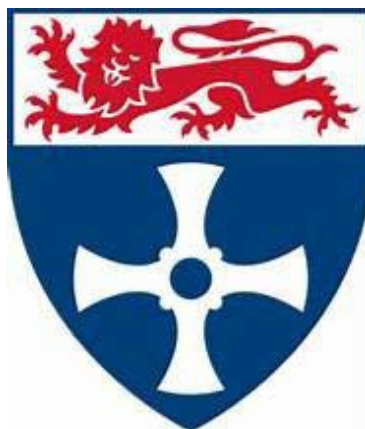


THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST
and other related charities



TRUSTEES' REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

Charity Commission No: 528066

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report along with the audited accounts of the Trust for the year ended 31 March 2024

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) Mrs A Dragone (Honorary Treasurer) Dr VA Hammond Mrs VS Johnston * Mr N Swales (Vice-Chair) * Appointed by the Council of Newcastle University
Trust Manager	Ms FJ Watson

REFERENCE AND ADMINISTRATIVE INFORMATION (continued)

Independent Auditors	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS	Solicitors	Sintons LLP The Cube Barrack Road Newcastle upon Tyne NE4 6DB
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ		
Investment Managers	Aon Solutions UK 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 E145AL

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 2024 and at the date of this report are set out on page 3. 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 have been 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. Prof D Burn, Mr W Connolly, and Mrs VS Johnston are currently serving their second consecutive term of office. Mr W Connolly and Mrs VS Johnston have both indicated that they will stand down as Trustees at the end of their term of office in the summer of 2024. In 2022, 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 is 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 Board. In addition to this, but for the same reason, the terms of Prof D Burn and Mr N Swales were extended, for a further three years, by Trustees Resolution at the January 2024 Trustees Meeting.

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 three meetings during the year ended 31 March 2024. The Sub-Committee is chaired by the Honorary Treasurer (Mrs A Dragone). Mr N Swales is also Trustee members. The meetings are attended by Mrs HA Parker (as Chair of Trustees), the Trust Manager and the University Executive Director of Finance (or a designated Deputy Director). 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.

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

Organisational structure and decision making (continued)

Graduate Research Committee. The Robinson Library/Marjorie Robinson Bequest Sub-Committee was chaired by Dr VA Hammond during the year, with Mrs A Dragone also Trustee members. 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 continue to consider the 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. Volatility in markets demonstrate this risk and continued into 2023/24. 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 2023 and December 2023.

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.

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.

Main objectives for the period

The Trust's main objectives for the year ended 31 March 2024 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.
- To continue to monitor closely the performance of the Investment Manager, especially in view of the turbulence in the markets.
- To restart 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 actively progress the incorporation of the Trust

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 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.
- Digitise the original paperwork of the Trust to more easily facilitate future review
- Work with Sintons LLP to progress the incorporation of the Trust

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 increased during the year by £0.485m from £53,718m to £54,203. This change included governance costs of £0.050m (2023: £0.042m); distribution payments of £5.826m (2023: £6.393m) to the University. There were no new donations received/receivable in the year (2023: £0.002m). The invested funds in the year increased to £59,862m (2023: £57.007m). Of this capital movement (£6.224m) was due to investment gains in the year (2023 losses £0.405m). There has been recovery in the value of the portfolio compared to the previous financial year. Much of that improvement happened in the latter months of the year when market conditions improved.
- 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

- The Trust has worked with the University to refine the new process for the awarding and donation of funds which was developed in 2022/23. This process is working well for both the Trust and the University.
- Funds have been distributed 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:

'This bursary will allow me to fully immerse myself in my studies without the worry of spending so many hours working to be able to afford to live in Newcastle. Working alongside this course was proving difficult for me to balance and I will now be able to commit more time to my studies and assignments particularly since studying a Masters full time involves a demanding workload.' **Bursary recipient, studying Public Health**

'This bursary is giving me the chance to focus much more effort and energy towards my degree at Newcastle University' **Bursary recipient, studying Chemistry**

'The Newcastle University Sanctuary Scholarship Programme continues to uphold its commitment to providing equal access to higher education, and, with your support, is able to offer full tuition fee support and a bursary for living expenses to enable students from asylum-seeker and refugee backgrounds to progress to higher level study' **Sanctuary Programme Report for the Development Trust (December 2023)**

- 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. This has continued through 2023/24 and has been reviewed and agreed again for 2024/25.
- Continuing with the Trustees stated aim to increase the annual level of support that the University receives from the Trust, in 2021/22 the Trustees pledged £500,000 over five years, to support the new Newcastle Student Fund at the University and the third instalment of £100,000 was donated in this period. The Trustees were delighted to see this instalment again used as match funding to encourage donations from other supporters.
- In addition to this, in 2022/23, the Trustees pledged a maximum of £1m to support the University's work as a University of Sanctuary. This was in response to the increase in demand as a result of the conflict in the Ukraine but supports the full remit of the University of Sanctuary work. Within the period, a pledge award letter for this was presented to the University, along with a later update to the terms of the pledge allowing the funds to be allocated over a slightly longer timeframe and also to be claimed and drawdown on an annual basis, no later than 31 March 2027.
- The Trustees agreed to progress the Incorporation of the Trust with this work commencing in the period.

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. Thus, the principal funding sources for the Trust are investment income and realised and unrealised gains 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, there was other investment income of £0.129m relating to the

Introduction and Principal Funding Sources (continued)

completion of the wind up of two investments which were closed in 2021 - HRMSL Adept 24 - Diversified Absolute Return Fund and HRMSL Adept 26 – Global Fund with the residual balance received in November 2023. There was £0.008m (2023: £0.005m) Interest received in the year relating to the investment of cash balances. The gains on investment for the year £6.224m (2023: loss on investment of (£0.405m)).

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 May 2023 an interim payment of £0.5m was received from the Stephenson Estate. This was included in Post Balance Sheet events in the 2023/24 Accounts. It is understood that a further c£0.03m final payment will be received in the future.

Nature of the funds held

All 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 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 73 Funds held on 31 March 2024 which were categorised as follows:

Permanent Endowment	24
Expendable Endowment	47
Restricted Income Fund	<u>2</u>
	<u>73</u>

Effective from 1 April 2023, the Trust changed its policy regarding Restricted Income Funds linked to Endowments. Previously, distribution of income was held in a designated Income Fund until spending proposals were approved. Under the new policy, unspent distribution income is now reinvested into the endowment fund, increasing the unit holdings by the reinvested amount. The simplification of the distribution process, aimed at the management of cash balances, has enabled this change. All Income Funds with related endowment funds held in the designated account as of 1 April 2023 were reinvested into their respective endowment fund reducing the number of Income Funds from 34 to two. These two remaining Income Funds which are not linked to an Endowment 2024: £0.003m (2023: £0.005m). The Trustees keep all Funds under review, receiving detailed reports twice each year, and take such action as is necessary to ensure that donors’ conditions continue to be met.

Results for the period

The Trust’s investment portfolio in 2023/24 delivered improved returns. Investments in the Global Impact Strategy increased by £2.836m in the 2023/24 financial year to a value of £42.417m (£39.581m at March 2023). Investments in Active Diversifiers reduced in year by £828k to £12.185m and funds invested in the Diversified Alternatives Strategy increased by £864m to £4.980m at March 2024.

The drawdown to cover the University commitment was £3.500m and with this reflected the overall increase in the portfolio.

Results for the period (continued)

Trustees remain concerned to ensure that funds compare well to the investment return target and 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 and they have presented proposals to modify the investment portfolio. Discussions are on-going.

Funds' Performance 2023/24

Fund	March 2024 £'000	March 2023 £'000	Difference £'000	% change (+/-)
Global Impact Strategy (Adept 30)	42,417	39,581	+2,836	
Active Diversifiers Strategy (Adept 27)	12,185	13,012	-827	
Diversified Alternatives Strategy (Adept 31)	4,980	4,116	+864	
Cash	280	298	-18	
Total	59,862	57,007	2,855	+5 %

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 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 Solutions UK Limited is to outperform the Composite Benchmark by 1% or more per annum over the long term.

Distribution to the University

The distribution of £2.385m (2023: £2.656m) is calculated as 4.5% of the opening market valuation of endowments 2024 £52,993m (2023 £59.026m) The distribution is allocated as follows; £1.975m (2023: £1.388m) paid directly to the University as a contribution allowable costs, £nil (2023: , £0.941m) transferred to the Income Funds Trust and a further £0.410m (2023: £0.332m) reinvested due to either vacant posts in the year or spend being less than the distributed amount

Charitable Expenditure

The total charitable expenditure for the year was £5.826m (2023: £6.393m). The Endowment Fund portion in the year was £5.820m (2023 £4.571m). This is an aggregate of endowment distribution paid/payable to the University £1.975m (2022 £1.383m) and the accelerated payments to cover salary costs of £3.341m (2023 of £2.837m). In addition, endowment expenditure includes £0.100m relating to a contribution to the Newcastle University Student Fund (which is recurring for five years) and a £0.404 an agreed contribution to the University of Sanctuary Programme. The charitable expenditure of the income funds is the amount paid and payable from the Income Fund amounted to £0.006m (2022: £1.822m) of these there was a payment to the University of Sanctuary Programme of £0.004m from the undesignated Income Fund

Transfer between Funds

A total of £0.717 was transferred from the Income Funds to the Endowment Funds relating to the reinvestment of Income Fund balances due the Income Fund policy change. In 2023: £1.019m was transferred from the endowment funds and passed to the income funds.

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 no “Undesignated” Funds.

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 of at least 12 months from the signing of the accounts. This expectation is based on the level of funds held (£54.2m at 31 March 2024) and the fact that Newcastle University is the sole beneficiary of disbursements from the Trust. The value of Investments at 31 March 2024 was £59.862m and even if this valuation was to fall by 59%, this would reduce the number of years the Trust could make the annual disbursement of £6.133m 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. It is noted that preliminary discussions have commenced with the University regarding the merging of the Newcastle University Development Trust funds into the Newcastle University Endowed Funds, the timeline for this is still to be decided but will not be within the next 12 months.

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.
- To continue to monitor closely the performance of the Investment Manager, especially in view of the turbulence in the markets.
- To restart 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 to progress the Incorporation of the Trust

POST BALANCE SHEET EVENTS

- The Trust has pledged an initial £20m to the University in relation to the period from 2023/24 to 2026/27 financial year. The University was paid £5.85m against this pledge in relation to the 2023/24 period and the balance is subject to further discussion.
- In relation to the future of the Charity preliminary discussions have commenced regarding the merging of the Newcastle University Development Trust funds into the Newcastle University Endowed Funds, with full consideration of Charity Commission regulations and trustee succession to ensure donor wishes are maintained.
- In light of the above, progress on Incorporation has been paused until the future direction of the Trust has been confirmed.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

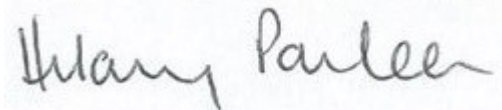
The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the 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 2019 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.

Approved by the Trustees and signed on their behalf by:

A handwritten signature in dark ink, appearing to read 'Mary Parker', is written over a light blue rectangular background.

Mrs HA Parker – Chair of Trustees

DATE: 26 July 2024

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE UNIVERSITY OF NEWCASTLE UPON TYNE DEVELOPMENT TRUST FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of The University of Newcastle upon Tyne Development Trust (the 'charity') for the year ended 31 March 2024, 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 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 31 March 2024, 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 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.

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.

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

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 requires us to report to you if, in our opinion:

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

Responsibilities of the trustee

As explained more fully in the Statement of Trustee's Responsibilities (set out on page 12), 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.

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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. In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiries with management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for indicators of potential bias.

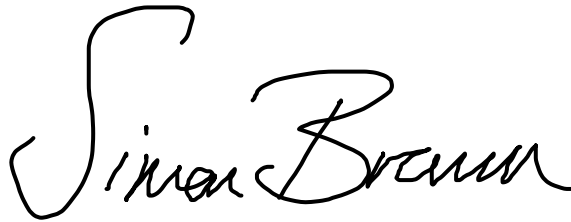
Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: anti – bribery and corruption; and compliance with the UK Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustee for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, reading "Simon Brown". The signature is fluid and cursive, with the first name "Simon" and the last name "Brown" clearly distinguishable.

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: 26 July 2024

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2024

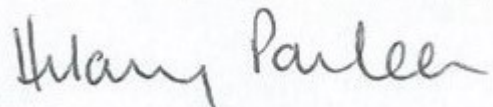
	Notes	Income Funds Unrestricted £'000	Restricted £'000	Endowment Funds £'000	2024 Total £'000	2023 Total £'000
Income and endowments from:						
Donations and legacies	3	-	-	-	-	2
Investment income	4	-	-	137	137	5
Total		-	-	137	137	7
Expenditure on:						
Charitable activities	5	(5)	(1)	(5,820)	(5,826)	(6,393)
Other	6	-	-	(50)	(50)	(42)
Total		(5)	(1)	(5,870)	(5,876)	(6,435)
Net gain/(loss) on investments		-	-	6,224	6,224	(405)
Net expenditure		(5)	(1)	491	485	(6,833)
Transfers between funds	7	-	(717)	717	-	-
Net movement in Funds		(5)	(718)	1,208	485	(6,833)
Reconciliation of funds:						
Total funds brought forward		5	721	52,992	53,718	60,551
Total funds carried forward	14/15	-	3	54,200	54,203	53,718

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

BALANCE SHEET AS AT 31 MARCH 2024

		Year Ended 31 March 2024		Year Ended 31 March 2023	
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Investments	8		59,862		57,007
Current assets					
Debtors	9	30		530	
Cash at bank and in hand		186		482	
Total Current Assets		216		1,012	
Creditors: Amounts Falling Due Within One Year	10	(5,875)		(4,301)	
Net Current Assets			(5,659)		(3,289)
TOTAL ASSETS LESS CURRENT LIABILITIES			54,203		53,718
The Funds of the Charity:					
Income Funds:					
Restricted Funds		3		721	
Unrestricted Funds		-		5	
Total Income Funds	11/14		3		726
Total Endowment Funds	11/15		54,200		52,992
TOTAL CHARITY FUNDS			54,203		53,718

The financial statements on pages 18 to 34 were approved by the Board of Trustees on 10 July 2024 and signed on its behalf by:



Mrs HA Parker - CHAIR

26 July 2024



Mrs A Dragone - HONORARY TREASURER

26 July 2024

CASH FLOW STATEMENT for the Year Ended 31 March 2024

	Note	Year Ended 31 March 2024 £'000	Year Ended 31 March 2023 £'000
Cash flows from operating activities:			
Net cash used in operating activities:	17	(3,802)	(3,632)
Cash flows from investing activities			
Interest from investments		137	5
Proceeds from sale of investments	8	4,900	3,100
Purchase of investments		(1,550)	(600)
Change in cash and cash equivalents held in investments		19	(1)
Decrease in short-term liquid investments		-	-
		<u>3,506</u>	<u>2,504</u>
Net cash provided by investing activities		(296)	(1,128)
			-
Cash at 1 April		482	1,610
Cash at 31 March		<u><u>186</u></u>	<u><u>482</u></u>

NOTES TO THE ACCOUNTS

1. 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 Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting by Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Development Trust is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

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

1(b) Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

i) Donations

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

ii) Investment Income

Investment income and bank interest is recorded as income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual fund.

1(c) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount can be measured reliably.

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.

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

1(c) Expenditure (continued)

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 identified separately

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

1(d) 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:** Payments from the endowment funds comprise of; the distribution element, 4.5 % of the endowment reserve balance for the year ended 31 March 2023 plus accelerated payments from endowment unapplied reserves and/or capital so the total payment covers the full salary costs of each funded posts. In addition commencing in year ended 31 March 2023 the Development Trust is funding a University scheme called The Sanctuary Fund'. Expenditure related to this scheme is allocated either to the fund that relates most closely to the area of activity the claim derives from, and if there is no relevant fund, to the Kirkby Endowment Fund, which has wider terms and the Undesignated Income Fund. The Development Trust also contributes to the University's 'Student Fund' and the expenditure for this purpose has been applied equally to the Harker and Randerson Funds.

1(e) 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 as:

'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(f) 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.

When funds are withdrawn from the endowment funds over and above the distribution allocation then the unit holding in the pool is adjusted proportionally. Incoming resources comprise investment income, in the form of dividend income, and interest on the bank balances held by the investment Manager.

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

1(f) Endowment Funds (continued)

Expenditure relating to Endowment Funds is the distribution made to the University, at a rate approved by the Trustees, currently 4.5% per annum, accelerated salary allocations and a 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.

We operate the 'Total Return' method for accounting for permanent endowments, meaning that the net accumulated gains on investments over the 'base value' is available for distribution (the 'unapplied return') **see Note 16** for calculations. If claim is greater than the unapplied return only the portion up to and equal to the available return can be distributed and the endowment is 'rested' until the unapplied return balance can further fund a claim.

1(g) 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 (2023: £nil). No Trustees have reclaimed any expenses in the period (2023: £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 £nil (2023: £0.002m).

4. INVESTMENT INCOME

	2024 £'000	2023 £'000
Bank interest	8	5
Other investment Income	129	-
	137	5

Other Investment Income relates to the residual balance received from the wind-up of HRMSL Adept 24 - Diversified Absolute Return Fund and HRMSL Adept 26 - Global Equity Fund. The Development Trust previously held investments in these funds, which were subsequently dissolved in 2021. The wind-up process was completed in 2023, resulting in a payment of £0.129m being made to the Trust. All other income received from investments is accumulated in the respective investment fund.

NOTES TO THE ACCOUNTS

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	2024 £'000	2023 £'000
Income Funds		
Grants to Newcastle University	1	1,822
Contribution to University of Sanctuary Programme	5	-
Total Income Funds	6	1,822
Endowment Funds		
Distribution to University in the Year *	1,984	1,388
Accelerated salary payments	3,332	2,837
Contribution to University of Sanctuary Programme	404	246
Contribution to Student Fund	100	100
Total Expenditure Funds	5,820	4,571
Total charitable expenditure in the year	5,826	6,393

*The sole beneficiary of all charitable expenditure is Newcastle University

Calculation of the distribution in the year		2024 £'000	2023 £'000
Market Value of endowments as at 1 Apr		52,993	59,022
Distribution 4.5% of 1 Apr Market value of endowments (a)	(i)	2,385	2,656
Distribution to Newcastle University funded by endowments in the year (b)	(ii)	1,984	1,383
Transfer to Income Funds (c)	(iii)	-	941
Retained in Endowment Funds (d)	(iv)	401	332
		2,385	2,656
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 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)			

NOTES TO THE ACCOUNTS

6. OTHER EXPENDITURE

Investment Management Costs

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

Analysis of Governance Costs

	2024 £'000	2023 £'000
Office costs	37	30
Audit Fees	13	11
Other	-	1
	50	42

There were no direct employees in the year (2023: nil)

Office costs include a recharge from the University £0.036m (2023: £0.030m) for support services provided by Newcastle University finance and administrative staff. This also includes a charge for trust management services provided by Newcastle University Advancement Office. All recharges are allocated to Governance. None of the costs have been allocated to Charitable Activities as the Development Trust is not currently actively fundraising.

7. TRANSFERS

	2024 £'000	2023 £'000
Distribution allocation transfer from Endowment Funds to be held in Income Funds	-	(949)
Additional transfers from endowment capital (to cover Income Fund deficit balances)	-	(170)
Additional transfer to endowment capital (reinvestment of Income Fund excess balances)	-	100
Reinvestment of Income Funds to supporting Endowment Funds	717	-
Transfer to/(from) Endowment to Restricted Funds in the year	717	(1,019)

In 2024 there were no transfers to/from the Income Funds with supporting endowments relating to Newcastle University activities (2023 £1.019m). The transfer between Endowments and Income Funds related to the reinvestment of Income Fund balances to each funds relevant supporting Endowment Fund. This was due to a change in the procedure of managing funds agreed by the Development Trust Trustees (July 2023).

NOTES TO THE ACCOUNTS

8. INVESTMENTS

	2024 £'000	2023 £'000
Market value at 1 April	57,007	59,911
Additions	1,550	600
Disposals	(4,900)	(3,100)
Investment gains / (losses)	6,224	(405)
Market value at end of year - 31 March	59,881	57,006
Movement in Investment Managers' Capital Accounts (cash)	(19)	1
Total Investments at 31 March	59,862	57,007
Historical cost of quoted investments	50,725	54,073

The Trustees believe that the carrying value of the investments is supported by the underlying net assets of the individual funds.

Investment Asset Allocation

	2024 £'000	2024 %	Control Ranges	2023 £'000	2023 %
Adept 30 - Global Equities (excl. tobacco)	42,417	71%	65%-75%	39,581	69%
Adept 27 - UK equities	12,185	20%	25%-35%	13,012	23%
Adept 31 - Diversified alternatives strategy	4,980	8%	0-10%	4,116	7%
Cash & Equivalent : UK	280	1%		298	1%
	59,862	100%		57,007	100%

NOTES TO THE ACCOUNTS

9. DEBTORS

	2024 £'000	2023 £'000
Donation receivable	30	530

The donation receivable is the estimated residual due from the Alice Stephenson bequest for Cancer Research carried forward from 2022. In May 2023 a payment on account of £0.500m was received from the executors of the Estate of Alice Stephenson.

10. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £'000	2023 £'000
Auditors	13	11
Newcastle University	5,862	4,290
	5,875	4,301

The amount owed to Newcastle University is £5.862m (2023: £4.290m). This comprises funds relating to Charitable Activities, of these; recurrent Endowment Fund activities - £5.311m (2023: £3.248m); Income Fund recurrent activities- £0.001m (2023 £0.765m); financial support to Newcastle University Sanctuary Fund- £0.409m (2023: £0.246m) and financial support to Newcastle University Student Fund- £0.100m (2023: £0.100m). The amount relating to Income Funds has reduced significantly due to a change in administration within the year of Income Funds with Supporting Endowments. Additionally, the Newcastle University Creditor includes Governance costs of £0.036m (2023: £0.030m) representing the outstanding recharge invoice from the University for services provided by the University.

NOTES TO THE ACCOUNTS

11. THE FUNDS OF THE CHARITY

Income Funds:

Opening balance as at 1 April

Incoming funds

Expenditure

Net transfers to restricted funds

Total Income Funds at 31 March

Endowment Funds:

Opening balance as at 1 April

Donations and gifts

Investment income

Expenditure

Net transfers to restricted funds

Investment gains/(losses)

Total Endowment Funds at 31 March

Total Funds of the Charity

Note

14

15

	2024 £'000	2023 £'000
Opening balance as at 1 April	726	1,525
Incoming funds	-	4
Expenditure	(6)	(1,822)
Net transfers to restricted funds	(717)	1,019
Total Income Funds at 31 March	3	726
Opening balance as at 1 April	52,992	59,026
Donations and gifts	-	2
Investment income	137	1
Expenditure	(5,870)	(4,613)
Net transfers to restricted funds	717	(1,019)
Investment gains/(losses)	6,224	(405)
Total Endowment Funds at 31 March	54,200	52,992
Total Funds of the Charity	54,203	53,718

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances as at 31 March 2024 are represented by:

Investments

Debtors

Cash

Current liabilities

Income Unrestricted £'000	Restricted £'000	Endowment Funds £'000	Total 2024 £'000
-	-	59,862	59,862
-	-	30	30
-	3	183	186
-	-	(5,875)	(5,875)
-	3	54,200	54,203

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.

NOTES TO THE ACCOUNTS

14. INCOME FUNDS

RESTRICTED FUNDS	1 April 2023 £'000	Movement in Incoming Resources £'000	Transfer from Endowment £'000	Expenditure £'000	31 March 2024 £'000
Korean Studies	53	-	(53)	-	-
Dr W E Harker Foundation	121	-	(121)	-	-
Kritchman Scholarships	1	-	(1)	-	-
Student Exploration (Travel Awards)	17	-	(17)	-	-
Barton De Loach	7	-	(7)	-	-
Jeffreys	3	-	(3)	-	-
Konishi	61	-	(61)	-	-
Randerson Foundation	44	-	(44)	-	-
Wilson Campbell Memorial Appeal	19	-	(19)	-	-
Sophia Lecture	12	-	(12)	-	-
Brian J Lewis Prize	3	-	(3)	-	-
James Skillington Memorial Fund	4	-	(4)	-	-
Charles Bosanquet Memorial Appeal	25	-	(25)	-	-
Swales Bequest	38	-	(38)	-	-
Mac Cooper Appeal	2	-	(2)	-	-
Robinson Library	46	-	(46)	-	-
Kummerman/Fisher Fund	2	-	(2)	-	-
Marjorie Robinson Bequest	76	-	(76)	-	-
Jack Jeffery Fund	6	-	(6)	-	-
Elsie Jeffery Bursary	2	-	(2)	-	-
Museum Conservation Fund	11	-	(11)	-	-
The Vesuvius plc Partners Bursary Fund	8	-	(8)	-	-
EM Henderson Bequest	5	-	(5)	-	-
Organ Scholarship	3	-	-	(1)	2
Bremner Smith Bequest	1	-	-	-	1
Alice Stephenson Bequest (Cancer Research)	72	-	(72)	-	-
Florence Kirby Estate	72	-	(72)	-	-
Foxcroft Estate	7	-	(7)	-	-
RESTRICTED FUNDS	721	-	(717)	(1)	3
UNRESTRICTED FUNDS	5	-	-	(5)	-
TOTAL INCOME FUNDS	726	-	(717)	(6)	3

NOTES TO THE ACCOUNTS

15. ENDOWMENT ACCOUNTS

PERMANENT	1 April 2023	Donations and Gifts	Investment Income	Transfer to Rest'd Funds	Expenditure	Gain on Investments	31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Action Medical Research Chair of Neuromuscular Disease	1,811	-	4	-	(97)	213	1,931
Tyne and Wear Chair of Environmental Control Engineering	827	-	2	-	(134)	97	792
Readership in Microelectronics	429	-	1	-	(105)	50	375
William Leech fund for Biomedical Science	709	-	2	-	(124)	83	670
Lectureship in Rheumatology	998	-	3	-	(1)	117	1,117
NCKRF Nephrology (1)	604	-	1	-	(107)	71	569
NCKRF Nephrology (2)	610	-	1	-	(96)	72	587
William Leech/McQueen Fund Neuromuscular Disease	573	-	1	-	(132)	68	510
NECCR Clinical Paediatric Oncology	2,421	-	7	-	(150)	283	2,561
NCKRF Transplant Immunology	577	-	1	-	(3)	69	644
William Leech/Green Fund for Renal Transplantation	827	-	2	-	(92)	98	835
NCKRF Nephrology (3P)	241	-	1	-	-	27	269
Korean Studies	296	-	1	53	(33)	34	351
Jeffcock Medical Research Fund	309	-	1	-	-	36	346
Haswell Ellis Music Fellowship	41	-	-	-	-	5	46
Dr WE Harker Foundation	1,869	-	5	121	(82)	219	2,132
Kritchman Scholarships	18	-	-	1	(2)	3	20
Boon Research Fund	43	-	-	-	(5)	5	43
Student Exploration Appeal	94	-	-	17	(4)	12	119
Barton De Loach Bequest	46	-	-	7	(1)	6	58
Jeffreys Fund	13	-	-	3	(2)	3	17
Chinese Lectureship	50	-	-	-	-	6	56
Konishi Foundation Fellowship in East Asian Studies	309	-	1	61	(4)	36	403
Randerson Foundation	1,694	-	4	44	(112)	196	1,826
TOTAL PERMANENT FUNDS	15,409	-	38	307	(1,286)	1,809	16,277

NOTES TO THE ACCOUNTS

15. ENDOWMENT ACCOUNTS (continued)

EXPENDABLE	1 April 2023	Donations and Gifts	Net Investment Income	Transfer to Restricted Funds	Expenditure	Gain on Investments	31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Jacobson Chair of Personalised Medicine	855	-	2	-	(200)	101	758
Chair of Energy Studies	1,063	-	3	-	(93)	124	1,097
Chair of Engineering Materials	45	-	-	-	(45)	10	10
Henry Daysh Chair of Regional Development Studies	914	-	2	-	(102)	111	925
Chair of Ocean Engineering	1,255	-	3	-	(98)	147	1,307
Alcan Chair of Management	687	-	2	-	(179)	82	592
Chair of Occupational Health	826	-	2	-	(97)	97	828
Sir James Woodeson Chair of Manufacturing Eng.	1,008	-	3	-	(119)	118	1,010
Roland Cookson Chair of Composite Materials Eng.	1,831	-	5	-	(112)	214	1,938
William Leech Fund for Primary Care	1,272	-	3	-	(167)	150	1,258
Readership in Marine Transport	510	-	1	-	(129)	60	442
William Leech Fund for Ageing and Chronic Disease	748	-	2	-	(228)	88	610
William Leech Fund for Bioengineering	754	-	2	-	(98)	85	743
William Leech Fund for Neuroscience	708	-	2	-	(79)	83	714
William Leech Fund for Musculoskeletal Disorders	506	-	1	-	(131)	61	437
Senior Lectureship in Pathology (Upgrading)	352	-	1	-	(138)	41	256
NECCR Non-Clinical Paediatric Oncology	1,567	-	4	-	(146)	184	1,609
Lectureship in Haematology	710	-	2	-	(71)	83	724
William Leech Fund for Immunology and inflammation	633	-	2	-	(1)	72	706
NCKRF Nephrology (3E)	342	-	1	-	-	40	383
Duke of Northumberland Appeal	2,326	-	6	-	9	274	2,615
Research Technician in Haematology	289	-	1	-	(30)	33	293
The Vesuvius plc Partners Bursary Fund	116	-	-	8	(40)	13	97
Siemens Chair in Microelectronics	160	-	1	-	(143)	19	37
William Benedict Coleman Scholarships	596	-	2	-	(91)	71	578
Dina Atter Research Fund	292	-	1	-	(38)	34	289
Continue on next page	20,365	-	54	8	(2,566)	2,395	20,256

NOTES TO THE ACCOUNTS

15. ENDOWMENT ACCOUNTS (continued)

EXPENDABLE	1 April 2023 £'000	Donations and Gifts £'000	Investment Income £'000	Transfer to Rest'd Funds £'000	Expenditure £'000	Gain on Investments £'000	31 March 2024 £'000
<i>Continued from previous page</i>	20,365	-	54	8	(2,566)	2,395	20,256
Wilson Campbell Memorial Appeal	23	-	-	19	-	5	47
Dr Henry Miller Memorial Appeal	247	-	1	-	(18)	30	260
Sophia Lecture	44	-	-	12	(1)	6	61
Museum Conservation Fund	84	-	-	11	-	10	105
Studentships in Medicine	67	-	-	-	(28)	8	47
Brian J Lewis Prize Fund	14	-	-	3	-	2	19
Charles Letts Memorial Appeal	173	-	1	-	(20)	20	174
James Skillington Memorial Fund	18	-	-	4	(3)	4	23
Charles Bosanquet Memorial Appeal	40	-	-	25	-	6	71
Swales Bequest	215	-	1	38	-	25	279
Mac Cooper Appeal	60	-	-	2	(59)	7	10
Robinson Library Fund	764	-	2	46	(47)	89	854
Kummerman/Fisher Fund	62	-	-	2	(21)	7	50
Marjorie Robinson Bequest	10,251	-	33	76	(846)	1,188	10,702
Jack Jeffery IRES Outreach Fund	15	-	-	6	-	6	27
Elsie Jeffery Bursary	32	-	-	2	(2)	8	40
EM Henderson Bequest	41	-	-	5	(20)	5	31
Dunlevy Fund	10	-	-	-	(1)	2	11
Alice Stephenson Bequest (Cancer Research)	1,665	-	2	72	(57)	194	1,876
Florence Kirby Estate	920	-	-	72	(302)	106	796
Foxcroft Estate	2,473	-	5	7	(593)	292	2,184
TOTAL EXPENDABLE FUNDS	37,583	-	99	410	(4,584)	4,415	37,923
TOTAL ENDOWMENTS FUNDS	52,992	-	137	717	(5,870)	6,224	54,200

NOTES TO THE ACCOUNTS

16. UNAPPLIED TOTAL RETURNS ON PERMANENT ENDOWMENT ACCOUNTS

Permanent Endowments	Unapplied Return at 1 April 2023	Total Return in Year	Allocated to Income in Year	Unapplied Return at 31 March 2024	Base Value	Total at 31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Action Medical Research Chair of Neuromuscular Disease	1,611	217	(97)	1,731	200	1,931
Chair of Environmental Control Engineering	693	99	(134)	658	134	792
Readership in Microelectronics	238	51	(105)	184	191	375
William Leech fund for Biomedical Science	584	85	(124)	545	125	670
Lectureship in Rheumatology	843	120	(1)	962	155	1,117
NCKRF Nephrology (1)	474	72	(107)	439	130	569
NCKRF Nephrology (2)	430	73	(96)	407	180	587
William Leech/McQueen Fund for Neuromuscular Disease	411	69	(132)	348	162	510
NECCR Clinical Paediatric Oncology	1,517	290	(150)	1,657	904	2,561
NCKRF Transplant Immunology	362	70	(3)	429	215	644
William Leech/Green Fund for Renal Transplantation	647	100	(92)	655	180	835
NCKRF Nephrology (3P)	196	28	-	224	45	269
Korean Studies	219	88	(33)	274	77	351
Jeffcock Medical Research Fund	274	37	-	311	35	346
Haswell Ellis Music Fellowship	-	5	-	5	41	46
Dr WE Harker Foundation	1,134	345	(82)	1,397	735	2,132
Kritchman Scholarships	11	4	(2)	13	7	20
Boon Research Fund	23	5	(5)	23	20	43
Student Exploration Appeal	38	29	(4)	63	56	119
Barton De Loach Bequest	20	13	(1)	32	26	58
Jeffreys Fund	5	6	(2)	9	8	17
Chinese Lectureship	-	6	-	6	50	56
Konishi Foundation Fellowship in East Asian Studies	159	98	(4)	253	150	403
Randerson Foundation	564	244	(112)	696	1,130	1,826
Total Unapplied Return and Valuation as at 31 March	10,453	2,154	(1,286)	11,321	4,956	16,277

NOTES TO THE ACCOUNTS

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

	2024 £'000	2023 £'000
Net expenditure for the year	485	(6,833)
Gain/(loss) on investments	(6,224)	405
Investment income	(137)	(5)
Decrease in debtors (excluding investment income receivable)	500	-
Increase in creditors	1,574	2,801
Net cash (used in) operating activities	(3,802)	(3,632)

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

	1 April 2023	Cash flow	31 March 2024
	£'000	£'000	£'000
Closing net funds	482	(296)	186