

# THE LINBURY TRUST

**Annual Report and Financial Accounts  
5 April 2021**

Registered Charity Number 287077

5 Wilton Road, London, SW1V 1AP

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# Legal and Administrative

The charity (No 287077) was established under a Trust Deed dated 5 May 1983.

<b>Trustees</b>	Lord Sainsbury of Preston Candover KG * Lady Sainsbury CBE James Barnard * & ** Richard Butler Adams (Chair)* Sarah Butler-Sloss** Sir Martin Jacomb * & *** Julian Sainsbury Mark Sainsbury * & **  * Investment Committee ** Social Impact Investing Committee *** retired October 2020	
<b>Registered Office</b>	5 Wilton Road London SW1V 1AP	
<b>Principal Officers</b>	Stuart Hobley	Director, The Linbury Trust
	Karen Everett	Chief Operating Officer, Sainsbury Family Charitable Trusts
<b>Bankers</b>	Child & Co 1 Fleet Street London EC4Y 1BD	
<b>Solicitors</b>	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH	
<b>Auditors</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE	
<b>Investment Advisers</b>	Cazenove Capital Management 12 Moorgate London EC2R 6DA  Troy Asset Managers Limited 44 Davies Street London W1K 5JA  Windmill Hill Asset Management Limited Waddesdon Buckinghamshire HP18 0JZ	

# Trustees' Report

The Linbury Trust is one of the Sainsbury Family Charitable Trusts which share a common administration but are otherwise independent of each other.

Each of the current Trustees has extensive experience of trusteeship generally and of the charity sector more specifically.

Trustees are aware of the Charity Commission's guidance on charities and public benefit.

The Trustees have given due regard to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, setting grant making policy and in planning future activities.

In this annual report they provide very full information about the Trust's aims, and about its activities and achievements in the many areas of interest that the Trust supports. They consider that this information demonstrates the benefits to the Trust's beneficiaries, and through them to the public, that arise from carrying out those aims.

Trustees are aware of the Charity Governance Code which sets out the principles and recommended practice for good governance within the sector. The Trust has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The section below headed 'Review of the Past Year' (p 5-12) provides an overview of the Trustees' actions during the year in each of the grant-making categories listed below and, selectively, gives a flavour of the valuable work undertaken by our beneficiaries.

## **The year in context**

The advent of COVID19 had a huge impact on the sectors and organisations the Trust supports.

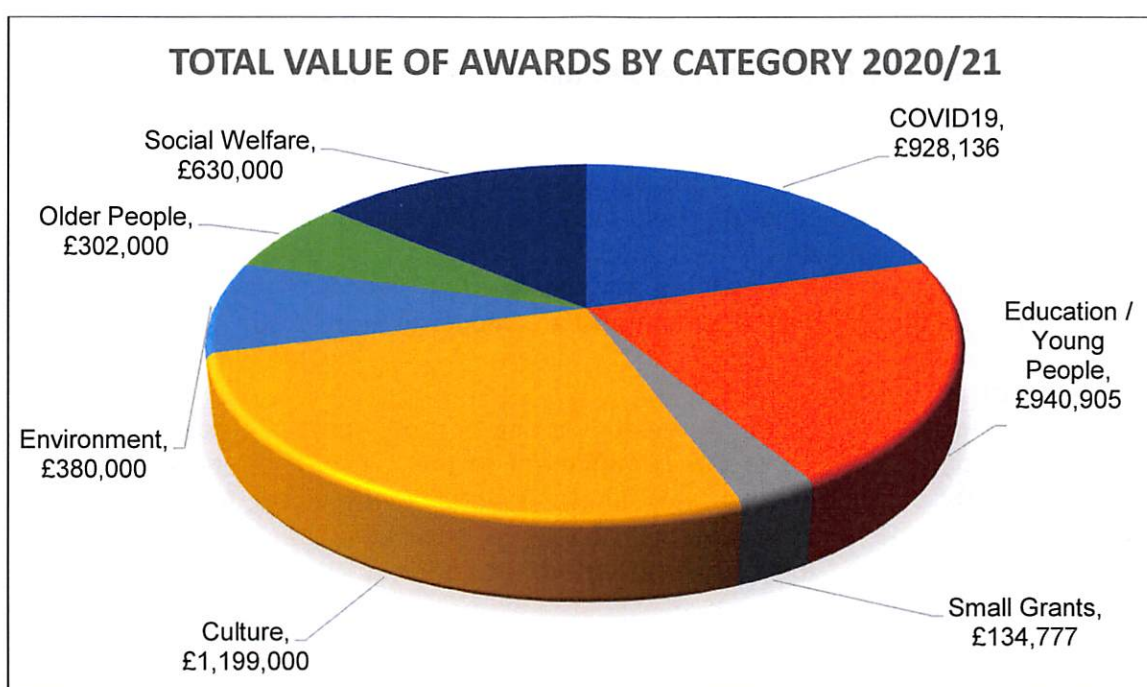
The Trust's response was two-fold; COVID19 was adopted as a category for funding, and this included emergency support to help organisations survive and recover - from core support to helping a number of organisations adapt their digital infrastructure.

Grants were also made to organisations directly addressing the impact of the pandemic.

## Trustees' Report (continued)

Secondly, as with other Sainsbury Family Charitable Trusts, Linbury took a flexible approach to help those we fund, including movement around reporting and payment dates, as well as support for adapting project activity (such as moving in-person activity to online).

To help streamline grantmaking work, Trustees also agreed to reduce the number of funding categories, aggregating categories of arts, museums, and heritage into a single banner of culture. The pie chart below sets out a summary of all new grants awarded, by total value, against the Trust's categories of COVID19, Culture, Education and Young People, Environment, Older People, Small Grants, and Social Welfare. No new grants were made to medical research, or overseas emergency relief.



### Governance

The Trustees take a proactive approach towards grant-making and unsolicited applications are not usually accepted. Through partnership work and research, staff and Trustees identify organisations we want to work with.

The Trustees' practice is to give grants only for work which they believe will be meaningful, may reduce inequality, have impact and be value for money. Decisions are taken by the Trustees five times a year, and day to day management is delegated to the Principal Officers.

All staff and Trustees are expected to support the work of the Trust with the highest integrity. A conflict of interest may arise when an individual's interests relate to a

## **Trustees' Report (continued)**

charity applying for support. Conflicts are declared, noted in the minutes and the individual concerned is not part of any decision-making discussion.

### **Risk assessment**

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified. The Trustees continue to keep processes under review.

The Trustees have identified the uncertainty of financial returns as the charity's principal financial risk. This risk is mitigated through the appointment of three experienced investment management firms, and by the diversification of the portfolio referred to in the following section.

The COVID19 pandemic has not adversely affected the Trust's viability and the Trust continues to focus on supporting applicants through this crisis.

Another major risk is misuse of funds by a grant beneficiary. The Trustees mitigate this risk by normally restricting grants to charities that are registered with the Charity Commission for England and Wales, and for work with a charitable, voluntary and community focus, where the applicant may be exempt from registration. Grants are made only after a thorough assessment and are regularly monitored.

### **Reserves policy**

The Trustees approve grants for payment over one or more years. These are brought into the accounts where there is a commitment to pay. The Trustees meet these commitments out of income, and where there is insufficient income, they do so from expendable endowment. Accordingly, Trustees take the view that all available funds should be seen as one; they have therefore adopted a Statement of Financial Activities that merges all resources.

As shown on page 13, at the year end the total funds of the Trust consisted of Expendable Endowment of £138.8m (2020: £120.3m).

### **Fundraising**

It is the policy of the Trustees to ensure that there are sufficient resources to meet commitments as they fall due. The Trustees are satisfied that the totality and composition of the Trust's resources are sufficient for this purpose. The Trust and its Trustees are fully aware of the requirements and the duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under Section 162A of the Charities Act 2011.

### **Investment powers, policy and performance**

The Trust Deed empowers the Trustees to appoint investment advisers, who are given discretion to invest the funds of the Trust within guidelines established by the Trustees.

## **Trustees' Report (continued)**

The Trustees' investment policy is to maximise funds available for grant-making while preserving the real value of the endowment over the medium term.

The Trust's endowment continues to be invested in stock markets. The Trustees are committed to being socially and environmentally responsible investors and incorporate, promote and advocate environmental, social and governance (ESG) issues into the management of their investment assets. In doing so, the Trust requires its investment managers to fully integrate ESG considerations into their investment process, to comply with the Trust's ethical investment policy and to engage actively on ESG issues with investee companies.

The investment committee of Trustees regularly meets the Trust's investment advisers to discuss strategy and to review performance.

### **Social Impact Investing**

The Trust has also begun to explore the possibility of social impact investing; this approach would be impact led and fit within the Trust's existing areas of focus. A sub-committee has been set up to take this work forward.

### **Review of the past year**

The Trust's income for the year, excluding donations, was £1.9m (2019/20: £2.9m).

In 2020/21 the Trustees paid grants totalling £8.8m (2019/20: £9.7m); they approved 86 grants (2019/20: 52) amounting to a total value of £4.5m (2019/20: £2.3m). Many of the grants that Trustees approve are awarded on a conditional basis, and may be payable over several years; accordingly such grants do not appear in full in the Statement of Financial Activities in the year in which they are awarded. Trustees regard the level of grants actually paid during the year as a more helpful measure of grant-making activity and have used this measure of their activity within this Trustees' Report. They anticipate that the nature of grant-making of recent years will be maintained for the foreseeable future.

As a proportion of grants paid, costs of administration were 7.5% (2020: 6.3%).

The following sections describe the Trust's activities in each of the major categories of grants, including categories where payments have been made but no new grants have been awarded. Trustees believe that the readers of this report will find a representative list of the larger grants actually paid during the year to be helpful; these are itemised in the following pages.

## Trustees' Report (continued)

### COVID19

During the year, Trustees were keen to support organisations whose work had been impacted by the pandemic. Funded work included core costs, emergency support and help to improve digital provision.

**Grant payments paid in year: £673,136.**

<b>Birmingham Royal Ballet</b>	<b>£80,000</b>
Towards the cost of mounting the Ballet's showpiece performance of The Nutcracker for presentation online.	
<b>Macular Disease Society</b>	<b>£60,000</b>
Towards the cost of digital renewed digital infrastructure to allow key services to be delivered online.	
<b>Jerwood Arts</b>	<b>£60,000</b>
Supporting visual artists through the pandemic and contributing to the Jerwood-run 'Live Work Fund'	
<b>Young Minds</b>	<b>£50,000</b>
The first payment of a £200k grant that will help to support young people whose mental health has been impacted by COVID19.	
<b>National Theatre</b>	<b>£50,000</b>
To support the redevelopment of the Theatre's digital infrastructure.	
<b>Dulwich Picture Gallery</b>	<b>£50,000</b>
To support the redevelopment of the Gallery's security systems, with work taking place during COVID19 closure.	
<b>Dementia UK</b>	<b>£50,000</b>
To support additional qualified staff required to operate their helpline, which faces greater demand as a result of COVID19.	

14 projects received grant payments of less than £50k totalling £273,136.

A total of £928,136 was awarded in *new* grants.



## Trustees' Report (continued)

### Culture

The Linbury Trust is a major supporter of excellence, access, and community engagement of culture; this includes visual arts, dance, historic buildings, museums, and theatre. Funding ranges from small one-off grants to support dance and choreography, multi-year funding to support community involvement and access to culture, to major capital projects.

**Grant payments paid in year: £5,910,887.**

<b>Royal College of Arts</b>	<b>£1.75million</b>
These funds completed the Trust's overall contribution of £3million towards the College's new Battersea Campus.	

<b>Courtauld Connects</b>	<b>£1.5million</b>
These funds completed the Trust's overall contribution of £4million towards the capital redevelopment of the Courtauld Institute.	

<b>Ashmolean Museum</b>	<b>£1million</b>
The penultimate payment of the Trust's £5million gift toward the museum's endowment fund.	

<b>Royal Academy of Dance</b>	<b>£125,000</b>
The first payment towards the Academy's capital redevelopment.	

<b>Gainsborough's House Museum</b>	<b>£150,000</b>
The penultimate payment towards the Museum's capital redevelopment.	

<b>Orchestra of the Age of Enlightenment</b>	<b>£75,000</b>
The first payment from a grant totalling £120k that will help the Orchestra relocate to Ackland Academy in Camden.	

<b>East London Dance</b>	<b>£60,000</b>
Toward the capital redevelopment of Talent House, the new home for East London Dance.	

<b>British School at Rome</b>	<b>£57,676</b>
The penultimate payment towards the School's Sainsbury Scholarship.	

<b>Bath Abbey Trust</b>	<b>£50,000</b>
The final payment of a £150k grant towards the capital redevelopment of Bath Abbey.	

## Trustees' Report (continued)

**Northern Ballet Theatre** £50,000

The final payment from a grant totalling £200k which has supported Northern Ballet's programme of ballets for children.

**London Music Masters** £50,000

The final payment from a larger grant of £150k that has enabled London Music Masters to train musicians to teach school children.

**St Paul's Cathedral Foundation** £50,000

The final payment from a £100k grant towards capital redevelopment.

**Chineke Foundation** £50,000

The first payment of a £150k project over three years, supporting core costs.

**The Sainsbury Archive** £50,000

The first payment of a £250k project over five years, for core costs.

**Mercury Theatre** £50,000

Funding towards the capital redevelopment of the Mercury Theatre.

**National Opera Studio** £50,000

Funding towards upgrading digital infrastructure.

49 projects received grant payments of less than £50k totalling £671,211.

A total of £1,199,000 was awarded in *new* projects this year.

## Trustees' Report (continued)

# Education and Young People

The Trust has a layered approach to supporting young people and their education and life opportunity; this can include scholarships and bursaries, work to reduce inequality and support young people living in poverty, to the development of capital spaces that will foster young socially-minded entrepreneurs.

**Grant payments paid in year: £592,135.**

<b>Saïd Business School</b>	<b>£187,500</b>
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Final payment of a three-year grant that supported a scholarship programme at the School.

<b>University of Winchester</b>	<b>£80,000</b>
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First payment of a four-year grant that supports improved educational attainment of young people in care.

<b>Local Solutions</b>	<b>£75,000</b>
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First payment of a £150k grant funding core costs and the work of Local Solutions supporting young people at risk of criminal exploitation.

<b>Island Academy</b>	<b>£61,635</b>
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First payment in a three-year grant that will fund the Academy's scholarship programme, and IT upgrades.

<b>Sheerness Dockyard</b>	<b>£50,000</b>
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A grant toward the capital redevelopment of the church that will be used to support young people and new business start-ups.

<b>Culture Trust Luton</b>	<b>£50,000</b>
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Funding to help the redevelopment of the Luton Hat Works and new uses, including young people and related start-ups.

3 projects received grant payments of less than £50k totalling £88,000.

A total of £940,905 was awarded in *new* grants this year.

## Trustees' Report (continued)

### Environment

The Trust continues its support for the environment, including work which helps to better connect people with nature, and to understand the impact of climate change.

**Grant payments paid in year: £307,000.**

<b>Ashden Sustainable Solutions</b>	<b>£180,000</b>
Funding towards core costs, the final payment of a £495k grant.	

<b>Green Light Trust</b>	<b>£70,000</b>
The first payment of a three-year grant of £150k supporting the Green Light Trust to expand their work.	

3 projects received grant payments of less than £50k totalling £57,000.

A total of £380,000 was awarded in *new* grants under this category.

### Medical

The Trust supports a small number of projects that may aid in the support and research of life-limiting conditions.

**Grant payments paid in year: £238,782.**

<b>Maggie's Cancer Caring Centre</b>	<b>£100,000</b>
Towards the Maggie's Centre in Southampton.	

<b>Motor Neurone Disease Association</b>	<b>£50,000</b>
Towards the AMBRoSIA research project into better diagnosis of Motor Neurone Disease.	

In addition, 3 projects received grant payments of less than £50k totalling £88,782.

No *new* awards relating to medical research were supported this year.

## Trustees' Report (continued)

### Older People

The Trust looks to fund projects that support older people, especially those that reduce isolation, foster intergenerational work, and schemes that improve wellbeing and social engagement.

**Grant payments made in year: £130,780.**

Five projects received grant payments of less than £50k totalling £130,780.

A total of £302,000 was awarded in *new* grants.

### Overseas & Emergency Relief

Trustees' primary continuing interest in this category remains in supporting organisations that work in the Caribbean, and to provide emergency funding. No *new* grants were awarded under this category.

**Grant payments made in year: £348,249.**

<b>Jumby Bay Fund</b>	<b>£189,692</b>
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A total of £189,692 was awarded across three payments to support the COVID19 related food programme.

<b>Jumby Bay Fund / Government House</b>	<b>£93,556</b>
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To support the restoration of Government House following the environmental disaster in 2018.

Three projects received grant payments of less than £50k totalling £65,000.

No *new* awards relating to this category were supported this year.

## Trustees' Report (continued)

### Social Welfare

Through our Social Welfare category, the Trust aims to address issues of inequality and tackle disadvantage; we also seek to support those looking to achieve positive and lasting change. This includes work around mental health, homelessness as well as refugees and asylum seekers.

**Grant payments made in year: £580,000**

<b>Social Finance</b>	<b>£125,000</b>
The final payment in a three-year grant of £375,000, supporting core costs.	

<b>Young Minds</b>	<b>£90,000</b>
The final payment of a £330,000 three-year grant supporting Young Minds' and their work with young refugees and asylum seekers.	

<b>Prism the Gift Fund</b>	<b>£50,000</b>
The final payment of a three-year grant of £150,000; utilised by RefuAid to provide support to skilled refugees and asylum seekers to help their qualifications be recognised in the UK.	

<b>Orchestra of Swan</b>	<b>£50,000</b>
The first payment of a £100,000 grant that uses music to support the wellbeing of people living with dementia	


<b>Trinity Winchester</b>	<b>£50,000</b>
A contribution to the Trinity Winchester capital programme, providing new temporary accommodation and support to homeless people.	

<b>House of St Barnabas</b>	<b>£50,000</b>
The first payment of £50,000 of a three-year grant supporting people impacted by homelessness with skills, training and employment opportunity in the hospitality sector.	

Seven projects received grant payments of less than £50k totalling £165,000.

A total of £630,000 was awarded in *new* grants.

Approved by the Board of Trustees on the 7th of October 2021 and signed on their behalf by

  
..... TRUSTEE  
Richard Butler Adams

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2021

	Notes	2021 £'000	2020 £'000
<b>INCOME AND ENDOWMENTS from:</b>			
Donation received, including gift aid		2,520	1,795
Investment income	2	1,864	2,921
Bank deposit interest and other income		4	32
<b>Total Income</b>		<b>4,388</b>	<b>4,748</b>
<b>EXPENDITURE on:</b>			
<b>Cost of generating funds:</b>			
Investment management fees		325	325
<b>Charitable activity</b>			
Grant-making - Costs of administration	3	733	610
- Grants payable	4	7,402	6,767
<b>Total Expenditure</b>		<b>8,460</b>	<b>7,702</b>
Net operating deficit		(4,072)	(2,954)
Currency exchange gains / (losses)		-	(8)
Gains / (losses) on investments	5	22,514	(12,007)
<b>Net movement in funds</b>		<b>18,442</b>	<b>(14,969)</b>
Total funds brought forward		120,341	135,310
<b>Total funds carried forward</b>		<b>138,783</b>	<b>120,341</b>

The notes on pages 16 - 22 form part of these accounts.

There are no gains and losses in either the current year or preceding period other than those recognised in the statement of financial activities.

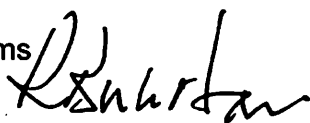
## BALANCE SHEET AS AT 5 APRIL 2021

	Notes	2021	2020
		£'000	£'000
<b>FIXED ASSETS</b>			
Investments	5	134,277	116,779
Loans to beneficiaries	6	1,705	1,705
		<u>135,982</u>	<u>118,484</u>
<b>CURRENT ASSETS</b>			
Debtors	7	872	260
Cash at bank and in hand		<u>5,377</u>	<u>6,264</u>
		<u>6,249</u>	<u>6,524</u>
<b>CURRENT LIABILITIES</b>			
Creditors- amounts falling due within one year <sup>8</sup>		<u>(2,758)</u>	<u>(3,387)</u>
<b>NET CURRENT ASSETS</b>		3,491	3,137
Creditors- amounts falling due after one year <sup>9</sup>		(690)	(1,280)
<b>NET ASSETS</b>		<u><u>138,783</u></u>	<u><u>120,341</u></u>
Expendable endowment		138,783	120,341
<b>TOTAL FUNDS</b>		<u><u>138,783</u></u>	<u><u>120,341</u></u>

The notes on pages 16 - 22 form part of these accounts

The financial statements were approved and authorised for issue by the Trustees on the 7th of October 2021 and were signed on their behalf by:

Richard Butler Adams



TRUSTEE



## STATEMENT OF CASHFLOWS

### FOR THE YEAR ENDED 5 APRIL 2021

	<b>Note:</b>	<b>2021</b>	<b>2020</b>
		<b>£'000</b>	<b>£'000</b>
<b>Net cash used in operating activities</b>	<b>10</b>	<b>(9,787)</b>	<b>(10,920)</b>
<b>Cash flows from investing activities:</b>			
Interest and dividends		1,868	2,953
Proceeds from sale of investments		24,018	12,557
Purchase of investment		(12,233)	(4,902)
Effect of foreign exchange rate changes		-	(8)
<b>Net cash provided by investing activities</b>		<b>13,653</b>	<b>10,600</b>
<b>Cash flows from financing activities:</b>			
Receipt of expendable endowment		2,016	1,795
<b>Net cash provided by financing activities</b>		<b>2,016</b>	<b>1,795</b>
<b>Change in cash and cash equivalents in the year</b>		<b>5,882</b>	<b>1,475</b>
Cash and cash equivalents brought forward		10,830	9,355
<b>Cash and cash equivalents carried forward</b>		<b>16,712</b>	<b>10,830</b>

### Analysis of the balance of cash as shown in the balance sheet

	<b>2021</b>	<b>2020</b>	<b>Change in year</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	5,377	6,264	(887)
Investment cash (Note 5)	11,335	4,566	6,769
	<b>16,712</b>	<b>10,830</b>	<b>5,882</b>

The notes on pages 16 to 22 form part of these accounts.

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021**

### **1. ACCOUNTING POLICIES**

The Linbury Trust is an unincorporated charity, registered in England and Wales. The address of the registered office is The Peak, 5 Wilton Road, London SW1V 1AP. The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011 and UK Generally Accepted Practice.

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 note(s) to these accounts.

The Trust constitutes a public benefit entity as defined by FRS102.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities SORP (FRS 102) rather than Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

In the opinion of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity due to the reserves held at year-end.

The principal accounting policies adopted are as follows:

#### **a) Income Recognition**

All incoming resources are included in the Statement of Financial Activities when the Trust is entitled to the income and the amounts can be quantified with reasonable accuracy.

- (i) Income is shown gross including tax deducted unless it is considered irrecoverable.
- (ii) Dividends are included when receivable.
- (iii) Interest is recorded only when it is receivable.

#### **b) Expenditure**

All expenditure is accounted for on an accruals basis.

- (i) Grants for which there is a binding commitment are accounted for within the Statement of Financial Activities.

- (ii) Other grants and grant instalments are accounted for in the Statement of Financial Activities when conditions attaching to the grant are fulfilled.

- (iii) Costs of administration relate in the main to the grant-making activity of the Trust and include a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Trust matters and grants paid.

Trustees consider that the separation of the costs of administration of the charity between support and governance as required by Charities SORP (FRS 102), and particularly where these costs are immaterial by reference to the total expenditure, adds little value to these accounts.

## NOTES TO THE ACCOUNTS

### c) Investments

- (i) Net realized and unrealized gains and losses are reflected in the Statement of Financial Activities.
- (ii) Investments are shown at mid market value.
- (iii) Partial disposals are accounted for using average book value.
- (iv) Investments held in foreign currency are converted into sterling at the prevailing exchange rate and any foreign currency gains or losses on disposal are reflected in the Statement of Financial Activities.

### d) Loans to beneficiaries

- (i) Trustees make loans in furtherance of the Trust's charitable objects. Any financial return is likely to be below market rates but can be justified by the charitable impact.
- (ii) Loans to beneficiaries represent loans made at less than a market rate of interest for charitable purposes. They are included at the amount advanced less any repayments and impairments.

### e) Fund accounting

The Trustees do not distinguish between the income fund and expendable endowment fund in managing the charity. Consequently the income fund is not separately disclosed as the movements on it are considered to be immaterial.

### f) Financial Instruments

The Trust has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals.

Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the charity held financial assets at fair value of £122.9m (2020: £112.2m).

### g) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described above, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

## NOTES TO THE ACCOUNTS

### 2. INVESTMENT INCOME

Income received on investments is analysed as follows:

	2021		2020	
	£'000	%	£'000	%
UK Government Fixed Interest	1	0%	1	0%
Other fixed interest	13	1%	18	0%
UK Equities	1,461	78%	2,453	92%
Overseas Equities	212	11%	265	5%
Alternatives	177	10%	184	3%
	<u>1,864</u>	<u>100%</u>	<u>2,921</u>	<u>100%</u>

### 3. COSTS OF ADMINISTRATION

	2021	2020
	£'000	£'000
Salaries and associated costs	373	299
Office costs	344	301
Auditor's remuneration	16	10
	<u>733</u>	<u>610</u>

### 4. ANALYSIS OF GRANTS

	2021		2020	
	£'000	£'000	£'000	£'000
<b>Reconciliation of grants payable:</b>				
Grants committed but unpaid at 6 April 2020		4,037		7,015
Grants conditionally approved at 6 April 2020	16,571		21,019	
Grants approved in the year	4,515		2,339	
Grants cancelled, amended or refunded	0		(20)	
Grants conditionally approved at 5 April 2021	<u>(13,684)</u>		<u>(16,571)</u>	
<b>Grants payable for the year</b>		<b>7,402</b>		<b>6,767</b>
<b>GRANTS PAID IN THE YEAR</b>		<b>(8,781)</b>		<b>(9,745)</b>
<b>Grants committed but unpaid at 5 April 2021</b>		<u><b>2,657</b></u>		<u><b>4,037</b></u>
<b>Commitments at 5 April 2021 are payable:</b>		<b>2021</b>		<b>2020</b>
		£'000		£'000
Within one year (note 8)		2,017		2,807
After more than one year (note 9)		640		1,230
		<u>2,657</u>		<u>4,037</u>

## NOTES TO THE ACCOUNTS

### 4. ANALYSIS OF GRANTS (continued)

The total of grants paid in the year can be classified as follows:

	<b><u>2021</u></b>	<b><u>2020</u></b>
	<b>£'000</b>	<b>£'000</b>
<b>COVID</b>	673	-
<b>CULTURE</b>	5,911	2,780
<b>EDUCATION &amp; YOUNG PEOPLE</b>	592	4,064
<b>ENVIRONMENT</b>	307	305
<b>MEDICAL</b>	239	787
<b>OLDER PEOPLE</b>	131	-
<b>OVERSEAS &amp; EMERGENCY RELIEF</b>	348	295
<b>SOCIAL WELFARE</b>	580	1,514
	<b><u>8,781</u></b>	<b><u>9,745</u></b>

## NOTES TO THE ACCOUNTS

<b>5 FIXED ASSET INVESTMENTS</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Market value at 6 April 2020	112,213	131,875
Less: Proceeds from disposals	(24,018)	(12,557)
Add: Acquisitions at cost	12,233	4,902
Gains / (losses) on investment assets	22,514	(12,007)
<b>Market value at 5 April 2021</b>	<b>122,942</b>	<b>112,213</b>
Investment cash	11,335	4,566
<b>Total Investments</b>	<b>134,277</b>	<b>116,779</b>

The investments held as at 5 April 2021 were as follows:

		2021		2020
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
UK Government Fixed Interest	598	684	668	759
Other fixed interest	815	839	862	966
UK Equities	86,611	94,683	112,618	93
Overseas Equities	14,652	19,737	9,939	13,056
Alternatives	5,814	7,003	4,364	4,754
	108,490	122,945	128,451	112,213

## 6. LOANS TO BENEFICIARIES

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Balance at beginning of year	1,705	1,740
Loans made/(cancelled) in year	-	(35)
Balance at end of year	<b>1,705</b>	<b>1,705</b>

## NOTES TO THE ACCOUNTS

### 7. DEBTORS

	2021	2020
	£'000	£'000
Prepayments	168	80
Other debtors and accrued income	704	180
	<u>872</u>	<u>260</u>

### 8. CREDITORS - amounts falling due within 1 year

	2021	2020
	£'000	£'000
Grants payable within one year	2,017	2,807
Accruals	50	65
Other creditors	691	515
	<u>2,758</u>	<u>3,387</u>

### 9. CREDITORS - amounts falling due after more than 1 year

	2021	2020
	£'000	£'000
Grants payable after more than one year	640	1,230
Long term liability	50	50
	<u>690</u>	<u>1,280</u>

### 10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£'000	£'000
Net movement in funds	18,442	(14,696)
Deduct gift of endowment	(2,016)	(1,795)
Deduct income shown in investing activities	(1,868)	(2,953)
(Deduct gains) / add back losses on investments	(22,514)	12,007
Add back losses on currency exchange	-	8
Loans to beneficiaries cancelled in year	-	35
(Increases) / decreases in debtors	(612)	7
(Decrease) in creditors	(1,219)	(3,260)
	<u>(9,787)</u>	<u>(10,920)</u>

## NOTES TO THE ACCOUNTS

### 11. ANALYSIS OF STAFF COSTS

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Staff costs:		
Wages and salaries	305	237
Social security costs	35	30
Other pension costs	33	32
	<b>373</b>	<b>299</b>

As mentioned in Accounting Policies note (b), the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 5.8% (2020: 5.1%) of the total costs of these trusts have been allocated to The Linbury Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2021.

The average total number of staff employed during the year was 13, most of whom worked for the Linbury Trust on a part-time basis (2020:12). This was equivalent to 3.4 full-time employees (2020: 2.6).

The Trust considers its key management personnel to comprise the Trustees and Principal Officers. The Trustees all give freely of their time and expertise without remuneration, expenses or other benefit in cash or kind (2020: £nil). Cost for key management is £148,402 (2020: £86,152) The number of employees whose total employee benefits (excluding employer pension costs) for services provided to the Trust exceeded £60,000 was as follows: 2021 one employee who earned between £90,000-£100,000 2020: none.

### 12. RELATED PARTY TRANSACTIONS

Donations from Trustees total £2.520m including Gift Aid (2020: £1.795m) were received.

Included within loans to beneficiaries (Note 6) is an interest-free loan of £1.5m (2021: £1.5m) to the Rambert School of Ballet and Contemporary Dance Trust (registered charity number 1114705) of which Richard Butler Adams is a Trustee. The loan was made in 2004 and repayments are frozen until 2026.

A donation of £2,500 was made to Rambert School of Ballet and Contemporary Dance during the year.

During the year, The Linbury Trust approved 86 grants; for three of these a conflict of interest was declared in the applicant organisations. In such cases, the individual raising the conflict was not part of the decision-making process. Applicant organisations are not controlled by The Linbury Trust and the Trustees are mindful of the need to consider any potential conflicts of interest when making grant awards.



## **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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 financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES**

## **Opinion**

We have audited the financial statements of The Linbury Trust for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including 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 charity's affairs as at 5 April 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)**

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 auditor's report 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.

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, 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient 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 set out on page 23, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)**

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.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

#### **Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with informed management and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

#### **Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)**

financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **DEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)**

### **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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Saffery Champness LLP.*  
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Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: *20 December 2021.*

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006