

THE HENRY BARBER TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

THE HENRY BARBER TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2022

Trustees	<p>HB Carslake BA, LLB, Chairman JR Bates FCA, DChA Professor Sir David Eastwood DL (resigned 23 November 2021) SD Maddock OBE, MA Mrs VJP Simpson Dr AJ Sturgis MA, PhD Dr E McAdam MA, DPhil, ClfA, FSAS Professor A Tickell (appointed 17 March 2022)</p>
Charity registered number	528917
Principal office	<p>The Barber Institute of Fine Arts The University of Birmingham Edgbaston Birmingham B15 2TS</p>
Secretary	Mrs RM Poynton BA, FCIS
Independent auditor	<p>Cooper Parry Group Limited Chartered Accountants Statutory Auditor Cubo Birmingham Office 401 4th Floor Two Chamberlain Square B3 3AX</p>
Bankers	<p>HSBC Bank plc 130 New Street Birmingham B2 4JU</p> <p>Nationwide Building Society Nationwide House Pipers Way Swindon SN38 1NW</p> <p>Shawbrook Bank Limited Lutea House Warley Hill Business Park The Drive Great Warley Brentwood, Essex CM13 3BE</p>

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

Solicitors	Shakespeare Martineau LLP No 1 Colmore Square Birmingham B4 6AA
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Solicitors	Grove Tompkins Bosworth 2 Water Court 36 Water Street Birmingham B1 1HP
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Investment Manager	Cazenove Capital 1 London Wall Place London EC2Y 5AU
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Custodian	Schroder & Co Bank AG Central 2 8001 Zurich Switzerland
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Property Agent	Pennycuik Collins 54 Hagley Road Birmingham B16 8PE
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THE HENRY BARBER TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their annual report, together with the audited financial statements of The Henry Barber Trust for the year ended 31 July 2022.

Objectives and aims

a. Policies and objectives

The Charity is for charitable educational purposes at the University of Birmingham and its principal objects are:

- to fund the four professorial chairs of Law, Jurisprudence, Fine Arts and Music, together with a number of other academic prizes and annuities;
- to repair, maintain and equip the Barber Institute building which is for the study and encouragement of art and music, for the benefit of international scholarship, the public, researchers, artists, students and school children, in addition to the staff, postgraduates and undergraduates of the University of Birmingham;
- to purchase works of art or beauty, including paintings, furniture, coins, tapestries, manuscripts and books;
- to support the activities of the Barber Institute through the purchase of musical instruments, printed and manuscript music and musical books; and
- to fund musical recitals by first class vocal and instrumental artists.

Under the terms of the Deed of Settlement:

- the Charity received a permanent endowment fund under the restriction that only the income arising shall be expended. This restriction was removed from 8 October 2022 in line with a resolution passed by the Trustees, which received the Charity Commission's concurrence from that date. The Trustees believe that this change to the Deed of Settlement was necessary in order to allow them to adopt a total return approach to investment, thereby giving them and their investment manager the flexibility necessary to ensure the sustainability of the investment portfolio.
- all works of art or beauty acquired by the Charity shall be held in perpetuity. The Charity may only acquire works of art or beauty of exceptional and outstanding merit and any painting acquired must have been painted not later than thirty years before the date of purchase. The Charity may accept gifts of any articles to add to its collections provided that such articles fulfil the same criteria as to exceptional and outstanding merit as the existing collections.

The Barber Institute building, which was opened by Queen Mary in 1939, was built under the terms of the Deed of Settlement using funds provided by the Charity on land owned by the University of Birmingham. Accordingly the Barber Institute building is owned by the University of Birmingham.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Significant activities

The activities funded by the Charity are recorded in the financial statements under three headings:

- professorial chairs and prizes;
- Barber Institute operations; and
- collections.

The operations of the Barber Institute include work carried out through a separate University of Birmingham budget centre, the Barber Institute Budget Centre (BIBC), music activities and the Barber Fine Art Library.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and aims (continued)

c. Public benefit

The Trustees are satisfied that the Charity's aims and objectives are for the public benefit. The Trustees confirm that they have referred to guidance published by the Charity Commission, including that on public benefit, when reviewing their aims and objectives and when setting grant making policy. All the Charity's activities are in support of the University of Birmingham, which is a body which itself benefits sections of the public and the public as a whole.

All the funds given by the Charity to the Barber Institute were used by the University of Birmingham for the benefit of the public by:

- providing access to the Barber Institute and its galleries, free of charge;
- mounting exhibitions and displays, some online, which, along with the permanent collections themselves, are used extensively as a teaching and research resource and were available to the public, free of charge;
- providing learning and outreach activities for the public, some of which, during the year under review, were online.

Visitor numbers to the galleries recovered well as the restrictions of the previous year were relaxed or removed. Barber Institute staff continued with a hybrid offer, but with more and a greater variety of activities back on site during this period. As a result, there were:

- 51,190 visits to the building, approximately (2021: 17,770); and of these:
- 28,284 visits to the galleries (2021: 5,941);
- 3,950 visits associated with learning: 2,021 on site; 1,080 online; and 849 in person, off site (2021: 2,684 all online except one).

The Trustees are committed to extending public access to the Charity's collections beyond the Barber galleries and lend works to scholarly exhibitions, both nationally and internationally, thus substantially increasing the number of people who are able to benefit. During the year under review, the number of loans of works to exhibitions increased over the previous year, which had been badly affected by the pandemic:

- eight loans were seen by 444,078 visitors at eight venues (2021: three; 160,766; five);
- five were in the UK and three were in Europe (2021: one; four).

Although, for a second year, it was not possible for any performances to be held in the Barber concert hall because of a lack of ventilation, the Barber lunchtime and evening concert series were performed instead in the Elgar Concert Hall in the Bramall Music Building. Audience figures recovered reasonably well and should again reach pre-pandemic levels over the next few years. As part of the Birmingham 2022 Commonwealth Games, Barber Concerts and University Music combined to become the single largest contributor to musical events in the Birmingham 2022 Festival. This made it possible to reach new audiences via two Barber concerts which tackled the issues of colonialism, slavery and black artist representation, and an orchestral and choral performance in the Town Hall, featuring composers, choirs and bands with local and University connections. This Commonwealth programme, entitled *Musical Heritage and the City* was very positively received and increased awareness of the University's rich and varied musical offer.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

During the year under review, the Charity funded:

- six Barber evening concerts, of which one was part of the Birmingham International Piano Festival;
- nineteen Barber lunchtime concerts, of which two were part of the Birmingham International Piano Festival and two were part of the BBC Radio 3 partnership;
- one family concert which was part of the Birmingham International Piano Festival;
- the contemporary opera, *Raising Icarus*.

All these events were available to members of the public, many free of charge. The total audience for all musical activities funded by the Charity during the year was 3,992 (2021: 4,604).

The library material both for fine arts and for music and the musical instruments purchased by the Charity during the year were all available for use by students of the University.

d. Grant making

The Charity's resources are applied in accordance with the Deed of Settlement for the broad benefit of the University of Birmingham, as set out in more detail above under the heading of objectives and aims. The majority of this expenditure is made in the form of grants which are paid annually to the University of Birmingham; although part of which may be accumulated where the cost of a particular project exceeds the annual grant. All recurring grants are subject to regular review. The Trustees may also receive requests for funding from the University of Birmingham on an ad hoc basis and these are assessed in the context of the objectives set out in the Deed of Settlement and the Charity's available financial resources.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Achievements and performance

a. Charitable activities

Government measures in response to COVID-19 abated over year under review and the country gradually returned to normal. The effect on the activities funded by the Charity was therefore less marked than in the previous year as the Barber Institute remained open, albeit with some restrictions over the winter months. For a second year, however, there were no public performances in the Barber concert hall, because the University determined that the lack of ventilation prevented its use as a performance space. Consequently, the Barber concert series moved temporarily to the Bramall Music Building and an alternative venue was found for the performance of the contemporary opera, *Raising Icarus*, which gave rise to significant additional costs. For a second year, the Trustees were unable to fulfil one of the key objects contained in the Charity's Deed of Settlement, namely the provision of musical performances in the Barber concert hall.

During the year under review, the Charity provided financial support amounting to £1,686,462 (2021: £1,337,681) to the University of Birmingham and acquired fourteen (2021: one) works of art for display in the Barber Institute galleries, in accordance with the objects set out in its Deed of Settlement. The total value of the acquisitions and costs associated with these amounted to £344,800 (2021: £47,831). The total sum spent during the year on the Charity's objects was £2,094,226 (2021: £1,444,188).

The funding provided to the University of Birmingham included:

- A major contribution towards the salary costs of the professorial chairs of Law, Jurisprudence and Music, and of the Director of the Barber Institute whilst the Barber Chair of Fine Arts is vacant;
- A number of scholarships and prizes, which are listed at note 9 of the notes to the financial statements;
- Financial support for the Barber Institute building and the fine art and musical activities associated with it.

b. Professorial chairs and prizes

As in previous years, the Charity increased by 2% its annual contribution towards the gross salary costs of the professorial chairs of Law, Jurisprudence and Music, and, whilst the professorial chair of Fine Arts remains vacant, towards the salary of the Director of the Barber Institute of Fine Arts, through annuities 1-4 under clause 4 of the Deed of Settlement and the supplementary payment. The same increase was applied to the various scholarships and prizes set out in the Deed of Settlement. In total, £438,200 was provided (2021: £429,600). Of this, £14,700 (2021: £14,412) was reallocated by the University to cover general costs within the Barber Institute Budget Centre (BIBC).

c. Barber Institute operations

The Barber Institute remained open for the entire year under review, with only a period during the winter months where there were some additional precautionary measures. As a result, activities at the Barber were close to levels seen before the pandemic.

The Charity provided a total of £977,020 in grants to the BIBC during the year (2021: £873,861) which represented 77% of the BIBC's total income of £1,276,151 (2021: 78% of £1,222,356). This figure comprised the Charity's annual recurring grant to the BIBC, which was increased by 2% to £705,300, the annuities and supplementary payment relating to Fine Arts mentioned above, and additional financial support for exhibitions, conservation and the development of the collections, totalling £155,622, further details of which are given below:

The Charity contributed:

- £106,351 in support of seven exhibitions and displays organised by the Barber Institute, six of which were on display during the year under review: *Sights of Wonder: Photographs from the 1862 Royal Tour, Making a Mark* and *Dürer: The Making of a Renaissance Master*. These shows were the last three in a series of five produced collaboratively between MA Art History students from the University and the Royal Collection Trust. *Miss Clara and the Celebrity Beast* featured the collection's popular bronze rhinoceros, whilst two coin shows,

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

- *The First Dictators* and *Paying Respects: Money and Mortality*, were also on display during the year under review;
- £7,764 for conservation work, most of which was used to carry out a picture condition survey and a preliminary assessment of the conservation work required on the equestrian statue of George I outside the Barber Institute;
- £20,094 from the Galleries Refurbishment Reserve Fund, most of which covered the costs of the replacement of two-way radios, the renovation of the curtains in the Barber Institute's foyer and the installation of a new environmental monitoring system for the galleries;
- £1,397 for routine conservation costs;
- £650 to cover purchases for the numismatics library; and
- £14,700 to cover general costs.

In additional, £4,666 was allocated from the legacy of the late Dr Martin Purdy to cover the costs of the Barber Health Co-ordinator.

During the year, the Charity spent a total of £452,515 (2021: £220,433) on musical activities. This figure comprised the annuities and supplement relating to Music mentioned earlier in this review, a contribution towards the costs of the post of Head of University Music & Concerts and financial support for the Barber evening and lunchtime series, the Barber and contemporary operas and a number of other musical events and activities. Further details are given below.

Many of the concerts were rescheduled events originally planned for 2020/21, with the notable exception of a performance by the Chineke! Ensemble to mark the retirement of the Vice Chancellor (and one of the Charity's Trustees) at the end of December 2021. Amongst the other many and varied performances from international and British artists were those by violinist, Randall Goosby, saxophonist, Naomi Sullivan, pianist, Kumi Matsuo, accordionist Samuele Telari, and pianist Alexandra Dariescu, the latter performing as part of the Birmingham International Piano Festival. A total of £102,941 was provided by the Charity to cover the costs of nineteen Barber lunchtime concerts, six Barber evening concerts and a family concert, which was part of the Birmingham International Piano Festival. The contemporary opera, *Raising Icarus*, by the University's Professor of Composition, Michael Zev Gordon, was finally performed in April 2022 to general acclaim, after several delays and with a significant increase in costs because of the pandemic. The Charity funded the work, providing £159,869 in the year under review and a further £15,166 over the previous three financial years. In addition,

- £6,718 was used to purchase choral and instrumental ensemble sets for use by the University's many choirs;
- £2,234 was used to cover the costs of tuning and moving pianos used in performances funded by the Charity;
- £5,100 was provided for the Barber international postgraduate scholarship;
- £20,666 covered further costs of the next Barber opera, Alessandro Stradella's *La forza dell'amor paterno*, which has been postponed several times because of the pandemic, but which is now scheduled to take place in April 2023;
- £11,274 was provided as the penultimate payment for the restoration of the Snetzler chamber organ, purchased by the Trustees in 1958.

As a consequence of the need to find alternative venues for Charity-funded musical activities, the Trustees agreed that the unspent portion of the concerts and student opera grants may be carried forward into the next financial year when it will be used to cover the significant additional costs which will be involved in hiring performance space.

During the year under review, the Charity provided £45,116 in support of the Barber Fine Art Library, which covered a contribution towards the salary costs of the Senior Learning Adviser; and a grant of £24,324 for the purchase of fine art books and catalogues.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

d. Collections

During the year, the Charity acquired sixteen works of art:

A Still-Life with a Garland of Fruit

Maria Tassaert (Antwerp 1642 – after 1665 Antwerp)

Oil on canvas, 63.5 x 53.4 cm

Purchased for £21,000.

Max Pechstein (1881 – 1955).

Still Life in Grey, 1913

Oil on canvas, 100.3 x 74.6 cm

Signed with monogram and dated upper right: HMP

Purchased for £250,000.

The following works were bequeathed by Mrs Ann Norman-Butler (née Hayes, d 20 April 2021):

Figures in a Stylised Landscape with a Man in a Suit of Armour, signed with initials

Joseph Southall (English, 1861-1944)

Watercolour on paper, 25 x 35 cm

Valuation: £8,000

Figures on a Beach with Deckchairs, signed with initials and dated 1931

Joseph Southall (English, 1861-1944)

Watercolour on paper, 20 x 30 cm

Valuation: £8,000

Figures on a Beach, signed with initials and dated 1932

Joseph Southall (English, 1861-1944)

Watercolour on paper, 34 x 36 cm

Valuation: £10,000

Figures on a Beach, signed with initials and dated 1933

Joseph Southall (English, 1861-1944)

Watercolour on paper, 15 x 22 cm

Valuation: £6,000

The following works were bequeathed by Karsten Schubert (1961-2019):

Les Baigneurs, Petite Planche, 1896/97

Paul Cézanne (French, 1839-1906)

Lithograph in colour on chine volant, 242 x 275 mm

Valuation: £10,000

Untitled, after Bronzino, c.1930

Arshile Gorky (Armenian, 1904-1948)

Pencil on card, 343 x 425 mm

Valuation: £2,000

After Raphael, Portrait of Bindo Altoviti, after 1937

Arshile Gorky

Pencil on paper, 241 x 197 mm

Valuation: £2,000

Untitled, after Rembrandt, 1950s

Duncan Grant (Scottish, 1885-1978)

Watercolour, 343 x 232 mm

Valuation: £2,000

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

The following works were gifted by the Rt Rev Mark Santer, formerly Bishop of Birmingham:

Lucas Vosterman (1595-1675) after Sir Anthony Van Dyck (1599-1641)

Portrait of Cornelis Schut (1597-1655), c.1630

Engraving

Valuation: £500

Schelte Adams Bolswert (1586-1659) after Sir Anthony Van Dyck (1599-1641)

Portrait of Willem de Vos (c. 1593-c. 1629), c.1630/34

Etching

Valuation: £500

John Skippe (1742-1811)

The Annunciation, 1782

Chiaroscuro woodcut

Valuation £500

John Sell Cotman (1782 – 1842)

The Church of St Michel de Vaucelles, Caen

Etching (from Architectural Antiquities of Normandy, published 1819)

Valuation: £100

William Nicholson (1872-1949)

Portrait of James Pryde (1866-1941), 1899

Woodblock print

Valuation: £100

Dame Elizabeth Frink (1930-1993)

The Miller's Tale I (part of Frink's 1972 Canterbury Tales series)

Etching and aquatint

Valuation: £500.

The Trustees are most grateful to all those who so generously donated to the Charity.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

e. Listed investment performance

The events of recent years had served to highlight further the vulnerabilities of the Charity's income-biased portfolio, which prevented the investment manager from accessing a broader set of asset classes to ensure a more balanced, diversified and therefore more resilient, portfolio. The Trustees' decision to remove the restriction on spending capital from the Deed of Settlement to enable them to adopt a total return approach for the Charity's assets took effect from 8 October 2021. This allowed the Trustees to meet their spending requirements from both income and capital through a more flexible and diversified approach to the management of the portfolio. As part of this new approach, the investment portfolio moved into Cazenove's Responsible Multi Asset Fund (RMAF), a total return strategy specifically for charities with an integrated responsible investment policy. The RMAF strategy targets CPI +4% over the medium to long term. The transition from a segregated portfolio to the new fund took place over a number of months to permit phased moves across the asset classes to manage dividend flows.

The Charity's portfolio generated a total return of 11.4% (2020/21: 28.2%) compared with the benchmark's return of 14.5% (2020/21: 19.4%). Over three and five years, the portfolio returned 6.5% pa and 6.1% pa (2020/21: 2.7% pa and 6.4% pa) compared with the benchmark's return of 8.5% p.a. and 7.6% pa (2020/21: 3.8% pa and 6.1% pa), respectively. The benchmark is CPI +4% for 2021/22 returns.

Over the period, risk assets recorded positive returns, albeit with heightened volatility. The invasion of Ukraine, concerns over the outlook for rising inflation and tightening monetary policy, all conspired to unsettle markets. Over the twelve-month period, equity markets achieved positive returns, but performance from risk and nominal assets has been negative since the start of 2022. There was a disparity of performance across sectors, with energy achieving strong returns given the strength in the oil price. Growth stocks were also weaker over the past six months given the deteriorating outlook for inflation and interest rates. Fixed income assets were notably weak over the period given the prospect for increasing rates across global economies.

Inflation levels increased significantly over the past year and the performance of the portfolio did not therefore achieve its target. Cazenove expects an inflation +4% target will remain challenging in the short term, but over the long term it would expect to meet this target as inflation levels begin to normalise with the impact of tighter monetary policy.

f. Investment property performance

The majority of tenants displayed resilience as they sought to recover from several years of economic disruption and continuing restrictions which prevented normal life from returning in full. Negotiations on arrears which had accumulated throughout 2020 and 2021 were concluded with one tenant with a repayment of the debt, bar six months' rent (£8,750), which was written off. An agreement has yet to be reached with the second tenant, however, although negotiations continue; a provision for £29,350 remained in place in recognition of this. The newly created flats on the upper floors at 5-7 Upper Brook Street, Rugeley were let throughout the year, although the recently redeveloped rooms at 547-549 Bristol Road remained empty throughout the year because of problems with access to the property due to COVID-19 restrictions at the beginning of the academic year. The sale of 57 St Andrew's Crescent, Stratford-upon-Avon, was completed during the year for £520,000 gross.

Gross rental income rose by 1.5% (2021: 11.1%) from £351,177 to £356,337 as the new income stream from the flats at 5-7 Upper Brook Street, Rugeley was offset by the lack of income from the rooms on the upper floors at 547-549 Bristol Road. The latter have now been let from the end of July 2022 for a year. Total costs associated with the properties amounted to £89,800, against which were set rebates for VAT and rates of £27,558 and £12,126, respectively, and a service charge refund of £10,845, giving a net figure of £39,271. This was a decrease of 62% (2021: 120.4%) over the previous year's figure of £103,955, which had included much of the cost of the redevelopment of 5-7 Upper Brook Street, Rugeley. This year's figures returned to a more normal level, following completion of both redevelopment projects.

An interim valuation was carried out as at 31 July 2022 to reflect a number of changes to the portfolio. Pennycuik Collins was of the opinion that the valuation of 1A Upper Brook Street, Rugeley and 12-14 Campbell Place, Stoke-on-Trent had decreased by £25,000 and £30,000, respectively, due to the low rentals achieved during the year. Conversely, the increases in rent achieved at 533 Bristol Road and the inclusion of the rents on the flats at 5-7 Upper Brook Street, Rugeley led to a valuation increase of £60,000, in respect of each. The net effect, once the sale of 57 St Andrew's Crescent had been taken into account, was a decrease of £455,000 or 9.7% (2021: 6.5%) in the value of the investment property portfolio from £4,679,000 to £4,224,000.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Charity aims to maintain reserves on the General Fund of at least £500,000 in order to meet any unforeseen expenditure and to enable it to meet its funding commitments, regardless of an uneven income stream. At the year-end, a balance of £2,123,688 was held on the General Fund.

Moneys from the General Fund are allocated to various designated funds for specific future purposes or projects. At the year-end, a balance of £363,619 was held on the Exhibition Reserve Fund for the Barber Institute's forthcoming exhibitions programme. At the year-end, a balance of £26,260 was held on the Coin Database Reserve Fund for the continuing maintenance of the Charity's database of coins. At the year-end, a balance of £64,051 was held on the Major Conservation Reserve Fund for the continuing programme of conservation of works of art. At the year-end, a balance of £483,021 was held on the Galleries' Refurbishment Reserve Fund for building works and other capital projects in the Barber Institute building, as well as for the purchase of items associated with the galleries.

Moneys from the General Fund are also used to fund major acquisitions of works of art. As it is not possible to predict when a work of art suitable for acquisition might become available, and major acquisitions are, by their nature, expensive, the Trustees believe that it is necessary to maintain a substantial balance of moneys on the General Fund where possible.

The designated Works of Art Fund is to cover discretionary purchases of works of art made by the Director and to enable the Charity to accumulate funds to make such acquisitions. At the year-end, a balance of £78,402 was held on the designated Works of Art Fund for the purchase of works of art at the discretion of the Director.

At the year-end, a balance of £35,273 was held on the Barber Institute Operations Fund for expenditure in connection with the activities of the Barber Institute. At the year-end, a balance of £13,460 was held on the Music Fund for musical activities at the Barber Institute.

In order to make provision for the cost of dilapidations and improvements on the Charity's investment property, £20,000 per annum is transferred to the Investment Property Sinking Fund. At the year-end, the balance of £122,968 was held on the Investment Property Sinking Fund after the transfer of £233,850 from capital to cover the element of improvement to 5-7 Upper Brook Street, Rugeley, following the redevelopment of the upper floors into four flats.

c. Financial position and principal funding sources

The Trustees are satisfied with the financial state of affairs of the Charity. The Charity's principal source of funding is its Unrestricted Investment Fund; comprising listed investments, approximately 89.9% by value, together with a significant proportion held in investment properties, approximately 7.8% by value, with the balance in cash deposits, approximately 2.3% by value.

The Charity does not actively raise funds from the public; but the Trustees are grateful for the donations, grants and gifts-in-kind the Charity receives.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

d. Investment policy and objectives

The Charity's investment policy is to seek real growth in income on an annual basis whilst preserving real capital value. Under the provisions of the Trustees Act 2000 the Charity has a general power of investment enabling it, subject to an overriding duty of care, to invest as widely and freely as though the moneys were the Trustees' own.

e. Principal risks and uncertainties

Having recently removed the restriction on spending capital in order to allow a total return approach to investment, the Trustees consider that the generation of incoming resources is within their control and they have in place strategies to manage risks associated with the investments under their control. The Trustees ensure that the Charity's grants are spent on activities in accordance with the Charity's objects whilst recognising that the realisation of the majority of these activities is largely outside the Trustees' control: being the responsibility of the University of Birmingham. Security of the Charity's collections is of paramount importance to the Trustees. Whilst remaining the responsibility of the Trustees, the arrangements for the conservation and security of the Charity's collections have been delegated to the University of Birmingham; which owns the buildings in which the collections are housed and employs the staff who work in them. The Trustees' security policy, reinforced by the Trustees in their discussions with the University of Birmingham and its staff, requires the University of Birmingham to provide security arrangements of the highest standard.

f. Future plans

The University has committed £10m in its capital programme to the Barber Institute building and it is hoped that some of this money will be used to provide a permanent resolution to the lack of ventilation in the Barber concert hall so that the Barber concert series can resume in that performance space. The Trustees have expressed their willingness to contribute towards the costs of any solution.

The Trustees agreed to increase the Charity's funding to the University by 2% in 2022/23 in the following areas:

- the annuities and prizes set out in clauses 4, 6C and 7 in the Deed of Settlement;
- the supplement to the four professorial chairs;
- the basic contribution to the BIBC;
- the routine grants for conservation and the coin library; and
- the music international postgraduate scholarship.

The funding level for future years will be reviewed by the Trustees in March 2023. The Charity will also continue to provide grants to the various rolling funds for expenditure relating to the collections and the galleries. Plans for the exhibitions programme in the next financial year include a show entitled *Peasants and Proverbs: Pieter Brueghel the Younger as Moraliser and Entrepreneur*, which will focus on his painting in the Barber collection, *Two Peasants Binding Firewood*.

The recent picture survey identified a number of works which require treatment over the next few years, whilst the significant work required on the statue of George I is likely to take place during the next year.

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**TRUSTEES' REPORT (CONTINUED)
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Now that the majority of the coin collection has been catalogued, funds are likely to be spent on the services of professional specialists to catalogue the remaining, more obscure sections.

Music will continue to receive the usual financial support through the Charity's regular funding. Twenty-one Barber lunchtime concerts and six Barber evening concerts have been scheduled for 2022/23 and include the partnerships with BBC Radio 3, Oxford Lieder and the Presteigne Festival. Four recordings of the Barber lunchtime series will be broadcast as part of the BBC's Lunchtime Concerts programming featuring its New Generation Artists. Performers in the Barber evening concert series will include the vocal ensemble, Cinquecento, the Belcea Quartet and the pianist, Isata Kanneh-Mason.

Funding will continue for the next Barber opera, Alessandro Stradella's *La forza dell'amor paterno*, which will be performed in April 2023.

The Charity's regular financial support for the Barber Fine Art Library will also continue through its contribution to the post of the Senior Learning Adviser and through its grant for fine art library material.

THE HENRY BARBER TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Structure, governance and management

a. Constitution

The Henry Barber Trust was established by a Deed of Settlement executed by Lady Barber on 13 December 1932 in memory of her late husband, Sir Henry Barber Bt, a life-governor of the University of Birmingham. The Charity is controlled by its governing document, the Deed of Settlement as amended by several Charity Commission schemes and Trustees' resolutions, and constitutes an unincorporated Charity.

The Trustees are an incorporated body under the Charities Act 2011 known as The Trustees of The Barber Institute of Fine Arts Registered. The Trustees were incorporated as a body on 13 November 1952; originally under the now repealed Charitable Trustees Incorporation Act 1872.

b. Recruitment and appointment of new Trustees

Trustees are nominated by members of the Board of Trustees and appointed where they have the necessary skills and experience to contribute to the management of the Charity or have particular expertise to contribute to the Charity's development. The written consent of the University of Birmingham to the appointment of each Trustee must be obtained. Prior to appointment, nominated Trustees are required to sign a declaration of eligibility and to disclose all relevant interests. The Deed of Settlement requires that there shall be no fewer than three and no more than nine trustees at any one time, and at least one but no more than three of the Trustees shall at any one time be members of the council or staff of the University of Birmingham.

c. Organisational structure and decision making

The Charity is managed by a Board of Trustees. A Secretary to the Trustees is appointed by the Board of Trustees to administer the day-to-day operations of the Charity. The Secretary to the Trustees maintains a register of Trustees' interests and, in accordance with the Charity's policy, Trustees are required to withdraw from decisions where a conflict of interest arises.

d. Induction and training of new Trustees

Upon appointment new Trustees are provided with a copy of the Charity's Deed of Settlement, the most recent report of the Trustees and audited financial statements, the most recent management accounts and copies of the previous three years' minutes of Trustees' meetings. Recent appointees have all been familiar with the duties of a Trustee but the Charity would organise attendance on a suitable course if necessary.

e. Key management remuneration

The Deed of Settlement provides that each Trustee shall receive an annuity of £100 for his or her services. Under the terms of a Charity Commission scheme dated 20 January 2006, this annuity is indexed. Annuities amounting to £14,897 (2021: £14,617) were paid to six (2021: six) Trustees for their contribution to the work of the Charity. Professor Sir David Eastwood and Professor Adam Tickell have waived their entitlement to receive an annuity.

Staff salaries of £76,576 (2021: £74,397), including pension contributions of £8,576 (2021: £8,356) were paid in respect of two (2021: two) people who worked part-time on the management and administration of the Charity. The remuneration of the Secretary to the Trustees is determined by the Trustees with reference to market rates of pay for equivalent posts.

f. Related party relationships

The Charity has close links with the University of Birmingham. The written consent of the University of Birmingham to the appointment of each Trustee must be obtained. At least one but not more than three of the Trustees shall at any time be members of the council or staff of the University of Birmingham.

TPIC (Birmingham) Limited is the Charity's wholly-owned dormant subsidiary undertaking.

THE HENRY BARBER TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Structure, governance and management (continued)

g. Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees have assessed the major risks to which the Charity is exposed, particularly those related to the activities and finances of the Charity, and they are satisfied that systems are in place to manage the Charity's exposure to the major risks. The Trustees continue to consider that the principal risks which face the Charity relate to the security of its collections and its income-producing assets, and, whilst the Barber concert hall is out of use, their inability to fulfil one of the principal objects of the Deed of Settlement, namely the funding of musical performances in the Barber concert hall. With regard to the security of the collections, the Trustees have, of necessity, delegated all aspects of this to the University of Birmingham, whilst emphasising that it must be given the highest priority. Funds are made available to the University to ensure that security measures are maintained to the highest standards. Discussions are also underway with the University to ensure that the condition of the Barber Institute building is maintained so as not to pose a threat to the security of the collections and to resolve the problem of a lack of ventilation in the Barber concert hall. The University has committed £10m to the Barber Institute building in the next phase of its capital plan. The Trustees have appointed an investment manager and a property manager to manage the Charity's income-producing assets. The performance of these managers is kept under careful and regular review, as is the performance of the assets, in order to ensure that they are being properly managed and are performing well.

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

THE HENRY BARBER TRUST


**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

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HB Carslake BA, LLB
Chairman
Date: 23 November 2022

THE HENRY BARBER TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HENRY BARBER TRUST

Opinion

We have audited the financial statements of The Henry Barber Trust (the 'Charity') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 July 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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 Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE HENRY BARBER TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HENRY BARBER TRUST (CONTINUED)

Matters on which we are required to report by exception

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

- the information given in the 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 and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

THE HENRY BARBER TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HENRY BARBER TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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:

Our assessment focussed on key laws and regulations the Charity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Charities Act 2011, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Charity and how the Charity is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charity's control environment and how the Charity has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charity's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing 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 bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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 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.

THE HENRY BARBER TRUST

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HENRY BARBER TRUST
(CONTINUED)**

Use of our report

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



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Cooper Parry Group Limited

Chartered Accountants

Statutory Auditor

Cubo Birmingham

Office 401

4th Floor

Two Chamberlain Square

B3 3AX

Date: 24 November 2022

Cooper Parry Group Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HENRY BARBER TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	2	-	50,200	-	50,200	43,800
Barber Institute operations	3	3,579	-	-	3,579	-
Investments	4	2,106,212	-	-	2,106,212	1,909,126
Total income and endowments		2,109,791	50,200	-	2,159,991	1,952,926
Expenditure on:						
Raising funds	5	207,374	-	38,841	246,215	576,567
Charitable activities	6	2,044,026	50,200	-	2,094,226	1,444,188
Total expenditure		2,251,400	50,200	38,841	2,340,441	2,020,755
Net expenditure before net (losses) on investments		(141,609)	-	(38,841)	(180,450)	(67,829)
Net gains on Investments		2,503,401	-	974,565	3,477,966	9,318,255
Net movement in funds		2,361,792	-	935,724	3,297,516	9,250,426
Reconciliations of funds:						
Total funds brought forward		3,176,371	-	50,861,682	54,038,053	44,787,627
Transfer between funds	19	51,797,406	-	(51,797,406)	-	-
Total funds carried forward		57,335,569	-	-	57,335,569	54,038,053

The statement of Financial Activities includes all gains and losses recognized in the year.

The notes on pages 24 to 42 form part of these financial statements.

THE HENRY BARBER TRUST

BALANCE SHEET
AS AT 31 JULY 2022

	Note	2022 £	2021 £
Fixed assets			
Heritage assets	14	-	-
Investments	15	49,757,308	46,196,599
Investment property	13	4,224,000	4,679,000
		<u>53,981,308</u>	<u>50,875,599</u>
Current assets			
Debtors	16	222,195	62,679
Investments	17	2,177,297	2,173,274
Cash at bank and in hand		1,189,836	1,056,106
		<u>3,589,328</u>	<u>3,292,059</u>
Creditors: amounts falling due within one year	18	(235,067)	(129,605)
Net current assets		<u>3,354,261</u>	<u>3,162,454</u>
Total net assets		<u><u>57,335,569</u></u>	<u><u>54,038,053</u></u>
Charity funds			
Endowment funds	19	-	50,861,682
Restricted funds	19	-	-
Unrestricted funds	19	57,335,569	3,176,371
Total funds		<u><u>57,335,569</u></u>	<u><u>54,038,053</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

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HB Carslake BA

Chairman

Date: 23 November 2022

The notes on pages 24 to 42 form part of these financial statements.

THE HENRY BARBER TRUST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	21	(2,340,715)	(2,013,812)
Cash flows from investing activities			
Dividends, interests and rents from investments		2,106,212	1,909,126
Proceeds from sale of investments		46,101,372	9,039,482
Purchase of investments		(46,308,477)	(8,012,976)
Proceeds from sale of property		520,000	-
Net cash provided by investing activities		2,419,107	2,935,632
Net cash provided by financing activities			
Change in cash and cash equivalents in the year		78,392	921,820
Cash and cash equivalents at the beginning of the year		4,554,036	3,632,216
Cash and cash equivalents at the end of the year	22	4,632,428	4,554,036

The notes on pages 24 to 42 form part of these financial statements

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Henry Barber Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The results of the Charity and its wholly-owned subsidiary, TPIC (Birmingham) Limited, are not consolidated on a line for line basis. TPIC (Birmingham) Limited is a dormant Company. Under these circumstances the Trustees consider the results of the subsidiary undertaking are not material to the group and the preparation of consolidated financial statements is inappropriate to the better understanding of the Charity.

1.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividend income is included by reference to the payment date of the dividend. Items donated to the Charity's collections are included at market value at the time of receipt.

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1. Accounting policies (continued)

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of raising funds comprise those costs directly attributable to managing the Charity's fixed asset investments, including investment property; together with an allocation of governance support costs based on an estimate of time devoted to this activity of 25%, and an allocation of administration support costs based on an estimate of time devoted to this activity of 55%. The latter has been increased from 10% on review to reflect the situation more accurately.

Administration support costs in connection with charitable activities comprise the costs of processing annuities and grants to the University of Birmingham, supporting activities within the Barber Institute, particularly in the area of music, and ancillary costs associated with the Charity's collections. Administration support costs are allocated between the Charity's activities on the basis of time devoted to each activity: professorial chairs and prizes 2%, Barber Institute operations 40% and collections 3%.

Governance support costs comprise those costs directly attributable to organisational administration and compliance with constitutional and statutory requirements and are allocated between the Charity's activities and costs of raising funds on the basis of time devoted to each activity: professorial chairs and prizes 25%, Barber Institute operations 25% collections 25% and costs of raising funds 25%.

Expenditure on raising funds includes all expenditure incurred by the Charity in connection with the costs of maintaining its investments and subsequent income.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objects, as well as any associated support costs.

Annuities and grants awarded to the University of Birmingham are included in the Statement of Financial Activities when approved by the Trustees and agreed with the University. The value of grants unpaid at the year-end is accrued. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.4 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable entity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1. Accounting policies (continued)

1.5 Tangible fixed assets and heritage assets

Office fittings and equipment held for the Charity's own use costing more than £2,500 are capitalised and depreciated over four years on a straight-line basis.

The Barber Institute building, although built with moneys provided by the Charity, is situated on land owned by the University of Birmingham. The building is therefore owned by the University of Birmingham and is not reflected in these financial statements.

The Charity's collections are heritage assets and are not capitalised in the financial statements. The Charity's collections are inalienable assets as the Deed of Settlement requires that all the works of art or beauty acquired by the Charity shall be held in perpetuity. The Trustees may apply the remaining income arising from the Unrestricted Investment Fund, having discharged certain prior obligations, for a variety of purposes, including the purchase of works of art or beauty. The cost of acquisitions for the Charity's collections are included within expenditure as the Trustees consider this enables them to demonstrate better their compliance with the terms of the Deed of Settlement. The cost of heritage assets acquired prior to 31 July 1999 is not available. The Trustees consider the cost of carrying out a valuation to include heritage assets at valuation in the financial statements to be considerable compared with the limited additional benefit derived by the users of the financial statements. FRS 102, together with the Charities SORP (FRS 102), requires the capitalisation of acquisitions for the Charity's collections since 1 August 1999. The Trustees consider the inclusion of the cost of acquisitions made since 1 August 1999 on the Charity's Balance Sheet would give a misleading picture of the financial value of the Charity's collections as the cost of these acquisitions is minor in relation to the aggregate value of its collections and therefore relatively not material.

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at cost less provision for impairment.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1. Accounting policies (continued)

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11 Pensions

The Charity's staff are members of the University of Birmingham's defined benefit pension scheme. Contributions payable for the year are re-invoiced by the University of Birmingham to the Charity and charged to the statement of financial activities. The Charity's obligation in respect of the scheme cannot be separately identified and as such the payments are treated as if they were to a defined contribution scheme.

The Charity also pays unfunded non-contracted pension annuities to certain former employees, or their spouses.

Pension annuities payable for the year are charged to the statement of financial activities.

1.12 Fund accounting

General Funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Gifts in kind	-	50,200	50,200	43,800
Total 2022	<u>-</u>	<u>50,200</u>	<u>50,200</u>	<u>43,800</u>

During the year, fourteen works of art were gifted to the charity by 3 donors. The valuation of the works was £50,200. More details about these work of art is provided in note 14 under Heritage Assets.

3. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from charitable activities – Barber Institute Operations: music and other events	<u>3,579</u>	<u>3,579</u>	<u>-</u>
Total 2022	<u><u>3,579</u></u>	<u><u>3,579</u></u>	<u><u>-</u></u>
Total 2021	<u>-</u>	<u>-</u>	

Incoming resources from charitable activities in respect of music and other events solely represents income from the sale of Barber concert tickets.

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rents receivable	356,337	356,337	351,177
Tenants' contributions	265	265	-
Listed investment dividends	1,265,181	1,265,181	1,084,291
Listed investment interest	472,175	472,175	464,217
Investment manager's interest	7,895	7,895	-
Bank and other interest	4,359	4,359	9,441
Total 2022	2,106,212	2,106,212	1,909,126

5. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment manager's fees	112,130	32,061	144,191	154,594
Cost of Sale – Investment Property	-	6,780	6,780	-
Property agent's commission	21,547	-	21,547	22,902
Property repairs and maintenance	(14,261)	-	(14,261)	269,210
Insurance, rates and service charges	5,672	-	5,672	19,429
Professional charges	17,563	-	17,563	12,095
Bad debts	8,750	-	8,750	44,189
Costs of raising voluntary income - administrative costs	5,988	-	5,988	6,642
Costs of raising voluntary income - wages and salaries	42,117	-	42,117	40,918
Allocated centrally incurred fundraising and governance costs	7,868	-	7,868	6,588
Total 2022	207,374	38,841	246,215	576,567
Total 2021	421,973	154,594	576,567	

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Professorial chairs and prizes	433,117	-	433,117	423,504
Barber Institute operations	1,305,816	-	1,305,816	963,671
Collections	305,093	50,200	355,293	57,013
Total 2022	2,044,026	50,200	2,094,226	1,444,188

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Professorial chairs and prizes	-	423,500	9,618	433,118	423,504
Barber Institute operations	-	1,262,962	42,854	1,305,816	963,671
Collections	344,800	-	10,492	355,292	57,013
Total 2022	344,800	1,686,462	62,964	2,094,226	1,444,188
Total 2021	47,831	1,337,681	58,676	1,444,188	

Analysis of direct costs

	Collections 2022 £	Total funds 2022 £	Total funds 2021 £
Collections sundry expenses	23,600	23,600	4,031
Acquisitions of works of art	321,200	321,200	43,800
Total 2022	344,800	344,800	47,831

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Professorial chairs and prizes 2022 £	Barber Institute operations 2022 £	Collections 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,531	30,630	2,297	34,459	33,479
Office expenses	75	1,505	113	1,693	2,342
Office insurance	13	252	19	284	242
Pension annuities	130	2,599	195	2,924	2,851
Governance costs	7,868	7,868	7,868	23,604	19,764
Total 2022	9,618	42,854	10,492	62,964	58,678

8. Governance costs

	2022 £	2021 £
Trustees' annuities	14,897	14,617
Trustees' insurance and costs	886	634
Legal Fees	1,290	-
Auditors' remuneration	14,400	11,100
	31,473	26,351

Governance costs are disclosed as follows: raising funds £7,868 (2021: £6,588) and support costs £23,605 (2021: £19,763).

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

9. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Grants, professorial chairs and prizes	423,500	423,500	415,188
Grants, Barber Institute operations	1,262,962	1,262,962	922,493
Total 2022	1,686,462	1,686,462	1,337,681

The Charity has made the following material grants to institutions during the year:

	2022 £	2021 £
Recipient, clause and annuity reference		
Barber Chair of Law, clause 4, first annuity	1,530	1,500
Barber Chair of Jurisprudence, clause 4, second annuity	2,190	2,146
Barber Chair of Fine Arts, clause 4, third annuity	3,230	3,168
Barber Chair of Music, clause 4, fourth annuity	1,354	1,326
Barber Institute staff costs, clause 4, fifth annuity	1,440	1,410
School of Law, clause 4, sixth annuity	686	672
Department of Music, clause 6(C), annuity	686	672
School of Law Library, clause 7, first annuity	4,116	4,034
Clerical assistance to School of Law Library, clause 7, second annuity	8,226	8,064
Sir Henry Barber Law scholarship, clause 7, third annuity	686	672
Lady Barber Post Graduate Scholarship, clause 7, fourth annuity	12,342	12,100
Department of Music Scholarship, clause 7, fifth annuity	2,744	2,690
School of Law essay prize, clause 7, sixth annuity	140	136
School of Law debating prize, clause 7, seventh annuity	140	136
Holdsworth Club, clause 7, eighth annuity	140	136
Supplement to the annuities	383,850	376,326
Barber Institute operations	1,262,962	922,495
	1,686,462	1,337,683

In addition to the annuities payable under the terms of the Deed of Settlement, the Charity awards each year a supplement to the annuities which is paid to the University of Birmingham in respect of the salary costs of the Barber Chair of Law, the Barber Chair of Jurisprudence, the Barber Chair of Fine Arts (vacant since May 2012) and the Barber Chair of Music. Although the Barber Chair of Fine Arts is vacant the annuity continues to be applied to the salary of the Director of the Barber Institute. The Charity makes no direction as to how the supplement is to be divided between the chairs. The amount of the supplement to the annuities is reviewed regularly.

An analysis of the grants and funding payable to the University of Birmingham for the Barber Institute building, and its activities, is given below:

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

9. Analysis of grants (continued)

	2022 £	2021 £
Barber Institute Budget Centre		
Annual recurring grant	705,300	691,464
Virement from supplement to the annuities	14,700	14,412
Exhibitions grant	106,351	23,184
Major conservation of works of art and related costs grant	7,764	13,617
Improvements to the galleries: gallery equipment	20,094	16,682
Barber Health Coordination	4,666	-
Routine Conservation Grant	1,397	-
Coin library grant	650	150
Coin collections database	-	550
	<hr/> 860,922	<hr/> 760,059
Music		
Music staff costs grant	47,742	46,814
Barber Concert fees and expenses funding	102,941	41,070
Other concert fees and expenses funding	379	-
Music books and manuscripts funding	6,718	3,037
Musical instruments funding	2,234	6,875
BCMG Ensemble-in-Association grant	-	6,500
Barber International Post Graduate Scholarship grant	5,100	5,000
Student opera grant	-	5,000
Barber opera funding	20,666	3,144
Contemporary opera funding	159,869	3,000
Restoration of the Snetzler chamber organ	11,274	6,273
	<hr/> 356,923	<hr/> 126,713
Barber Fine Art Library		
Library staff costs grant	20,793	21,135
Books grant	24,324	14,586
	<hr/> 45,117	<hr/> 35,721
	<hr/> 1,262,962	<hr/> 922,493
	<hr/> <hr/>	<hr/> <hr/>

In advance of each financial year the Charity agrees an annual budget with the University of Birmingham for the amounts payable by the Charity in respect of the annuities and its contribution towards Barber Institute operations. The actual amounts payable may be varied with the Charity's prior approval. Grants are amounts paid by the Charity directly to the University of Birmingham and funding represents amounts paid by the Charity, under the above headings, at the direction of the University of Birmingham.

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

10. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	14,400	11,100

11. Staff costs

	2022 £	2021 £
Wages and salaries	61,395	59,762
Social security costs	6,605	6,279
Contribution to defined benefit pension scheme	8,576	8,356
	76,576	74,397

Staff salaries of £76,576 (2021: £74,397), including pension contributions of £8,576 (2021: £8,356) were paid in respect of 2 (2021: 2) people who worked part-time on the management and administration of the Charity. The remuneration of the Secretary to the Trustees is determined by the Trustees with reference to market rates of pay for equivalent posts.

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Management and administration	2	2

No employee received remuneration amounting to more than £60,000 in either year.

As noted above, during the year, 2 (2021: 2) people worked part-time on the management and administration of the Charity. The Secretary to the Trustees has a contract of employment with the Charity and is paid via the University of Birmingham. During the year, in addition to those engaged on the Charity's management and administration, there were on average a further 38 (2021: 40) staff working at the Barber Institute, all of whom were paid by the University of Birmingham.

Pension annuities of £6,496 (2021: £6,336) were paid during the year to 3 (2021: 3) former employees or their spouses.

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

12. Trustees' remuneration and expenses

The Deed of Settlement provides that each Trustee shall receive an annuity of £100 for his or her services. Under the terms of a Charity Commission scheme dated 20 January 2006 this annuity is indexed. Annuities amounting to £14,896 (2021: 14,617) were paid to 6 (2021: 6) Trustees. Professor Sir David Eastwood and Professor Adam Ticknell have waived their entitlement to receive an annuity. Annuities paid during the year are analysed as follows:

HB Carslake	£4,171	(2021: £4,091)
JR Bates	£2,145	(2021: £2,105)
Dr E McAdam	£2,145	(2021: £2,105)
SD Maddock	£2,145	(2021: £2,105)
Mrs VJP Simpson	£2,145	(2021: £2,105)
Dr AJ Sturgis	£2,145	(2021: £2,105)

During the year ended 31 July 2022, expenses totalling £68 were reimbursed or paid directly to one Trustee (2021 - £nil).

13. Investment property

	Freehold investment property £
Valuation	
At 1 August 2021	4,679,000
Sale of property	(520,000)
Surplus on revaluation	65,000
	<hr/>
At 31 July 2022	4,224,000 <hr/>

In accordance with the Charity's accounting policies, investment property is stated at market value. During the year, one of the Charity's investment properties was sold. Accordingly, Pennycuik Collins was asked to provide an interim valuation of the portfolio as at 31 July 2022.

The historical cost of investment property at the year end is £2,622,320 (2021: £2,710,686).

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

14. Heritage assets

Work at the Barber Institute continues to provide public access to the Charity's collections online. At present, approximately 80% of the Barber collections, excluding the coin collection, is available via the University's website; this includes all of the paintings (except all but one of those in the Lady Barber collection). Online public access is also available via the National Inventory of Continental European Paintings database for old master paintings, hosted by the Visual Arts Data Services, although these entries cover only pre-1900 continental European oil paintings. All the Charity's oil paintings, sculptures and drawings (excluding those by Edmund Kapp and some of the new acquisitions), however, appear on the Art UK website: a joint initiative between Art UK and around 3,000 museums and art collections. There is also now access to about 12,000 items in the coin collection at the Barber Institute (about 75% of the total) via the University's website. There was no progress in increasing this number during the year, following the departure for the four cataloguers in 2020, but it is hoped to resume work on this project shortly.

Before the pandemic, the Trustees regularly loaned items from the Charity's collections to other museums and also accepted paintings and other items on short- or medium-term loan, both for display with the permanent collections and for exhibitions, and this activity has now resumed. Approximately 70% of the paintings is on display; 3% of the collection of works on paper is on display; and less than 1% of the collection of coins is on display. As temporary exhibitions are no longer held in the main galleries, these figures remain fairly constant throughout the year. In addition, 85% of the collection of sculpture and 75% of other works of art are on display at all times. The remaining items are held in storage, but access is permitted to scholars and others for research by prior appointment.

The Trustees acquired sixteen works of art during the year, of which two were purchased with Charity funds and the remaining fourteen were bequeathed or gifted to the Charity. Further details may be found under Achievements and Performance – Collections above. The Trustees are most grateful to all those who so generously donated to the Charity.

The Charity's expenditure on the purchase of heritage assets in the period 1 August 1999 to 31 July 2022 amounted in total to £9,449,830; comprising £9,393,702 on works of art and £56,128 on coins. An analysis of expenditure on the purchase of heritage assets over the last five years is given below:

Analysis of heritage asset transactions

	2022 £	2021 £	2020 £	2019 £	2018 £
Purchases					
Works of art	321,200	43,800	59,144	267,700	3,200

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

15. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Cash and settlements pending £	Total £
Cost or valuation				
At 1 August 2021	1,000	44,870,942	1,324,656	46,196,598
Additions	-	46,308,477	46,101,372	92,409,849
Disposals	-	(46,101,372)	(46,308,477)	(92,409,849)
Revaluations	-	3,412,966	-	3,412,966
Transfers intra group	-	-	147,744	147,744
At 31 July 2022	1,000	48,491,013	1,265,295	49,757,308

Listed investments at the year end include four material individual holdings:

90,628,736.55 units in Cazenove Charity Responsible Multi Asset Fund with a market value of £43,393,039.

In accordance with the Charity's accounting policies, fixed asset investments are stated at market value. The historical cost of listed investments at the year end is £45,423,184 (2021: £41,030,955) .

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
TPIC (Birmingham) Limited	511555	England and Wales	Dormant

Class of shares	Holding	Included in consolidation
Ordinary	100%	No

The financial results of the subsidiary for the year were:

Name	Net Assets £
TPIC (Birmingham) Limited	1,000

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**16. Debtors**

	2022 £	2021 £
Due within one year		
Rents receivable	35,504	51,026
Provision for bad debts	(29,350)	(44,189)
Other debtors	213,763	55,218
Prepayments and accrued income	2,278	624
	<u>222,195</u>	<u>62,679</u>

17. Current asset investments

	2022 £	2021 £
Cash at bank on deposit	<u>2,177,297</u>	<u>2,173,274</u>

18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed to subsidiary undertaking	1,000	1,000
Other taxation and social security	405	398
Grants payable	149,774	54,183
Accruals	52,542	55,655
Deferred income	31,346	18,369
	<u>235,067</u>	<u>129,605</u>
	2022 £	2021 £
Deferred income at 1 August 2021	18,369	20,962
Resources deferred during the year	31,346	18,369
Amounts released from previous periods	(18,369)	(20,962)
	<u>31,346</u>	<u>18,369</u>

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

19.Statement of funds

Statement of Funds – Current Year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Balance at 31 July 2022 £
Unrestricted Funds						
Investment Fund	-	-	(112,130)	51,563,556	2,503,401	53,954,827
General Fund	2,323,063	2,106,212	(1,733,258)	(572,329)	-	2,123,688
Exhibition Programme						
Reserve Fund	354,970	-	(106,351)	115,000	-	363,619
Coin Database Reserve Fund	20,260	-	-	6,000	-	26,260
Major Conservation Reserve Fund	51,815	-	(7,764)	20,000	-	64,051
Galleries' Refurbishment Fund	459,115	-	(20,094)	44,000	-	483,021
Works of Art Fund	71,007	-	(294,600)	301,995	-	78,402
Barber Institute Operations Fund	39,939	-	-	(4,666)	-	35,273
Music Fund	10,260	3,579	(379)	-	-	13,460
Investment Property Sinking Fund	(154,058)	-	(23,176)	253,850	-	122,968
Barber Opera Fund	-	-	-	70,000	-	70,000
	<u>3,176,371</u>	<u>2,109,791</u>	<u>(2,251,400)</u>	<u>51,797,406</u>	<u>2,503,401</u>	<u>57,335,569</u>
Endowment Fund						
Endowment Fund	<u>50,861,682</u>	<u>-</u>	<u>(38,841)</u>	<u>(51,797,406)</u>	<u>974,565</u>	<u>-</u>
Restricted Funds						
Works of Art Fund	<u>-</u>	<u>50,200</u>	<u>(50,200)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total of Funds	<u><u>54,038,053</u></u>	<u><u>2,159,991</u></u>	<u><u>(2,340,441)</u></u>	<u><u>-</u></u>	<u><u>3,477,966</u></u>	<u><u>57,335,569</u></u>

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
Unrestricted Funds						
General Fund	2,149,364	1,909,126	(1,500,427)	(235,000)	-	2,323,063
Exhibition Programme						
Reserve Fund	263,154	-	(23,184)	115,000	-	354,970
Coin Database Reserve Fund	14,810	-	(550)	6,000	-	20,620
Major Conservation Reserve Fund	45,432	-	(13,617)	20,000	-	51,815
Galleries' Refurbishment Fund	431,797	-	(16,682)	44,000	-	459,115
Works of Art Fund	45,038	-	(4,031)	30,000	-	71,007
Barber Institute Operations Fund	39,939	-	-	-	-	39,939
Music Fund	10,260	-	-	-	-	10,260
Investment Property Sinking Fund	89,812	-	(263,870)	20,000	-	(154,058)
	<u>3,089,606</u>	<u>1,909,126</u>	<u>(1,822,361)</u>	<u>-</u>	<u>-</u>	<u>3,176,371</u>
Endowment Fund						
Endowment Fund	41,698,021	-	(154,594)	-	9,318,255	50,861,682
Restricted Funds						
Works of Art Fund	-	43,800	(43,800)	-	-	-
Total of Funds	<u>44,787,627</u>	<u>1,952,926</u>	<u>(2,020,755)</u>	<u>-</u>	<u>9,318,255</u>	<u>54,038,053</u>

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

19. Statement of funds (continued)

The Reserve Funds are amounts set aside by the Trustees to fund the Barber Institute's programme of exhibitions, the maintenance of the coin collection database, conservation of the Charity's collection of works of art and capital projects in the Barber Institute building.

The designated and restricted Works of Art Funds are for the purchase of works of art. The Trustees acquired sixteen work of art during the year, which are described in detail at note 14, Heritage assets. The designated fund balance at the year end of £78,402 (2021: £71,007) is for the purchase of works of art at the discretion of the Director of the Barber Institute.

The Barber Institute Operations Fund is for expenditure in connection with the activities of the Barber Institute and the Music Fund is for expenditure on musical activities at the Barber Institute.

The Investment Property Sinking Fund is to cover the cost of dilapidations on some of the Charity's investment property.

During the year, the Trustees' removed the restriction on spending capital from the Deed of Settlement to enable them to adopt a total return approach for the Charity's assets. As a result, the funds previously held as endowment funds have been transferred to an investment fund held within the unrestricted funds.

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Fixed asset investments	49,757,308	-	49,757,308
Investment property	4,224,000	-	4,224,000
Current assets	3,589,328	-	3,589,328
Creditors due within one year	(235,067)	-	(235,067)
Total	57,335,569	-	57,335,569

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Fixed asset investments	-	46,196,599	46,196,599
Investment property	-	4,679,000	4,679,000
Current assets	3,292,059	-	3,292,059
Creditors due within one year	(115,689)	(13,917)	(129,605)
Total	3,176,370	50,861,682	54,038,053

THE HENRY BARBER TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	3,297,516	9,250,426
Adjustments for:		
Dividends, interests and rents from investments	(2,106,212)	(1,909,126)
Increase/(decrease) in debtors	(159,516)	1,080
Increase/(decrease) in creditors	105,463	(37,937)
Net (gain) on investments	(3,477,966)	(9,318,255)
Net cash used in operating activities	(2,340,715)	(2,013,812)

22. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,189,836	1,056,106
Cash on deposit and current cash at investment manager	2,177,297	2,173,274
Cash at investment manager for investment	1,265,295	1,324,656
Total cash and cash equivalents	4,632,428	4,554,036

23. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash at bank and in hand	1,056,106	133,730	1,189,836
Cash at investment manager for investment	1,324,656	(59,361)	1,265,295
Cash on deposit and current cash at investment manager	2,173,274	4,023	2,177,297
	4,554,036	78,392	4,632,428