

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST
and other related charities



TRUSTEES' REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

Charity Commission No: 528066

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
Trustee report and accounts for the year ended 31 March 2022

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Trustee report and accounts for the year ended 31 March 2022

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report along with the audited accounts of the Trust for the year ended 31 March 2022.

REFERENCE AND ADMINISTRATIVE INFORMATION

Status The University of Newcastle upon Tyne Development Trust is a Charity registered with the Charity Commission (No. 528066)

Address Finance & Planning
Newcastle University
King's Gate
Newcastle upon Tyne NE1 7RU

Trustees The Trustees of the Charity in office at the date of the approval of the financial statements were:

Mrs HA Parker (Chair)
Professor D Burn*
Mr W Connolly *
Professor CP Day (Vice Chancellor)
Dr VA Hammond
Mrs VS Johnston *
Mr DG Jennings (Honorary Treasurer)
Mr N Swales

* Appointed by the Council of Newcastle University

Trust Manager Ms FJ Watson

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REFERENCE AND ADMINISTRATIVE INFORMATION (continued)

Independent Auditors	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS	Solicitors	Wrigleys Rotterdam House 116 Quayside Newcastle upon Tyne NE1 3DY
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ		
Investment Managers	Aon Investments Limited The Aon Centre The Leadenhall Building 122 Leadenhall Street London, EC3V 4AN	Investment Custodians	The Bank of New York Mellon One Canada Square London E14 5AL

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust was established for the benefit of the University of Newcastle upon Tyne and is governed by a Deed dated 10 May 1972.

Appointment of Trustees

The Trust Deed allows for a minimum of six and a maximum of twelve Trustees. The Trustees, who were in post at 31 March 2022 and at the date of this report are set out on page 3. Dr VA Hammond was appointed as a Trustee on 1 May 2021. The Vice-Chancellor of the University is an ex-officio Trustee. The Council of the University appoints up to four of the total number of Trustees, excluding the Vice-Chancellor, and at the date of this report three of these posts were filled. The remaining non ex-officio Trustees are recruited from individuals recommended by the existing Trustees. No Trustees, whether ex-officio or non-ex-officio, receive benefits from the Trust in their capacity as Trustees other than occasional out of pocket expenses. Under the Trust Deed, Trustees may serve two consecutive three-year terms of office. They can be nominated to serve further terms but only after one year has elapsed from the date of the termination of their previous appointment. Mrs HA Parker, Prof D Burn, Mr W Connolly and Mrs VS Johnston are currently serving their second consecutive term of office. In the period, following legal advice, it was agreed by Trustees Resolution, to extend the term of Mrs HA Parker as Chair of the Trust past May 2022. This was agreed on the basis that the relationship between the Development Trust and the University is at a critical point. The relationship between the two organisations has changed dramatically and the University are about to launch the Campaign for Newcastle. The Development Trust will play an integral role in the Campaign, and the Chair has been involved with the planning for the Campaign, including being invited to sit on the Campaign Advisory Circle.

Trustee induction and training

On appointment, new Trustees receive an induction pack and are offered the opportunity to attend relevant courses. The induction pack contains, inter alia, copies of: the Trust Deed, the Trustee Act 2000 Policy Statement, the Trust Risk Register, the last two sets of the Trustees' Report and Accounts, minutes of recent Trustee meetings and Sub-Committee meetings, and the Charity Commission booklet "The Essential Trustee". During their term of office Trustees are encouraged to attend courses and conferences appropriate to their roles.

Organisational structure and decision making

Trustees' Meetings are held twice each year and at such other times as the administrative requirements of the Trust dictate. An Investment Sub-Committee holds meetings at least twice each year with the Investment Manager and there were four meetings during the year ended 31 March 2022. The Sub-Committee is chaired by the Honorary Treasurer (Mr DG Jennings). Mrs HA Parker and Mr N Swales are also Trustee members. The meetings are attended by the Trust Manager and the University Executive Director of Finance. The Sub-Committee reports to the full Board of Trustees twice each year. The Trustees form additional sub-committees in cases where the administration of endowments warrants them and such committees all report to the full Board of Trustees.

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Organisational structure and decision making (continued)

There are currently sub-committees involved in the administration of the WE Harker Foundation, the Randerson Foundation and the Robinson Library and Marjorie Robinson Bequest Funds. The award of studentships from the Harker and Randerson Foundations is carried out by the University Faculty of Medical Sciences Post Graduate Research Committee and Ms FJ Watson attended their meeting in February 2022 to represent the Trust. The Robinson

Library/Marjorie Robinson Bequest Sub-Committee was chaired by Mrs HA Parker and then Dr VA Hammond (from 1 May 2021) during the year, with Mr DG Jennings also a Trustee member. Ms FJ Watson is the Trust Manager. The Trust Manager is employed on a part-time basis, by way of a Secondment from Newcastle University. The Trust's accounts are prepared by the University's Finance Office and the Trust Manager.

Related party

The Trust is a registered charity, independent of the University. The Trust holds funds received from donors for the benefit of the University, but only distributes these funds to the University after checking compliance with the donors' wishes.

Risk Management

The Trustees have considered the major risks to which the Trust is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The Trustees consider poor performance and variability of investment returns on the endowments to constitute the Trust's primary financial risk, compared to our target long term real rate of return of 4.5% p.a. The extreme volatility in world stock markets in recent years, and particularly through 2021 and into 2022, has demonstrated this risk. In March 2021 the Trustees agreed to take action to change its fund management arrangements in order to enhance its investment in funds demonstrating Environmental, Social and Governance credentials; whilst mitigating its exposure to the equities market by investing in two alternative diversifier strategies. Aon proposed two replacement funds and a change in the Asset Allocation target, with a recommendation that 70% of funds be held in the new Global Impact Equities Fund (+/-5%) and 30% be held in two Diversified return funds. This revised asset allocation was approved by NUDT Trustees in March 2021. The necessary actions to make this change happened on 31st March 2021, and into early April 2021, with investment in a new Global Impact Equities Fund, and two Diversifier Funds to provide a degree of protection to the Trust in times of equity volatility. The funds continue to be managed by Aon Solutions UK Limited (formerly HRMSL and Aon Investment Limited) during the year of account, with scrutiny and oversight of their performance being undertaken by the Investment Sub-Committee in May 2021, November 2021, and May 2022.

In addition, the endowments are managed on a total return basis, as explained in the section headed 'Financial Review: Investment Policy and Objectives'. The Trustees consider the use of the total return approach stabilises the resources available for making grants to the University.

The Trustees considered the main operational risk during this period to be associated with the retirement of the University's Director of Finance. To manage

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Organisational structure and decision making (continued)

this risk the Chair, Treasurer and Trust Manager met with the outgoing and incoming Directors of Finance as part of their handover and have continued to meet with the new Director of Finance on a regular basis. This risk is expected to be removed from the register early in the 2022/2023 year. The Trustees review these risks and other subsidiary risks identified in the Risk Register on an ongoing basis and satisfy themselves that adequate systems and procedures are in place.

OBJECTIVES AND ACTIVITIES

Public Benefit

Following the introduction of provisions regarding public benefit in the Charities Act 2011, the Trustees have reviewed the objectives and activities of the Trust in the context of the published guidance on public benefit produced by the Charity Commission. The Trustees consider that the objectives and activities of the Trust comply with this guidance and that, specifically, they support the University in the advancement of education and medical research for the public benefit.

Objects

The Trust was established to raise, receive and administer funds for the benefit of the University. The objects of the Trust remain as defined in the original Trust Deed: “such purposes as are exclusively charitable according to the Law of England and Wales and are deemed to further the work of the University.” The role of fundraising was assigned to the University Development and Alumni Relations Council on its creation in 2003. With the growth of the University Development Office, now called the Advancement Office, and the dissolution of the Development and Alumni Relations Council, fundraising is now led by the Advancement Team. As provided in the Trust Deed, all funds are held solely for the benefit of the University. Grants are not made to any other individuals, organisations or charities.

Aims

The long term aims of the Trust are:

- To receive and invest donations to support the goals of the University and to distribute the funds to the University, within the context of the wishes of the donors and in accordance with Charity Law.
- To maximise the benefit derived from those donations received, through the effective and efficient management and investment of funds.

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Main objectives for the period

The Trust's main objectives for the year ended 31 March 2022 were as follows:

- To continue to liaise closely with the University as to their potential requirements for support over the short medium and long term with a view to developing a 5 year expenditure plan in conjunction with the Trustees stated aim to increase the annual level of support that the University receives from the Trust.
- To continue to monitor closely the performance of the Investment Manager, especially in view of the turbulence in the markets as a result of the Covid 19 pandemic.
- To continue with the review of individual endowments that support posts and, where appropriate, to explore potential opportunities for realignment with the current needs of the University, through discussions with donors and the Charity Commission.
- To continue with the implementation of the recommendations from the governance review so that the Trustees can better demonstrate that the Trust is meeting the Charity Commission's requirements.
- To recruit at least two new Trustees.

Strategy to deliver objectives

- Work with the University to determine the best focus for increased distribution
- Review with the Investment Manager, at the six monthly Investment Sub-Committee meetings, the investment performance of the Endowment Funds and report the discussions to the full Trustees' meetings.
- The Investment Sub-Committee to consider the use of CPI and decide whether to make a proposal to the full Board to amend the target return.
- The Investment Sub-Committee to consider alternative methods of calculating distributions in the light of the outcome of the Trustees' strategy review.
- Continue discussions with the University, donors and the Charity Commission to update endowment names and objects where necessary.
- The Governance Sub-Committee to progress the implementation of the recommendations arising from the Governance Review.

ACHIEVEMENTS AND PERFORMANCE

Versus long term aims

- The Trust's funds have been invested to achieve a level of total return which has enabled the Trust to maintain the distribution rate of 4.5% of Fund value at the beginning of the year to the University, as well as to maintain the value of the Fund in real terms.
- The total value of the Trust's charitable funds decreased during the year by £0.643m from £61.194m to £60.551m. This change included costs of £0.058m (2021: £0.051m); distribution payments of £5.068m (2021: £4.760m) to the University; and new donations received/receivable of £0.731m (2021: £0.124m). The invested funds in the year increased to £59.911m (2021: £56.178m). This capital movement of £3.733m was due to

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Versus long term aims (continued)

investment gains in the year (2021: £13,639). The unusually high level of capital gain in 2021 was the result of the value of equities improving significantly in that year as governments across the world addressed the financial fall out of Covid 19 resulting in a substantial investment gain.

- The stated objective of the Fund was to maintain the value of the funds in real terms and seek to outperform the composite benchmark by 1% or more. Further details are set out in the Financial Review section below.

ACHIEVEMENTS AND PERFORMANCE

- Funds have been distributed to the University twice during the period, in accordance with the donors' wishes.
- The Trustees encourage feedback from beneficiaries. The Trustees received a number of letters and reports from students who have received scholarships or bursaries from the Trust, all of which were very appreciative. Extracts from a few of these are included here:

"My lack of a quality personal computer has also impacted my university work thus far, as I've only been able to sufficiently complete my work on site - something that isn't practical in the later hours of the day in which I often have a want to complete work or further my knowledge in relation to my field of study. This award will allow me to invest in a personal computer, effectively increasing the hours that I'm able to work and allowing for further flexibility in when and how I work, further contributing to a healthier work-life balance for myself. For this, I'm incredibly grateful." **Bursary recipient, studying Computer Science**

"This bursary will allow me to complete my studies as well as give me a great deal of financial security and the peace of mind that comes with it. As my family cannot always support me financially, money at university has always been one of my biggest stressors, so I truly cannot put into words how much this bursary will mean to me, and how much it will improve my mental health." **Bursary recipient, studying Public Health**

- Following the Trustees' Strategy Day in 2019, and discussion at the Trustees' Meeting in January 2020, it was agreed that the Trust would fund 100% of the cost of posts supported by the Trust over the next 3 to 5 years, starting in 2020/2021.
- Continuing with the Trustees stated aim to increase the annual level of support that the University receives from the Trust, the Trustees pledged £500,000 over five years, to support the new Newcastle Student Fund at the University. The Trustees were delighted to see the first instalment of this used as match funding to encourage donations from other supporters.
- The implementation of the recommendations from the Governance Review has continued during the year, including amongst other matters, the completion of the Trustees' Skills audit.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities

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FINANCIAL REVIEW

Introduction and Principal Funding Sources

As background, all the funds held by the Trust are applied for specific purposes in connection with the University's work. Accordingly, it is the Trustees' aim to invest these funds to maximise the total return (capital and income) from the funds, in accordance with prudent investment principles. This maximises the payments that can be made to the University whilst aiming to preserve the real value of the funds. Thus, the principal funding sources for the Trust are investment income and realised and unrealised gains and losses on investments. During the year there was no direct investment income received in respect of funds held with the Aon AIL Adept Funds, as income from these funds is accumulated, however £19,000 of direct investment income was received in respect to the funds held on the Flagstone Deposit Platform during the year.

In addition, the Trust receives donations and gifts which are designated for particular University purposes. As previously indicated, however, the Trust is not engaged in fundraising and so has no direct control over the level of donations and gifts received. Legacies received in the year were as follows:

- In December 2021, the Trust received a further contribution of £0.200m to the Alice Stephenson Bequest for Cancer Research from Mrs Stephenson's estate bringing the total received so far to £1.144m. The Trust were informed at the yearend that a further amount in the region of £0.530m is due in 2023 as settlement of the Estate this has been included in debtors as 'donation receivable'.
- In June 2021 a residual amount of £0.001m was received as a final payment from the Foxcroft estate bringing the total donation received over the last couple of years to £2.415m relating to this expendable endowment.

Nature of the funds held

All but one of the funds have been given by donors for specific "ring-fenced" purposes and are typically utilised to support the salary costs of individual posts such as Chairs and Lectureships and also to support student-related scholarships and awards in various academic Schools within the University. The largest Fund, the Marjorie Robinson Bequest, was given for the benefit of the Library. Funds have usually been received in response to specific appeals, or in the form of bequests for the benefit of particular aspects of the University's teaching or research.

There were 106 Funds held at 31 March 2022 which were categorised as follows:

Permanent Endowment	24
Expendable Endowment	48
Restricted Income WITH Endowment	31
Restricted Income NO Endowment	2
Unrestricted	1
	<hr/>
	106

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Nature of the funds held (continued)

It can be seen that, similar to the Endowments, all but one of the Income Funds are Restricted, i.e. donors have given directions as to how the monies are to be spent. In the case of Restricted Income Funds which are linked to Endowments the Trustees do not seek to hold reserves but rather to hold income in a designated fund until detailed spending proposals have been received in order to be sure that expenditure fully complies with the terms of the Endowment.

In the case of Restricted Income Funds which are not linked to an Endowment 2022: £0.018m (2021: £0.038m), monies have been received for expenditure over the short-term so have not been invested within the Trust's Endowment portfolio. The Trustees keep all Funds under review, receiving detailed reports twice each year, and take such action as is necessary ensure that donors' conditions continue to be met.

Results for the period

Following a large decrease the value of the Trust's investment funds in 2020 of £7.078m, the value of equities improved significantly in 2021 as governments across the world addressed the financial fall out of Covid 19 resulting in a substantial investment gain of £13.640m. However, this was in the context of uncertainty in global economies and financial markets. Returns during 2021/22 have continued to be positive, gaining £3.733m, though our returns have reduced compared to a 'highwater-mark of November 2021, reflecting a recovery in world markets after most of the COVID pandemic, but before the outbreak of war in Ukraine, which had, and continues to have, a major destabilising effect on world economies.

The Trust's investment portfolio in 2021/22 delivered variable returns. Whilst there was positive growth in the total asset value of the Trust, the Global Impact Equities Strategy underperformed compared to its benchmark and compared to the investment objective (which is benchmark plus 1%). One year return was +6.6%, compared to benchmark of +9.6%, (3% lag), and a 4% lag compared to the investment benchmark of 10.6%. The Diversifier Strategies both performed better compared to benchmarks, though with some variability, and with the Alternative Diversifier Strategy performing better than the Diversified Alternatives Strategy. In their May 2022 meeting the Investment Sub-Committee spent their time focusing with Aon on understanding the variable returns being delivered, including the extent to which benchmarks have been influenced by the underlying strength in traditional industries such as Oil and Gas, which the Trustees decided to move away from in their April 2021 portfolio realignment.

However, as disclosed in the previous two year's Annual Reports, Trustees remain concerned about the relative underperformance of funds compared to our investment return target and compared to investment benchmarks. This risk is still reflected in our risk register (see above) and is the subject of ongoing discussion with our Investment Managers, Aon Solutions UK Limited. The performance of Aon Solutions UK Limited was scrutinised by the Investment Sub-Committee during the year.

The year-end value of the funds is shown below together with their performance (net of fees) compared with their benchmark. The investment in new funds, completed in the subsequent financial year 2021/22, is shown further below for completeness.

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Results for the period (continued)

Funds' Performance 2021/22

	Value 1.4.2021	Value 31.3.2022	% Holding at Year end	Change In year (includes redemption)	Absolute gain in the year	% Return (net of fees)	% Benchmark Return	Variation from Target Return*
	£m	£m	%	£m	£m	%	%	%
Adept Strategy 27 Fund: Active Diversifiers Strategy AND Adept Strategy 31 Fund: Diversified Alternatives Strategy	19.123	16.838	28.1	-2.285	0.145	2.0	+2.9	-1.2
Adept Strategy 30 Fund: Global Impact Strategy	36.922	42.775	71.4	+5.853	3.419	4.6	+6.7	-2.8
Cash	0.132	0.297	0.5	+0.165				
TOTAL	56.177	59.910	100	+3.733	3.564	6.6	+9.6	-4.0
*being 1% above benchmark								

The Trustees continue to recognise that the long-term objective of the portfolio delivering a real rate of return of 4.5% per annum is more challenging, particularly if RPI is used as a measure of inflation. Therefore it has been agreed that going forward CPI will be used as a measure of inflation.

Investment Policy and Objectives

Since 1994 the Trust has operated a total return policy (capital and income) for its Endowment Funds. This was formalised by the Charity Commission through a sealed order from 6 August 2003 onwards. The Charity Commission also formalised, through a sealed order, the Trust's pooling scheme from 24 October 2003 onwards. This scheme authorises the Trust to combine its individual Permanent and Expendable Endowment Funds into one pooled fund and, separately, to also combine its Income Funds into one pooled fund. The Charity Commission has also confirmed that the base date for the purpose of Calculating the unapplied total return for the Permanent Endowment Funds can be the date on which donations have been received and the accounts have been prepared on this basis. The anticipated long term real rate of return from the Trust's Endowment Funds is 4.5% per annum. The annualised rate of 4.5% is unchanged from last year. The Investment Sub-Committee continues to monitor this rate closely in conjunction with the Investment Manager, in order to balance the needs of both present and future beneficiaries. This is to ensure that annual distributions from Permanent Endowments will not

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Investment Policy and Objectives (continued)

exceed the anticipated long term real rate of return. This is derived from a combination of the benchmarks for each of the individual Adept Strategy Funds in which the assets are invested. The performance objective agreed with Aon AIL is to outperform the Composite Benchmark by 1% or more per annum over the long term.

Distribution to the University

The distribution of £2.701m (2021: £2.295m) is calculated as 4.5% of the opening market valuation of endowments 2022 £60.020m (2021 £50.993). The distribution is allocated as follows; £1.556m (2021: £1.350) paid directly to the University as a contribution to salary costs, £0.959m (2021: £0.891m) transferred to the Income Funds pending spending plans being submitted to the Trust and a further £0.186m (2021: £0.0054m) reinvested due to vacant posts in the year or sufficient balances on Income Funds.

Charitable Expenditure

The total charitable expenditure for the year was £5.068m (2021: £4.760m). The endowment portion in the year was £4.458m (2021 £3.789m). This is an aggregate of endowment distribution paid/payable to the University £1.574m (2021 £1.350m) and the accelerated payments to cover salary costs of £2.107m (2021 £1.136m). In addition endowment expenditure includes £0.1m relating to a contribution to the Newcastle University Student Fund (which is recurring for five years) and a £0.677 provision for an agreed contribution to the Farrell Centre currently under construction by the University which is to come from the Florence Kirby expendable endowment fund. In 2021 there was a one off agreement to cover library periodicals in the year (2021: £1.303m). The charitable expenditure of the income funds is the actual payments from the income fund following agreement by the Trustees to the University following Trustee approval of spending plans in the year it amounted to £0.610m (2021: £0.971m).

Transfer between Funds

A total of £0.938m (2021: £0.891m), from the endowment funds, passed to the income funds in relation to the distribution. An additional capital transfer of £0.023m (2021 £0.010m) gives the total transfer between endowment funds and income funds of £0.961m (2021 £0.901m) in the year.

Reserves Policy

The Trust has a less well-developed Reserves policy than many charities because of the “ring-fenced” nature of the majority of Funds it administers. In practice, should the income from a particular Fund prove insufficient to meet fully the costs of the designated area of activity within the University (e.g. the relevant academic salary), the University itself meets that shortfall from its own funds. The Trust holds an “Undesignated” Fund, valued at £0.005m (2021: £0.005m).

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Trustee Policy Act Statement

The Trust's Trustee Policy Act Statement, is reviewed and approved annually. It includes detailed statements on:

- The Trust's aim in investing its Endowment Funds
- Balance between capital growth and income generation
- Investment powers and restrictions
- Consideration of risk
- The timing of payments to the University
- Social, environmental and ethical practices
- Review of the Policy Statement.

Going Concern

The Trustees are satisfied that preparation of the financial statements on the going concern basis is appropriate as they have reasonable expectation that the Trust will continue in existence for a period until at least 31 March 2023. This expectation is based on the level of funds held (£60m at 31 March 2022) and the fact that Newcastle University is the sole beneficiary of disbursements from the Trust. The value of Investments at 31 March 2022 was £59.9m and even if this valuation was to fall by 75%, this would reduce the number of years the Trust could make the annual disbursement to Newcastle University to four years, but it would not impact the immediate solvency of the Trust. The Trustees will always have the option to pause the distributions to the University should investments fall significantly and the funds not be available.

PLANS FOR FUTURE PERIODS

- To continue to liaise closely with the University as to their potential requirements for support over the short medium and long term with a view to developing a 5 year expenditure plan in conjunction with the Trustees stated aim to increase the annual level of support that the University receives from the Trust.
- To continue to monitor closely the performance of the Investment Manager, especially in view of the turbulence in the markets as a result of the Covid 19 pandemic and the war in the Ukraine.
- To continue with the review of individual Endowments that support posts and, where appropriate, to explore potential opportunities for realignment with the current needs of the University, through discussions with donors and the Charity Commission.
- To continue with the implementation of the recommendations from the governance review so that the Trustees can better demonstrate that the Trust is meeting the Charity Commission's requirements.
- To consider and review incorporation of the Trust
- To recruit at least two new Trustees.

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POST BALANCE SHEET EVENTS

a University of Sanctuary, in light of the war in the Ukraine. The Trustees met and, following discussions, agreed to pledge a maximum of £1m of additional funding over a 12 month period, subject to a report being submitted to their summer 2022 Trustees Meeting, detailing both the demand for this funding and any actual or planned expenditure, therefore the actual level of this award is still to be confirmed.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Trust and of net income or expenditure and application of resources of the Trust for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Make judgments and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

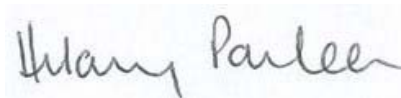
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Azets Audit Services Limited, trading as Azets Audit Services, were appointed as Auditors to the Trust during the year. Azets Audit Services have indicated their willingness to stand for reappointment at the forthcoming Trustees Meeting.

Approved by the Trustees and signed on their behalf by:

DATE: 7/9/22



Mrs HA Parker – Chair of Trustees

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST
FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of The University of Newcastle upon Tyne Development Trust (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Cashflow 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 United Kingdom Accounting Standard, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 31 March 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 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities

Trustee report and accounts for the year ended 31 March 2022

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 original financial statements were 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 trustee is 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities

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Responsibilities of the trustee

As explained more fully in the Statement of Trustee's Responsibilities (set out on page 15), the trustee is 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 trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: anti – bribery and corruption; and, compliance with the UK Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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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 auditor's report.

Use of our report

This report is made solely to the charity trustee in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustee those matters we are required to state to the trustee in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustee for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

Chartered Accountants

Statutory Auditor

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

Date: 8/9/2022

Azets Audit Services is a trading name of Azets Audit Services Limited

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
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STATEMENT OF FINANCIAL ACTIVITIES for the Year Ended 31 March 2022

	Notes	Income Unrestricted £'000	Restricted £'000	Endowment Funds £'000	2022 Total £'000	2021 Total £'000
Income and endowments from:						
Donations and legacies	3	-	-	731	731	124
Investment income	4	-	-	19	19	6
Total		-	-	750	750	130
Expenditure on:						
Charitable activities		-	(610)	(4,458)	(5,068)	(4,760)
Other	5/6	-	-	(58)	(58)	(51)
Total		-	(610)	(4,516)	(5,126)	(4,811)
Net gain on investments		-	-	3,733	3,733	13,639
Net (expenditure)/income		-	(610)	(33)	(643)	8,958
Transfers between funds	7	-	961	(961)	-	-
Net movement in Funds		-	351	(994)	(643)	8,958
Reconciliation of funds:						
Total funds brought forward		5	1,169	60,020	61,194	52,236
Total funds carried forward	14/15	5	1,520	59,026	60,551	61,194

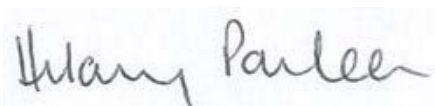
All incoming resources and resources expended are derived from continuing activities.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
Trustee report and accounts for the year ended 31 March 2022


BALANCE SHEET as at 31 March 2022

	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Fixed assets					
Investments	8		59,911		56,178
Current assets					
Debtors	9	530		11	
Short-term liquid investments		-		1,685	
Cash at bank and in hand		1,610		4,141	
Total Current Assets		2,140		5,837	
Creditors: Amounts Falling Due Within One Year	10	(1,500)		(821)	
Net Current Assets			640		5,016
TOTAL ASSETS LESS CURRENT LIABILITIES			60,551		61,194
The Funds of the Charity:					
Income Funds:					
Restricted Funds		1,520		1,169	
Unrestricted Funds		5		5	
Total Income Funds	11/14		1,525		1,174
Total Endowment Funds	11/15		59,026		60,020
TOTAL CHARITY FUNDS			60,551		61,194

The financial statements on pages 20-38 were approved by the Board of Trustees on 7/9/22 and signed on its behalf by:



Hilary Parker (Chair)



David Jennings (Honorary Treasurer)

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
Trustee report and accounts for the year ended 31 March 2022

CASH FLOW STATEMENT for the Year Ended 31 March 2022

	Note	Year Ended 31 March 2022		Year Ended 31 March 2021	
		£'000	£'000	£'000	£'000
Cash flows from operating activities:					
Net cash used in operating activities:	17	-	(4,235)	-	(2,259)
Cash flows from investing activities					
Interest from investments		19		6	
Proceeds from sale of investments	8	922		30,484	
Purchase of investments		(19,900)		(7,110)	
Change in cash and cash equivalents held in investments		18,978		(16,373)	
(Increase) in short-term liquid investments		1,685		(1,685)	
			1,704		5,322
Net cash provided by investing activities			(2,531)		3,063
Cash at 1 April			4,141		1,078
Cash at 31 March			1,610		4,141

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities

Trustee report and accounts for the year ended 31 March 2022

NOTES TO THE ACCOUNTS

ACCOUNTING POLICIES

1(a) Basis of Preparation

The financial statements have been prepared under the assumption that the Trust is a going concern and using the historic cost convention, with the exception that investments are included at market value.

The University of Newcastle upon Tyne Development Trust is an unincorporated Charity registered in England. The Registered Office is Newcastle University, King's Gate, Newcastle upon Tyne, NE1 7RU. The financial statements have been prepared in compliance 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 Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A summary of the principal accounting policies, which have been applied consistently, is set out below:

1(b) Donations and Legacies

Donations, gifts and legacies are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

1(c) Investment Income

Income for Restricted and Unrestricted Income Funds is allocated on the basis of actual interest receivable on the income fund bank accounts, in proportion to each income fund. There is no investment income for endowment funds.

1(d) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable Activities - the costs identified as wholly or mainly attributable to achieving the charitable objects of the Trust, these are payments to Newcastle University to support their activities.

Other - includes all other costs relating to the general running of the Trust such as external audit fees, legal advice for Trustees, and administration the costs of meeting constitutional and statutory requirements and administration provided by Newcastle University and recharge to the Trust.

Investment Management Fees are currently deducted at source so are not included.

Irrecoverable VAT is charged to the category of expenditure for which it was incurred.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
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NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (continued)

1(e) Payments to Newcastle University

Grants payable are recognised when payment is authorised by the Trustees

(i) **Income Funds:** The Trust reimburses the University for expenditure incurred within the terms of the funds.

(ii) **Endowment Funds:** For the period ended 31 March 2022 payments were made out of the Endowment Funds which comprise 4.5 % of the endowment assets at 31 March 2021. In addition the Trustees have agreed the release of further funds to cover the full salary costs incurred by the University and these accelerated payments have been included here.

1(f) Income Funds

Income funds are classified as either **Restricted** or **Unrestricted** Income Funds:

(i) **Restricted Income Funds:** Donated for a specific purpose. There is no requirement to maintain the original level of the donation. These funds are further categorised:

'Income Funds **with** Supporting Endowments' - Income distributed from the endowments is placed on deposit pending approval of expenditure plans.

'Income Funds **with no** Supporting Endowments' - Funds donated with a definite purpose awaiting approval of expenditure plans.

(ii) **Unrestricted Income Funds** - These are funds which are donated with no specific purpose.

1(g) Endowment Funds

Endowments are held in a separate pool and are invested via an Investment Manager.

When monies are transferred to the Investment Manager they are deemed to acquire units within the investment pool. The total investment return is apportioned to each fund within the pool based on the number of units held.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities

Trustee report and accounts for the year ended 31 March 2022

NOTES TO THE ACCOUNTS

1(g) Endowment Funds (continued)

Incoming resources comprise investment income, in the form of dividend income, and interest on the bank balances held by the Investment Manager.

Expenditure relating to Endowment Funds is the distribution made to the University, at a rate approved by the Trustees, currently 4.5% per annum, proportion of other costs.

If the Endowment is restricted to a particular post within the University and that post is vacant the University does not receive a distribution until the post is filled. The distribution during the vacant period is capitalised i.e. used to purchase an equivalent portion of units for the particular endowment.

Endowment funds are categorised as either **Permanent** or **Expendable**:

(i) **Permanent** - Funds from which only unapplied total return can be spent.

(ii) **Expendable** - Funds which can be spent entirely, but only with the approval of the Trustees.

1(h) Fixed Asset Investments

Fixed asset investments are shown in the financial statements at their market value at the balance sheet date. The resulting unrealised surplus or deficit is credited or debited to the fund account through the movement of the funds in the Statement of Financial Activities.

The AIL Adept Funds are valued at net asset value at the accounting date.

2. RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

Trustees have not received, and are not entitled to receive remuneration for their services (2021: £nil). No Trustees have reclaimed any expenses in the period (2021: £nil). The ultimate controlling party of the Trust is considered to be the Trustees. There are no related party transactions.

3. DONATIONS AND LEGACIES

Income from donations and legacies in the year amounted to £0.730m (2021: £0.124m). The donations in the year was an additional contribution from the Alice Stephenson Bequest for Cancer Research Endowment Fund.

4. INVESTMENT INCOME

	2022 £'000	2021 £'000
Bank interest	19	6

There is no direct investments income in 2022 relating to the Trust investments with Aon as these funds are accumulating income funds. The majority of the income relates to interest attributed to the Trust from cash investments on the Flagstone platform.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
Trustee report and accounts for the year ended 31 March 2022

NOTES TO THE ACCOUNTS

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	2022	2021
	£'000	£'000
Income Funds		
Grants from Newcastle University	610	971
Expenditure Funds		
Distribution to University in the Year *	1,574	1,350
Accelerated salary payments	2,107	1,136
Kirkby Endowment contribution to the Farrell Centre	677	-
Contribution to Library periodicals	-	1,303
Contribution to Student Fund	100	-
Total Expenditure Funds	4,458	3,789
Total charitable expenditure in the year	5,068	4,760

*The sole beneficiary of all charitable expenditure is Newcastle University

Calculation of the distribution in the year		2022	2021
		£'000	£'000
Market Value of endowments as at 1 Aug		60,019	50,992
Distribution 4.5% of 1 Apr Market value of endowments (a)	(i)	2,701	2,295
Distribution to Newcastle University funded by endowments in the year (b)	(ii)	1,575	1,350
Transfer to Income Funds (c)	(iii)	938	891
Retained in Endowment Funds (d)	(iv)	188	54
		2,701	2,295
The total distribution in the year is 4.5% the opening market value (1st April) of the value of endowments (i). A portion of this is paid directly to the University (ii). For Endowment Funds with Income Funds the distribution is held in the Income Fund bank account until a request is made for the funds (iii). Also, some funds may be retained in the endowment fund if there is a vacant post or it is unlikely that the funds will be needed in the year (iv)			

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
Trustee report and accounts for the year ended 31 March 2022

NOTES TO THE ACCOUNTS

6. OTHER EXPENDITURE

Investment Management Costs

The investment fees for ALL are deducted directly from the investment funds, these are the sole investment charges.

Analysis of Governance Costs

	2022	2021
	£'000	£'000
Wages and salaries	-	13
Social security costs	-	1
Office costs	25	20
Audit Fees	14	15
Legal Fees	2	2
Bank Charges	9	-
Other	8	-
	58	51

There were no direct employees in the year (2021: 1) so there were no remuneration costs (2021 £0.014m). So no employee received £60,000 per annum or above during the period (2021 £nil) and no provision therefore is needed for holiday pay accrual (2021 £nil).

Office costs include a recharge from the University £0.025m (2021: £0.019) for support services provided by Newcastle University finance and administrative staff. This includes a charge for trust management services provides by Newcastle University Advancement Office. All recharges and office costs have been allocated to governance costs. None of the costs have been allocated to charitable activities as the role of fundraising has been assigned to the costs have been Advancement Office of the University.

7. TRANSFERS

	2022	2021
	£'000	£'000
Distribution allocation transfer from Endowment Funds to Income Funds	938	891
Additional transfer from endowment capital: Wilson Campbell Endowment	14	10
Additional transfer from endowment capital: Charles Letts Endowment	9	-
Transfer from Endowment to Restricted Funds in the year	961	901

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NOTES TO THE ACCOUNTS

8. INVESTMENTS

	2022	2021
	£'000	£'000
Market value at start of year - 1 April	56,178	49,539
Additions	19,900	7,110
Disposals	(922)	(30,484)
Investment gains / (losses)	3,733	13,640
Market value at end of year - 31 March	78,889	39,805
Movement in Investment Managers' Capital Accounts (cash)	(18,978)	16,373
Total Investments at end of year 31 March	59,911	56,178
Historical cost of quoted investments	56,453	55,372

The Trustees believe that the carrying value of the investments is supported by the underlying net assets of the individual funds. The substantial decrease in in the Investment Managers' Capital Account (cash) 2022 £18.978m (2021 an increase of £16.373m) is due to the cash in transit at 31 March 2021 when we switched Adept UK equity funds.

Investment Asset Allocation

	2022	2022	Control	2021	2021
	£'000	%	Ranges	£'000	%
Adept 30/26 - Global Equities (excl. tobacco)	42,776	71%	65%-75%	36,922	66%
Adept 27 - UK equities	12,221			-	
Adept 31 - Diversified alternatives strategy	4,617	28%	25%-35%	-	0%
Cash & Equivalent : UK	297	1%	0-10%	19,256	34%
	59,911	100%		56,178	100%

On 31 March 2021 the Adept 24 fund was dissolved and associated cash in transit (£19m) at 1 April 2021 was dispersed between the Adept 27 -UK equity fund (£11m) and the Adept 31 fund (£5m) which is a diversified alternatives strategy fund and a further amount (£3m) to the Adept 30, which holds

9. DEBTORS

	2022	2021
	£'000	£'000
Donation receivable	530	-
Investment income receivable	-	11
	530	11

The donation receivable is the estimated residual due from the Alice Stephenson bequest for Cancer Research 2021 £nil. The Investment income receivable in 2022 is £nil (2021: £0.0011m) due in 2021 from the Flagstone platform held with CAF bank which was closed on 31 March 2022.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
Trustee report and accounts for the year ended 31 March 2022

NOTES TO THE ACCOUNTS

10. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Auditors	11	13
Newcastle University	1,489	808
	1,500	821

The amount owed to Newcastle University, £1.489m (2021: £0.808m) comprises the final distribution for the year of 2022: £0.736m (2021: £0.670m), £0.677m (£2021:£nil) contribution due from Florence Kirby Bequest to part fund capital works relating to the Farrell Centre at Newcastle University, a provision of £0.050m has been made relating to a contribution promised to Newcastle University Student Fund (2021: £nil), the recharge invoice for management and administration services provided by Newcastle University due at the year end is £0.026m (2021: £0.032). There was an adjustment made for £0.038m that relating to the Chinese Lectureship and deducted from the final distribution. In 2021 there was also a provision for £0.106m due to Newcastle University Library from the Marjorie Robinson Library Fund, there is no equivalent for 2022.

11. THE FUNDS OF THE CHARITY

	Note	2022	2021
		£'000	£'000
Income Funds:			
Opening balance as at 1 April		1,174	1,242
Incoming funds		0	2
Expenditure		(610)	(971)
Net transfers to restricted funds		961	901
Total Income Funds at 31 March	14	1,525	1,174
Endowment Funds:			
Opening balance as at 1 April		60,020	50,994
Donations and gifts		731	124
Investment income		19	4
Expenditure		(4,516)	(3,841)
Net transfers to restricted funds		(961)	(901)
Investment gains/(losses)		3,733	13,640
Total Endowment Funds at 31 March	15	59,026	60,020
Total Funds of the Charity		60,551	61,194

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
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NOTES TO THE ACCOUNTS

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances as at 31 March 2022 are represented by:

Outstanding transfer between funds

Investments

Debtors

Cash

Current liabilities

	Income Funds		Endowment	Total
	Unrestricted	Restricted	Funds	2022
	£'000	£'000	£'000	£'000
Outstanding transfer between funds	-	-	-	-
Investments	-	-	59,911	59,911
Debtors	-	-	530	530
Cash	5	1,520	85	1,610
Current liabilities	-	-	(1,500)	(1,500)
	5	1,520	59,026	60,551

13 TAXATION

The charity is a registered charity and as such is entitled to certain tax exemptions on income and gains from investments and all non-trading income is exempt from taxation.

THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST and other related charities
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NOTES TO THE ACCOUNTS

14. INCOME FUNDS

RESTRICTED FUNDS	1 April 2021	Movement in Incoming Resources	Transfer from Endowment	Expenditure	31 March 2022
	£'000	£'000	£'000	£'000	£'000
Korean Studies	30	-	14	-	44
Dr W E Harker Foundation	162	-	45	-	207
Kritchman Scholarships	2	-	1	-	3
Student Exploration (Travel Awards)	8	-	4	-	12
Barton De Loach	5	-	2	(1)	6
Jeffreys	2	-	1	-	3
Konishi	57	-	14	(9)	62
Randerson Foundation	103	-	36	-	139
William Benedict Coleman Scholarships	9	-	31	(24)	16
Wilson Campbell Memorial Appeal	2	-	16	-	18
Henry Miller Memorial Appeal Fund	42	-	-	(18)	24
Sophia Lecture	9	-	2	-	11
Brian J Lewis Prize	2	-	1	-	3
Charles Letts Memorial Fund	6	-	20	(12)	14
James Skillington Memorial Fund	2	-	1	-	3
Charles Bosanquet Memorial Appeal	17	-	4	-	21
Swales Bequest	29	-	12	(15)	26
Mac Cooper Appeal	30	-	5	(32)	3
Robinson Library	71	-	37	(20)	88
Kummerman/Fisher Fund	4	-	4	-	8
Marjorie Robinson Bequest	186	-	567	(406)	347
Continued overleaf	778	-	817	(537)	1,058

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NOTES TO THE ACCOUNTS

14. INCOME FUNDS (continued)

	1 April 2021	Movement in Incoming Resources	Transfer from Endowment	Expenditure	31 March 2022
	£'000	£'000	£'000	£'000	£'000
RESTRICTED FUNDS					
<i>Continued from previous page</i>	778	-	817	(537)	1,058
Jack Jeffery Fund	5	-	1	-	6
Elsie Jeffery Bursary	4	-	2	(2)	4
Museum Conservation Fund	9	-	4	-	13
The Vesuvius plc Partners Bursary Fund	15	-	7	(6)	16
EM Henderson Bequest	4	-	2	-	6
Duke of Northumberland Memorial Appeal	87	-	-	-	87
Organ Scholarship	4	-	-	-	4
Bremner Smith Bequest	34	-	-	(20)	14
Alice Stephenson Bequest (Cancer Research)	86	-	31	-	117
Florence Kirby Estate	49	-	38	-	87
Foxcroft Estate	94	-	59	(45)	108
RESTRICTED FUNDS	1,169	-	961	(610)	1,520
UNRESTRICTED FUNDS	5	-	-	-	5
TOTAL INCOME FUNDS	1,174	-	961	(610)	1,525

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NOTES TO THE ACCOUNTS

15. ENDOWMENT ACCOUNTS

PERMANENT	1 April 2021	Donations and Gifts	Investment Income	Transfer to Rest'd Funds	Expenditure	Gains on Investments	31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Action Medical Research Chair of Neuromuscular Disease	1,922	-	-	-	(106)	114	1,930
Tyne and Wear Chair of Environmental Control Engineering	998	-	-	-	(126)	58	930
Readership in Microelectronics	577	-	-	-	(98)	32	511
William Leech fund for Biomedical Science	791	-	-	-	(60)	49	780
Lectureship in Rheumatology	1,053	-	-	-	(92)	66	1,027
NCKRF Nephrology (1)	787	-	-	-	(88)	47	746
NCKRF Nephrology (2)	781	-	-	-	(90)	46	737
William Leech/McQueen Fund Neuromuscular Disease	827	-	-	-	(124)	47	750
NECCR Clinical Paediatric Oncology	2,558	-	1	-	(142)	173	2,590
NCKRF Transplant Immunology	821	-	-	-	(120)	47	748
William Leech/Green Fund for Renal Transplantation	978	-	-	-	(94)	61	945
NCKRF Nephrology (3P)	334	-	-	-	(106)	13	241
Korean Studies	307	-	-	(14)	-	20	313
Jeffcock Medical Research Fund	306	-	-	-	(15)	20	311
Haswell Ellis Music Fellowship	75	-	-	-	(29)	3	49
Dr WE Harker Foundation	1,950	-	3	(45)	(52)	128	1,984
Kritchman Scholarships	19	-	-	(1)	-	1	19
Boon Research Fund	44	-	-	-	(2)	3	45
Student Exploration Appeal	98	-	-	(4)	-	6	100
Barton De Loach Bequest	47	-	-	(2)	-	3	48
Jeffreys Fund	14	-	-	(1)	-	1	14
Chinese Lectureship	66	-	-	-	(16)	-	50
Konishi Foundation Fellowship in East Asian Studies	321	-	-	(14)	-	20	327
Randerson Foundation	1,770	-	-	(36)	(52)	102	1,784
TOTAL PERMANENT FUNDS	17,444	-	4	(117)	(1,412)	1,060	16,979

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NOTES TO THE ACCOUNTS

15. ENDOWMENT ACCOUNTS (continued)

EXPENDABLE	1 April 2021	Donations and Gifts	Net Investment Income	Transfer to Restricted Funds	Expenditure	Gains on Investments	31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Jacobson Chair of Personalised Medicine	1,167	-	-	-	(143)	70	1,094
Chair of Energy Studies	1,153	-	-	-	(91)	73	1,135
Chair of Engineering Materials	235	-	-	-	(110)	11	136
Henry Daysh Chair of Regional Development Studies	1,087	-	-	-	(103)	65	1,049
Chair of Ocean Engineering	1,331	-	-	-	(96)	84	1,319
Chair of Industrial Management	960	-	-	-	(98)	60	922
Chair of Occupational Health	982	-	-	-	(94)	62	950
Sir James Woodeson Chair of Manufacturing Eng.	1,127	-	-	-	(103)	71	1,095
Roland Cookson Chair of Composite Materials Eng.	1,892	-	-	-	(110)	120	1,902
William Leech Fund for Primary Care	1,545	-	-	-	(156)	97	1,486
Readership in Marine Transport	690	-	-	-	(121)	40	609
William Leech Fund for Ageing and Chronic Disease	1,132	-	-	-	(167)	69	1,034
William Leech Fund for Bioengineering	864	-	-	-	(93)	54	825
William Leech Fund for Neuroscience	825	-	-	-	(70)	52	807
William Leech Fund for Musculoskeletal Disorders	762	-	-	-	(124)	45	683
Senior Lectureship in Pathology (Upgrading)	482	-	-	-	(23)	30	489
NECCR Non-Clinical Paediatric Oncology	1,780	-	-	-	(137)	107	1,750
Lectureship in Haematology	773	-	-	-	(68)	48	753
William Leech Fund for Immunology and inflammation	696	-	-	-	(100)	41	637
NCKRF Nephrology (3E)	360	-	-	-	(40)	25	345
<i>continued overleaf</i>	19,843	-	-	-	(2,047)	1,224	19,020

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NOTES TO THE ACCOUNTS

15. ENDOWMENT ACCOUNTS (continued)

EXPENDABLE	1 April 2021 £'000	Donations and Gifts £'000	Investment Income £'000	Transfer to Rest'd Funds £'000	Expenditure £'000	Gains on Investments £'000	31 March 2022 £'000
<i>Continued from previous page</i>	19,843	-	-	-	(2,047)	1,224	19,020
Duke of Northumberland Appeal	2,368	-	1	-	(139)	152	2,382
Research Technician in Haematology	313	-	-	-	(14)	19	318
The Vesuvius plc Partners Bursary Fund	152	-	-	(7)	-	10	155
Siemens Chair in Microelectronics	392	-	-	-	(135)	21	278
William Benedict Coleman Scholarships	667	-	-	(31)	(1)	43	678
Dina Atter Research Fund	278	-	-	-	-	17	295
Wilson Campbell Memorial Appeal	40	-	-	(16)	-	2	26
Dr Henry Miller Memorial Appeal	277	-	-	-	(12)	17	282
Sophia Lecture	46	-	-	(2)	-	3	47
Museum Conservation Fund	89	-	-	(4)	-	6	91
Studentships in Medicine	120	-	-	-	(6)	8	122
Haswell Music Fellowship	54	-	-	-	(55)	2	1
Brian J Lewis Prize Fund	15	-	-	(1)	-	1	15
Charles Letts Memorial Appeal	197	-	-	(20)	-	15	192
James Skillington Memorial Fund	19	-	-	(1)	-	2	20
Charles Bosanquet Memorial Appeal	89	-	-	(4)	-	6	91
Swales Bequest	225	-	-	(12)	-	17	230
Mac Cooper Appeal	107	-	-	(5)	-	7	109
Robinson Library Fund	793	-	-	(37)	(1)	51	806
Kummerman/Fisher Fund	91	-	-	(4)	-	6	93
<i>continued overleaf</i>	26,175	-	1	(144)	(2,410)	1,629	25,251

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NOTES TO THE ACCOUNTS

15. ENDOWMENT ACCOUNTS (continued)

EXPENDABLE (continued)	1 April 2021 £'000	Donations and Gifts £'000	Net Investment £'000	Transfer to Restricted £'000	Expenditure £'000	Gains on Investments £'000	31 March 2022 £'000
<i>Continued from previous page</i>	26,175	-	1	(144)	(2,410)	1,629	25,251
Marjorie Robinson Bequest	10,691	-	12	(567)	(14)	782	10,904
Jack Jeffery IRES Outreach Fund	19	-	-	(1)	-	1	19
Elsie Jeffery Bursary	37	-	-	(2)	-	2	37
EM Henderson Bequest	43	-	-	(2)	-	3	44
Dunlevy Fund	10	-	-	-	-	1	11
Alice Stephenson Bequest (Cancer Research)	960	730	1	(31)	(1)	43	1,702
Florence Kirby Estate	1,760	-	-	(40)	(677)	53	1,096
Foxcroft Estate	2,881	1	1	(57)	(2)	159	2,983
TOTAL EXPENDABLE FUNDS	42,576	731	15	(844)	(3,104)	2,673	42,047
TOTAL ENDOWMENTS FUNDS	60,020	731	19	(961)	(4,516)	3,733	59,026

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NOTES TO THE ACCOUNTS

16. UNAPPLIED TOTAL RETURNS ON PERMANENT ENDOWMENT ACCOUNTS

	Unapplied Return at 1 April 2021	Total Return in Year	Allocated to Income in Year	Unapplied Return at 31 March 2022	Base Value	Total of Unapplied Return and Base Value at 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Action Medical Research Chair of Neuromuscular Disease	1,722	114	(106)	1,730	200	1,930
Chair of Environmental Control Engineering	864	58	(126)	796	134	930
Readership in Microelectronics	386	32	(98)	320	191	511
William Leech fund for Biomedical Science	666	49	(60)	655	125	780
Lectureship in Rheumatology	898	66	(92)	872	155	1,027
NCKRF Nephrology (1)	657	47	(88)	616	130	746
NCKRF Nephrology (2)	601	46	(90)	557	180	737
William Leech/McQueen Fund for Neuromuscular Disease	665	47	(124)	588	162	750
NECCR Clinical Paediatric Oncology	1,654	174	(142)	1,686	904	2,590
NCKRF Transplant Immunology	606	47	(120)	533	215	748
William Leech/Green Fund for Renal Transplantation	798	61	(94)	765	180	945
NCKRF Nephrology (3P)	289	13	(106)	196	45	241
Korean Studies	230	20	(14)	236	77	313
Jeffcock Medical Research Fund	271	20	(15)	276	35	311
Haswell Ellis Music Fellowship	34	3	(29)	8	41	49
Dr WE Harker Foundation	1,215	131	(97)	1,249	735	1,984
Kritchman Scholarships	12	1	(1)	12	7	19
Boon Research Fund	24	3	(2)	25	20	45
Student Exploration Appeal	42	6	(4)	44	56	100
Barton De Loach Bequest	21	3	(2)	22	26	48
Jeffreys Fund	6	1	(1)	6	8	14
Chinese Lectureship	16	-	(16)	-	50	50
Konishi Foundation Fellowship in East Asian Studies	171	20	(14)	177	150	327
Randerson Foundation	640	102	(88)	654	1,130	1,784
Total Unapplied Return and Valuation as at 31/3/2022	12,488	1,064	(1,529)	12,023	4,956	16,979

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NOTES TO THE ACCOUNTS

17. RECONCILIATION OF THE NET OUTGOING RESOURCES TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2022	2021
	£'000	£'000
Net (expenditure)/income for the year	(643)	8,958
(Gain) on investments	(3,733)	(13,640)
Investment income	(19)	(6)
(Increase)/Decrease in debtors (excluding investment income receivable)	(519)	2,394
Increase in creditors	679	35
Net cash (used in) operating activities	(4,235)	(2,259)

18. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	At 1 April	Cashflow	At 31 March
	2021		2022
	£'000	£'000	£'000
Cash at bank	4,141	(2,531)	1,610
Debt	-	-	-
Closing net funds	4,141	(2,531)	1,610