292
CURRENT ASSETS						
Debtors	16	182,169	-	-	182,169	178,156
Cash at bank		<u>419,649</u>	<u>9,636</u>	<u>-</u>	<u>429,285</u>	<u>31,400</u>
		601,818	9,636	-	611,454	209,556
CREDITORS						
Amounts falling due within one year	17	<u>(62,209)</u>	<u>-</u>	<u>-</u>	<u>(62,209)</u>	<u>(63,345)</u>
NET CURRENT ASSETS		<u>539,609</u>	<u>9,636</u>	<u>-</u>	<u>549,245</u>	<u>146,211</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,519,557</u>	<u>9,636</u>	<u>8,276,761</u>	<u>26,805,954</u>	<u>25,893,503</u>
CREDITORS						
Amounts falling due after more than one year	18	<u>(235,532)</u>	<u>-</u>	<u>-</u>	<u>(235,532)</u>	<u>(288,501)</u>
NET ASSETS		<u>18,284,025</u>	<u>9,636</u>	<u>8,276,761</u>	<u>26,570,422</u>	<u>25,605,002</u>
FUNDS						
Unrestricted funds:						
General fund					1,088,570	755,876
Designated fund					<u>17,195,455</u>	<u>16,263,456</u>
TOTAL FUNDS CARRIED FORWARD					<u>18,284,025</u>	<u>17,019,332</u>
Restricted funds					9,636	9,636
Endowment funds					<u>8,276,761</u>	<u>8,576,034</u>
					<u>26,570,422</u>	<u>25,605,002</u>

Balance Sheet (continued)

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for:

- (a) Ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 14th November 2022 and were signed on its behalf by:

H M Henderson – Chairman and Trustee

Cash Flow Statement

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	A	<u>(254,447)</u>	<u>(626,334)</u>
Net cash used in operating activities		<u>(254,447)</u>	<u>(626,334)</u>
Cash flows from investing activities			
Purchase of quoted investments		(3,809,570)	(4,816,186)
Purchase of investment property		(22,816)	(15,841)
Sale of quoted investments		4,685,698	4,646,397
Movement on cash held at Cazenove		(520,703)	337,662
Accrued income on quoted investments		(729)	(3,054)
Interest received		2,545	520
Dividends received		<u>233,205</u>	<u>209,388</u>
Net cash provided by investing activities		<u>567,630</u>	<u>358,886</u>
Cash flows from financing activities			
Income attributable to endowment		117,647	112,710
Expenditure attributable to endowment		<u>(32,945)</u>	<u>(34,824)</u>
Net cash provided by financing activities		<u>84,702</u>	<u>77,886</u>
Change in cash and cash equivalents in the reporting period	B	397,885	(189,562)
Cash and cash equivalents at the beginning of the reporting period		31,400	220,962
Cash and cash equivalents at the end of the reporting period		<u>429,285</u>	<u>31,400</u>

Notes to the Cash Flow Statement

A. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	965,420	2,320,677
Adjustments for:		
Depreciation charges	1,125	1,129
(Gain)/losses on investments	(842,442)	(2,609,849)
Interest received	(2,545)	(520)
Dividends received	(233,205)	(209,388)
Income attributable to endowment	(117,647)	(112,710)
Expenditure attributable to endowment	32,945	34,824
(Increase)/decrease in debtors	(4,013)	(155,478)
Increase/(decrease) in creditors	(54,105)	104,981
Net cash used in operations	(254,447)	(626,334)

B. Analysis of Changes in Net Funds

	At 1.8.21 £	Cash flow £	At 31.7.22 £
Cash at bank	31,400	397,885	429,285

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. 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.

Gifts in kind are shown on the Statement of Financial Activities as donations and on the Balance Sheet as assets at their market values.

Grants are recognised once all conditions for their receipt have been met.

Investment income is accounted for on the date payable and includes attributable tax recoverable.

Rental income is recognised when receivable.

Rental premiums are recognised over the term of the lease for which they have been received.

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.

Notes to the Financial Statements (continued)

Raising funds

Costs of generating funds comprise investment management costs and the costs associated with the maintenance and upkeep of rental properties.

Investment management costs are split between the endowment fund and the designated fund in proportion to the opening fund values.

Support costs

Support costs are general and overhead costs which are not specific to Governance arrangements, but enable the charitable activities to be undertaken. These costs are allocated on a direct basis to each activity and disclosed in note 7.

Governance costs

Included within support costs are Governance costs. These are associated with the Governance arrangements of the Charity which relate to the general running of the charity as opposed to those costs associated with the charitable activities. The costs include external audit.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	In accordance with the lease term
Improvements to property	2% on cost
Library	10% on reducing balance

Assets costing more than £100 are capitalised at cost. On disposal of assets in the ordinary course of business adjustments are made to the depreciation charge to reflect difference between, the actual and estimated aggregate depreciation.

Investment property

Investment properties are stated at the Trustees' best estimate of the market value. Any aggregate surplus or deficit arising from changes in market value are recognised through the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements (continued)

Fund accounting

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

Designated funds have been set aside by the Trustees from assets and investments transferred from Broadfield Trust and the estate of the Honourable E R H Wills.

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.

Endowment funds have been donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Listed investments

Listed investments are stated at their market value. Any aggregate surplus or deficit arising from changes in market value is recognised through the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	<u>451,500</u>	<u>1,500</u>
The above donations have been made for the following purposes:		
Ms Ye	450,000	-
Other	<u>1,500</u>	<u>1,500</u>
	<u>451,500</u>	<u>1,500</u>

Notes to the Financial Statements (continued)

3. INVESTMENT INCOME

	2022 £	2021 £
Rent received	257,089	250,650
Dividends and interest	233,205	209,388
Interest – cash deposits	970	-
Interest – deferred premium	1,575	520
	<u>492,839</u>	<u>460,558</u>

4. RAISING FUNDS

Investment management costs

	2022 £	2021 £
Investment management costs – brokers fees	65,543	64,694
Cost of rental properties	62,934	63,069
	<u>128,477</u>	<u>127,763</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Attributable to grant making	<u>669,689</u>	<u>77,715</u>	<u>747,404</u>

6. GRANTS PAYABLE

	2022 £	2021 £
The total grants paid to institutions during the year was as follows: Harris Manchester College – Grant B	<u>669,689</u>	<u>601,786</u>

Notes to the Financial Statements (continued)

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was £669,689 (2021 - £601,786). Included in this total grant are wages of £54,540 (2021 - £55,686) paid on behalf of the Farmington Institute and in lieu of payment to the Farmington Institute as part of the ongoing grant.

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Attributable to grant making	<u>71,462</u>	<u>631</u>	<u>5,622</u>	<u>77,715</u>

Support costs, included in the above are as follows:

	2022 Attributable to grant making £	2021 Total activities £
Wages	54,540	55,686
Pensions paid for past service	6,385	6,385
Insurance	883	1,788
Accountancy	3,970	2,750
Legal and professional costs	4,559	3,763
Depreciation of tangible and heritage assets	1,125	1,129
Bank charges	631	616
Auditors' remuneration	<u>5,622</u>	<u>5,250</u>
	<u>77,715</u>	<u>77,367</u>

Notes to the Financial Statements (continued)

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after changing/(crediting):

	2022 £	2021 £
Auditors' remuneration	5,622	5,250
Depreciation – owned assets	1,125	1,129
	<u>6,747</u>	<u>6,379</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2022 nor for the year ended 31 July 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2022 nor for the year ended 31 July 2021.

10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	54,540	55,686
Other pension costs	6,385	6,385
	<u>60,925</u>	<u>62,071</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Working on charitable activities	<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000

Notes to the Financial Statements (continued)

11. MATERIAL TRANSFERS

The investments are managed on a "total return" basis, based on 3.5% of the average value of the investments over the previous twelve quarters. A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis.

During the year, the investment return relating to the permanent endowment fund was negative £299,272 (2021 - £1,042,243). The unapplied total return allocated to income in the reporting period was NIL (2021 - £750,320).

12. NET GAINS/(LOSSES) ON INVESTMENT

	2022 £	2021 £
Investment portfolio	(763,926)	1,791,542
Investment properties	1,606,348	818,307
	<u>842,422</u>	<u>2,609,849</u>

13. TANGIBLE FIXED ASSETS

	Leasehold property £	Improvements to property £	Library £	Totals £
COST				
At 1 August 2021 and 31 July 2022	295,000	4,095	15,391	314,486
Reclassification	(145,000)	-	-	(145,000)
	<u>150,000</u>	<u>4,095</u>	<u>15,391</u>	<u>169,486</u>
DEPRECIATION				
At 1 August 2021	29,000	2,410	14,966	46,376
Charge for year	1,000	82	43	1,125
At 31 July 2022	<u>30,000</u>	<u>2,492</u>	<u>15,009</u>	<u>47,501</u>
NET BOOK VALUE				
At 31 July 2022	<u>120,000</u>	<u>1,603</u>	<u>382</u>	<u>121,985</u>
At 31 July 2021	<u>266,000</u>	<u>1,685</u>	<u>425</u>	<u>268,110</u>

Notes to the Financial Statements (continued)

14. FIXED ASSET INVESTMENTS

	2022 £	2021 £
Listed investment portfolio	<u>15,255,559</u>	<u>16,374,181</u>

Included within investments held on Stock Exchange are investment assets outside the UK of £5,054,692 (2021 - £6,183,993). All other investment assets are investment assets in the UK.

The historical cost of the listed investments, excluding cash, held at 31 July 2022 was £12,987,165 (2021 - £13,668,904).

The following investments were held at 31 July 2022 with a value in excess of 5% of the market value of listed investments:

- Trojan Income Fund
- LF Liontrust UK Equity Fund
- Polar UK Value Opportunities Fund
- JP Morgan GBP Liquidity LVNAV Fund

Movement in fixed asset investments

	2022 £	2021 £
Market value at 1 August (excluding cash held)	16,106,238	14,141,853
Additions at cost	3,803,972	4,816,186
Disposal proceeds	(4,680,101)	(4,646,397)
Gains/(Losses) on investment assets	(763,926)	1,791,543
Accrued interest (movement)	729	3,054
Market value at 31 July (excluding cash held)	14,466,912	16,106,238
Cash held at 31 July	788,646	267,943
Market value of investments 31 July	<u>15,255,558</u>	<u>16,374,181</u>

Notes to the Financial Statements (continued)

15. INVESTMENT PROPERTY

FAIR VALUE

At 1 August 2021

Additions

Revaluation

Reclassification

At 31 July 2022

NET BOOK VALUE

At 31 July 2022

At 31 July 2021

£

9,105,001

22,816

1,606,348

145,000

10,879,165

10,879,165

9,105,001

An informal valuation has been undertaken by Mr L G Greaves FRICS at 31 July 2022, indicating a market value of £10,879,165, which the Governors have adopted in these accounts. During the year, there has been a reclassification amounting to £145,000 relating to a historic property, which was formerly treated as a tangible fixed asset.

The historical cost of the property investments, held at 31 July 2022 was £5,128,868 (2021 - £4,961,052).

Fair value at 31 July 2022 is represented by:

Valuation in 2020

Valuation in 2021

Valuation in 2022

£

8,270,853

834,148

1,774,164

10,879,165

16. DEBTORS

Amounts falling due within one year:

Loans

Prepayments and accrued income

2022

£

17,605

5,469

23,074

2021

£

13,435

7,201

20,636

Amounts falling due after more than one year:

Deferred premium

159,095

182,169

157,520

178,156

Notes to the Financial Statements (continued)

16. DEBTORS (continued)

Within loans are amounts totaling £9,262 (2021 - £9,057) which may not be repayable within one year.

Deferred premiums at the year-end of £159,095 (2021 - £157,520) relate to premiums due from a new tenant. The sum is due to be paid from the proceeds of the tenant's house which was on the market at the year end.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Lease premiums	52,969	55,344
Accrued expenses	9,240	8,001
	<u>62,209</u>	<u>63,345</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Lease premiums	228,532	281,501
Security premiums	7,000	7,000
	<u>235,532</u>	<u>288,501</u>

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS

	At 1.8.21	Net movement in funds	Transfers between funds	At 31.7.22
	£	£	£	£
Unrestricted funds				
General fund	755,876	(74,105)	406,799	1,088,570
Designated fund	<u>16,263,456</u>	<u>1,338,798</u>	<u>(406,799)</u>	<u>17,195,455</u>
	17,019,332	1,264,693	-	18,284,025
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	<u>8,576,034</u>	<u>(299,273)</u>	<u>-</u>	<u>8,276,761</u>
TOTAL FUNDS	<u>25,605,002</u>	<u>965,420</u>	<u>-</u>	<u>26,570,422</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	881,232	(810,337)	(145,000)	(74,105)
Designated fund	<u>-</u>	<u>(32,599)</u>	<u>1,371,397</u>	<u>1,338,798</u>
	881,232	(842,936)	1,226,397	1,264,693
Endowment funds				
Endowment fund	<u>117,647</u>	<u>(32,945)</u>	<u>(383,975)</u>	<u>(299,273)</u>
TOTAL FUNDS	<u>998,879</u>	<u>(875,881)</u>	<u>842,422</u>	<u>965,420</u>

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

	At 1.8.20	Net movement in funds	Transfers between funds	At 31.7.21
	£	£	£	£
Unrestricted funds				
General fund	880,228	(337,188)	212,836	755,876
Designated fund	<u>14,110,349</u>	<u>1,615,623</u>	<u>537,484</u>	<u>16,263,456</u>
	14,990,577	1,278,435	750,320	17,019,332
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	<u>8,284,112</u>	<u>1,042,242</u>	<u>(750,320)</u>	<u>8,576,034</u>
TOTAL FUNDS	<u>23,284,325</u>	<u>2,320,677</u>	<u>-</u>	<u>25,605,002</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				
General fund	405,034	(742,222)	-	(337,188)
Designated fund	<u>-</u>	<u>(29,870)</u>	<u>1,645,493</u>	<u>1,615,623</u>
	405,034	(772,092)	1,645,493	1,278,435
Endowment funds				
Endowment fund	<u>112,710</u>	<u>(34,824)</u>	<u>964,356</u>	<u>1,042,242</u>
TOTAL FUNDS	<u>517,744</u>	<u>(806,916)</u>	<u>2,609,849</u>	<u>2,320,677</u>

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.20	Net movement in funds	Transfers between funds	At 31.7.22
	£	£	£	£
Unrestricted funds				
General fund	880,228	(411,293)	619,635	1,088,570
Designated fund	<u>14,110,349</u>	<u>2,954,421</u>	<u>130,685</u>	<u>17,195,455</u>
	14,990,577	2,543,128	750,320	18,284,025
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	<u>8,284,112</u>	<u>742,969</u>	<u>(750,320)</u>	<u>8,276,761</u>
TOTAL FUNDS	<u>23,284,325</u>	<u>3,286,097</u>	<u>-</u>	<u>26,570,422</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	1,286,266	(1,552,559)	(145,000)	(411,293)
Designated fund	<u>-</u>	<u>(62,469)</u>	<u>3,016,890</u>	<u>2,954,421</u>
	1,286,266	(1,615,028)	2,871,890	2,543,128
Endowment funds				
Endowment fund	<u>230,357</u>	<u>(67,769)</u>	<u>580,381</u>	<u>742,969</u>
TOTAL FUNDS	<u>1,516,623</u>	<u>(1,682,797)</u>	<u>3,452,271</u>	<u>3,286,097</u>

The Endowment Fund represents funds donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

The Designated Fund has been set aside by the governors from assets and investments transferred from Broadfield Trust and the Honourable E R H Wills.

The income generated from investments held in the Designated is included in the Unrestricted General Income Fund for the use in Charitable Activities.

Investment Management costs and net gains and losses on investments are split between the Endowment and Designated Fund in proportion to the opening fund values.

The restricted fund represents amounts donated to fund fellowships as specified by the donor.

Total return

	Endowment £	Unapplied Total Return £	Total Endowment £
At the beginning of the reporting period:			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,691,428	2,691,428
	<u>5,538,795</u>	<u>2,691,428</u>	<u>8,230,223</u>
Movement in the reporting period:			
Investment return: dividends and interest	-	117,647	117,647
Investment return: realised and unrealised gains	-	(383,975)	(383,975)
Less: investment management costs	-	(32,944)	(32,944)
		<u>(299,272)</u>	<u>(299,272)</u>
Unapplied total return allocated to income in the reporting period	-	-	-
	<u>-</u>	<u>(299,272)</u>	<u>(299,272)</u>
Net movements in the reporting period	<u>-</u>	<u>(299,272)</u>	<u>(299,272)</u>
At the end of the reporting period			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,392,156	2,392,156
Total	<u>5,538,795</u>	<u>2,392,156</u>	<u>7,930,951</u>

Notes to the Financial Statements (continued)

20. RELATED PARTY DISCLOSURES

There are no related parties other than the Trustees listed on Page 2. There were no related party transactions for the year ended 31 July 2022.

21. GUARANTEE

Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights or the contributions among themselves such amounts as may be required not exceeding £1.