

# THE MERLIN TRUST

England & Wales · Charity number 803441

## Details

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**Status** Registered

**Legal form** Trust

**Registered** 1990-05-16

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** The Merlin Trust  
c/o Head of Horticulture  
Cambridge University Botanic Garden  
1 Brookside  
Cambridge  
CB2 1JE

**Phone** 07551867152

**Email** [info@merlin-trust.org.uk](mailto:info@merlin-trust.org.uk)

**Website** <https://merlin-trust.org.uk/>

## Activities

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**Objects:** A. FOR THE ADVANCEMENT OF EDUCATION BY PROVIDING GRANTS FOR STUDENTS TO ENDABLE THEM TO TRAVEL BOTH ABROAD AND IN THE UNITED KINGDOM TO STUDY PLANTS IN THE WILD AND IN GARDENS; OR B. FOR THE ADVANCEMENT OF EDUCATION BY PROMOTING GENERALLY THE STUDY OF PLANTS IN THE WILD BUT NOT SO AS TO PROMOTE RESEARCH INTO OR BREEDING OF PLANTS; OR C. FOR THE BENEFIT OF SUH CHARITABLE INSTITUTIONS OR THE FURTHERANCE OF SUCH CHARITABLE PURPOSES IN SUCH MANNER AS THE TRUSTEES SHALL FROM TIME TO TIME THINK FIT.

**Activities:** The aim of the Trust is to give financial assistance to keen young horticulturists, and those new to horticulture, enabling them to further their knowledge of plants in the wild, or in gardens. This study could take any of the following forms - photography, painting, written observations, seed collecting or help with conservation projects, especially involving garden plants.

## Classification

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- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training, Environment/conservation/heritage
- **Who:** Children/young People, Other Defined Groups

## Geography

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- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-04-05	£27,478	£47,812	-	-
2024-04-05	£24,096	£38,576	-	-
2023-04-05	£30,405	£19,922	-	-
2022-04-05	£28,089	£16,426	-	-
2021-04-05	£38,118	£13,210	-	-

## Trustees

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Name	Role	Appointed
DAVID GILCHRIST KNOTT		2018-04-12
JIM JERMYN		
JONATHAN THEODORE MILLER		2011-10-31
Kit Strange		2018-02-20
Lee Daren Hale		2022-10-08
Paul Cook		2016-07-05
SALLY PETITT		

**THE MERLIN TRUST**

England & Wales - Charity number 803441

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# Accounts

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Charity registration number 803441

**THE MERLIN TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

# THE MERLIN TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Jim Jermyn Jonathan Miller Sally Petitt Paul Cook Kit Strange David Knott Lee Hale
<b>Secretary</b>	Rebecca Slack Email: <a href="mailto:info@merlin-trust.org.uk">info@merlin-trust.org.uk</a>
<b>Charity number</b>	803441
<b>Principal address</b>	c/o Head of Horticulture Cambridge University Botanic Garden 1 Brookside Cambridge CB2 1JE
<b>Independent examiner</b>	Azets Audit Services Thorpe House 93 Headlands Kettering Northamptonshire United Kingdom NN15 6BL
<b>Bankers</b>	Lloyds Bank PLC 3 – 4 Market Street, Kettering, Northants, NN16 OAH
<b>Investment advisors</b>	Brewin Dolphin, Time Central, Gallowgate, Newcastle-Upon-Tyne, NE1 4SR

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# THE MERLIN TRUST

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 17

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# THE MERLIN TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 5 APRIL 2025

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The Merlin trustees present their annual report and financial statements of the charity for the year ended 5<sup>th</sup> April 2025.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### **Objectives and activities**

The Trust was established in 1990 by Valerie Finnis, following the death of her husband Sir David Scott in 1986, and in memory of his son, Merlin, who predeceased him in 1941.

The charitable purpose of the Trust for the public benefit is through its grant making policy which aims to give financial assistance to keen young horticulturists, and those new to horticulture, enabling them to further their knowledge of plants in the wild, or in gardens and thereby helping them to acquire skills, practical experience and support their developing career. Applications are welcomed from all, regardless of background, horticultural sector or experience.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in setting the grant making policy.

From April 2024, four award schemes were offered: the International Travel Bursary, the Schachen Alpine Garden Grant, McGregor Saxifrage Study Award and the WRAGs (Work and Retrain as a Gardener Scheme) Bursary. This year represents the first full year for international travel bursaries and the first time for the WRAGs Bursary. Both the Schachen and McGregor schemes were opened for applications in October 2024.

Further details are available on the Trust's website [www.merlin-trust.org.uk](http://www.merlin-trust.org.uk).

#### **Achievements and performance**

The year 2024 to 2025 saw the Merlin Trust return fully to pre-COVID awards with the return of the International Travel Bursary alongside other awards including the established Schachen and McGregor Awards. A new scheme was introduced in 2024 which provided WRAGs trainees with the opportunity to apply for small grants to support a range of activities aligned with their training. Across the different awards, the year received a record number of applications and made more awards than any other year in Merlin Trust history.

Since April 2024, a total of 85 applications were received resulting in 46 grants being awarded to individual applicants. Fifteen applications were received for the inaugural WRAGs Bursary, resulting in six awards. The Schachen and McGregor schemes attracted two applications each, resulting in one award each. The remaining 38 awards were for the International Travel Bursary. Given the high volume of applications, the trustees often made partial awards to applicants to ensure that as many people as possible would benefit. A larger than normal number of applicants were not successful in their applications given the competitive application environment.

The extended scope of the awards to include short skills-focused courses and an emphasis on internships and work experience, was continued and combined with a full return to international travel, might explain the surge in applications. Applications were received from across the different horticultural sectors, with the small increase in applications from outside the ornamental garden sector increasing for another year.

In the 35 years since the Trust was established in 1990, 891 grants have been awarded to keen horticulturists and others working with plants. Each applicant is required to submit a written report within three months of their return, with as many photographs as possible. We encourage different report formats and welcome innovative approaches to reporting. The WRAGs Bursary requires a simpler report, reflecting the different purpose of the bursary and smaller financial value of the award.

# THE MERLIN TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2025

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Reports are now fully digital, with no hard copies requested. All reports are placed on the Merlin Trust website and offered to other libraries (notably the Royal Horticultural Society's Lindley Library and the library of the Royal Geographical Society). All reports received in a timely manner are entered into a competition for either the Christopher Brickell Prize for best report received that year or the Valerie Finnis Prize for the report demonstrating photographic excellence. All reports received in the previous financial year were considered for prizes in the next financial year. There were 18 reports received in 2023/24 qualifying for the awards in 2024/25 (reports received within three months of return and before 5 April 2024) while a further 29 reports were received in 2024/25 for judging in 2025/26.

We continue to celebrate Merlin Trust Day on 31st October each year. Merlin Trust Day was created to celebrate current and past Merlins, as successful award recipients are known, and to publicise the extensive reports available as well as encourage new applications by raising awareness of the Trust.

#### Financial review

Total income increased from £24,096 in 2024 to £27,478 in the year to 5 April 2025. Investment dividend income increased by £2,332 to £23,148 (2024: £20,816), which is more consistent with previous years before COVID. Income from donations decreased by £143 to £3,035 (2024: £3,178). Further details of donations received are provided in the notes to the financial statements. Royalty payments increased to £251 from £102 and grants totalling £1,044 (2024: £nil) were returned to the Trust from awards made in previous financial years (e.g. due to changes to travel plans/cancelled trips or an underspend by the recipient).

Expenditure increased from £38,576 to £47,812. This was the result of an increase in the total grants awarded for the year which were £30,988 (2024: £23,882) as the number of grants awarded increased significantly in 2025; the level of support and other costs were consistent with previous years. Further details of the grants paid are provided in the notes to the financial statements.

There was a net loss in value of the investment assets of £5,971 in 2025 (2024: net gain £73,521) mainly as a result of the trade tariffs announced by the United States on 2 April 2025, which caused short-term market turbulence over the following days. At the end of the previous quarter, the value of the Trust's investments was significantly higher at £899,106 (excluding cash in the portfolio) compared with £865,165 at 5 April 2025.

Net movement in funds for the year was negative £26,305 (2024: positive £59,041) as a result of the above.

#### Reserves Policy

At 5th April 2025 total funds amounted to £891,773. Of this, £863,603 represents funds designated for long-term investment. Subject to the investment risks identified in the notes to the accounts, this policy produces a reasonably predictable level of income and helps to maintain long-term continuity in the level of support the charity can offer its beneficiaries. In addition, £4,473 has been designated for The McGregor Saxifrage Study Award.

The trustees propose that the level of free reserves not invested, or otherwise designated, should be at a level of between £30,000 and £35,000. At this level, the trustees consider that in the event of a significant decrease in normal income, in the short-term, they would be able to continue to meet annual grant commitments and the running costs of the charity, whilst considering how income would be replaced or activities changed, or arranging for the efficient release of funds from long-term investment.

At 5th April 2025, free reserves, excluding designated funds and tangible assets, were £23,697. This is close to the target level and reflects a return to more normal grant activity. The reserves policy will be reviewed on a regular basis.

#### Investment policy

The Trust Deed gives broad powers of investment to the discretion of the trustees, and the investments held by the Trust have been acquired in accordance with those powers.

# THE MERLIN TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2025**

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The trustees have appointed stockbrokers to undertake discretionary management of the investment portfolio. During 2014 the trustees defined and approved a "Statement of Investment Policy" for the guidance of the investment. The Statement of Investment Policy has been periodically reviewed and updated by the trustees since 2014, and was most recently updated in February 2021. The trustees have designated funds which are invested on the stock market to produce an annual income stream for the purpose of meeting grant payments and, in a favourable economic climate, by means of capital growth in the longer term, to ensure that the Trust can continue to operate for the foreseeable future.

### **Risk review**

The trustees consider that the principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making. The investment risk is mitigated by the use of expert investment managers, having a diversified portfolio and benchmarking to monitor performance.

The operational risk is reduced by the close involvement of the trustees in reviewing grant applications using their expertise in the relevant fields to make sound judgements.

### **Structure, governance and management**

The governing instrument is the Trust Deed dated 22nd January 1990. The Trust is an unincorporated registered charity number 803441.

In accordance with the Trust Deed there must be at least three trustees. The trustees may at their discretion make rules governing the appointment, retirement or removal of trustees.

The trustees have developed a policy of recruiting their number from diverse horticultural organisations and backgrounds. Their objective is to ensure that collectively they have the wide range of skills and experience necessary to contribute to the management and development of the Trust. To fulfill their aim to represent a wide geographical spread of organisations and individuals and encourage regular replacement of trustees, potential candidates are nominated by existing trustees and their appointment is discussed to confirm universal approval.

There are currently seven trustees. The trustees continue to consider new candidates although the current board represent a long-standing, resilient and very effective group with skilled and efficient Chair and Treasurer.

The day to day running of the Trust is delegated to the Secretary. The trustees review all grant applications in detail with decisions of amounts to be paid to successful applicants being taken jointly. The trustees meet regularly to discuss and review all Trust business.

The trustees who served during the year and up to the date of signature of the financial statements were:

Jim Jermyn

Jonathan Miller

Sally Petitt

Paul Cook

Kit Strange

David Knott

Lee Hale

The trustees' report was approved by the Board of Trustees.

**Sally Petitt**

Chair

Dated: 30 September 2025

# THE MERLIN TRUST

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MERLIN TRUST

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I report to the trustees on my examination of the financial statements of The Merlin Trust (the Trust) for the year ended 5 April 2025.

### **Responsibilities and basis of report**

As the trustees of the Trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Paul Tyler FCA  
Azets Audit Services  
Thorpe House  
93 Headlands  
Kettering  
Northamptonshire  
NN15 6BL  
United Kingdom

Dated: 2 October 2025

# THE MERLIN TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b><u>Income from:</u></b>			
Donations and legacies	3	3,035	3,178
Other trading activities	4	251	102
Investments	5	23,148	20,816
Other income	6	1,044	-
<b>Total income</b>		<u>27,478</u>	<u>24,096</u>
<b><u>Expenditure on:</u></b>			
Raising funds	7	<u>8,656</u>	<u>7,892</u>
 <u>Charitable activities</u>			
Grant making	8	<u>39,156</u>	<u>30,684</u>
<b>Total charitable expenditure</b>		<u>39,156</u>	<u>30,684</u>
<b>Total expenditure</b>		<u>47,812</u>	<u>38,576</u>
 Net gains/(losses) on investments	12	<u>(5,971)</u>	<u>73,521</u>
<b>Net movement in funds</b>		(26,305)	59,041
 Fund balances at 6 April 2024		<u>918,078</u>	<u>859,037</u>
<b>Fund balances at 5 April 2025</b>		<u>891,773</u>	<u>918,078</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE MERLIN TRUST

## BALANCE SHEET

AS AT 5 APRIL 2025

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	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		229		506
Investments	15		861,024		875,502
			<u>861,253</u>		<u>876,008</u>
<b>Current assets</b>					
Debtors	16	4,771		4,292	
Cash at bank and in hand		32,404		44,520	
		<u>37,175</u>		<u>48,812</u>	
<b>Creditors: amounts falling due within one year</b>	17	(6,655)		(6,742)	
Net current assets			30,520		42,070
<b>Total assets less current liabilities</b>			<u>891,773</u>		<u>918,078</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	18	868,076		882,224	
General unrestricted funds		23,697		35,854	
		<u>891,773</u>		<u>918,078</u>	
			<u>891,773</u>		<u>918,078</u>

The financial statements were approved by the Trustees on 30 September 2025

Jonathan Miller  
Trustee

Sally Petitt  
Trustee

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 5 APRIL 2025

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#### 1 Accounting policies

##### Charity information

The Trust is an unincorporated charity registered with the Charity Commission for England and Wales.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The Trust constitutes a public benefit entity as defined by FRS102 and its financial statements present information about it as an individual undertaking.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. At the end of the reporting period, the most significant areas of uncertainty that affect the carrying value of fixed asset investments held by the Trust are the level of investment return and the performance of investment markets.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives of the Trust.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

All incoming resources are recognised when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Dividends are recognised once the dividend has been declared and notification has been received from our investment manager of the dividend due. Donations are recognised when the trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

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### 1 Accounting policies

(Continued)

For legacies, recognition is on a case by case basis but generally is the earlier of the charity being notified of an impending distribution or the legacy being received.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Costs of charitable activities include grants made, governance costs and support costs.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the trust. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers and similar equipment	33.33% of cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price and are subsequently measured at fair value at each reporting date using the closing quoted market price. Changes in fair value are recognised in net income/(expenditure) for the year.

#### 1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

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### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2025 £	2024 £
Donations and gifts	3,035	3,178
	<u>3,035</u>	<u>3,178</u>
<b>Donations and gifts</b>		
Peter Wilson	1,300	1,300
Tim Brotzman	1,735	1,860
Other	-	18
	<u>3,035</u>	<u>3,178</u>

### 4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2025 £	2024 £
Income from royalties	251	102
	<u>251</u>	<u>102</u>

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2025 £	2024 £
Income from listed investments	22,317	20,101
Interest receivable	831	715
	<u>23,148</u>	<u>20,816</u>

Income from listed investments includes dividends received of £15,824 (2024: £14,882) and interest received of £6,493 (2024: £5,219).

### 6 Other income

Grant awards returned in the year ended 5 April 2025 totalled £1,044 (2024: £nil). These grants were returned as the projects for which these awards were made were cancelled or as a result of an underspend on the project.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

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### 7 Raising funds

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2025</b>	2024
	<b>£</b>	<b>£</b>
Investment management	8,656	7,892
	<u>8,656</u>	<u>7,892</u>

### 8 Charitable activities

	<b>Grant making 2025</b>	<b>Grant making 2024</b>
	<b>£</b>	<b>£</b>
Depreciation and impairment	277	277
Grant funding of activities (see note 9)	30,988	23,882
Share of support costs (see note 10)	4,300	3,675
Share of governance costs (see note 10)	3,591	2,850
	<u>39,156</u>	<u>30,684</u>

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2025

#### 9 Grants payable

	Grant making 2025 £	Grant making 2024 £
<b>Grants to individuals</b>		
Harry Thomas - the success of growing in sand with Peter Korn	750	-
Ethan Kearsley - summer placement at Woburn Abbey	1,000	-
Helen Black - visit to Kew and Wakehurst Royal Botanic Gardens for work experience	775	-
Mark Matthews - study tour of Californian plants and habitats	1,000	-
Tessa Tricks - Ueyakato Landscape's Japanese Garden training seminar	1,000	-
Thomas Jackson - exploring the flora and gardens of the Southern Appalachian and coastal plains region	1,000	-
Elizabeth Davidson - exploring the native flora of Costa Rica	1,000	-
Georgia Thompson - Plains to Peaks: Discovering Colorado	1,000	-
Sarah Powell - Schachen Alpine Garden grant	1,250	-
Jakub Dobes - internship with Dr Monica Carlsen-Krause at the Missouri Botanical Garden	1,000	-
Laura Oxley - seagrass restoration projects in England and Wales	1,000	-
Patricia Sadler - in-situ flora and habitat conservation on Mauritius and La Reunion	1,200	-
Emma Coble - tropical greenhouse maintenance	1,000	-
Molly Luke - gardening in an extreme climate; sustainability and water conservation in Arizona, USA	1,400	-
William Mugnier - a trip to learn about the cultivation and management of native plants and ecosystem gardens	1,000	-
Louie de Witt - the success of growing in sand with Peter Korn	750	-
Chris Tomlin - Bremen Rhododendron Park cultivation and maintenance	750	-
Zac Willetts - climate resilient planting for future UK climate conditions	750	-
William Perrett - hydroponic trial technician placement with Saturn Bioponics	-	1,000
Frances Davies - work placement at Alameda Gibraltar Botanic Gardens	-	1,200
Charles Hunt - cactus and succulent cultivation and conservation with Andrew Gdaniec at Alameda Botanic Gardens	-	1,200
Thomas Jackson - study tour of Informal UK Water Gardens	-	1,200
James Miller - visit to Georg Arends Garden & Nursery run by Anja Maubach	-	800
Kate Parkin - Great Dixter Nursery voluntary work experience placement	-	1,000
Harry Baldwin - studying and identifying the major denroflora across Cyprus	-	1,000
James Lidgett - International Dendrology Society trip to Pontic Alps, Turkey	-	1,000
Elliot Chandler - International Dendrology Society trip to Pontic Alps, Turkey	-	1,000
Thomas Rapley - travel scholarship to Christchurch Botanical Gardens	-	1,500
Stephanie Li - how to care for one of Britain's temperate rainforests	-	1,250
Eilidh Fletcher - AGS tour of the Dolomites with a focus on alpiners	-	1,500
Bertie Swainston - Schachen Alpine Garden grant	-	1,250
Alison Pierce - nursery propagation to Conservation Horticulture	-	850
Elizabeth Richards - Madeira microclimate study	-	1,300
Theo Charnley - Japanese garden training program	-	750
Other	13,363	6,082
	<u>30,988</u>	<u>23,882</u>

During the year, grants were made to forty-six individuals (2024: twenty-eight). Individual grants of £750 or more have been detailed above, with further details available on the Trust's website.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

### 9 Grants payable

(Continued)

The Trust also awarded £500 each to Lisa Whalet for The Valerie Finnis Prize, and Harry Baldwin for The Christopher Brickell Prize.

### 10 Support costs

	Support costs	Governance costs	2025 Support costs	Governance costs	2024
	£	£	£	£	£
Secretarial support	3,600	-	3,600	3,600	3,600
Publicity and website costs	448	-	448	14	14
Stationery, postage, software, travel and other costs	252	-	252	61	61
Independent examiner's remuneration	-	2,964	2,964	-	2,850
Trustees' expenses	-	627	627	-	-
	<u>4,300</u>	<u>3,591</u>	<u>7,891</u>	<u>3,675</u>	<u>6,525</u>
Analysed between Charitable activities	<u>4,300</u>	<u>3,591</u>	<u>7,891</u>	<u>3,675</u>	<u>6,525</u>

Independent examiner's remuneration comprises a fee for the independent examination of £462 (2024: £445) and a fee for accountancy services of £2,502 (2024: £2,405). The total support costs in the year and in the previous year were attributable to grant making activities.

Support costs have been allocated to the Trust's grant making activity.

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 4 trustees were reimbursed a total of £627 travelling expenses (2024- 0 trustees were reimbursed £0).

### 12 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Revaluation of investments	(6,058)	73,786
Gain/(loss) on sale of investments	87	(265)
	<u>(5,971)</u>	<u>73,521</u>

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2025

#### 13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 14 Tangible fixed assets

	Computers and similar equipment £
<b>Cost</b>	
At 6 April 2024	830
At 5 April 2025	830
<b>Depreciation and impairment</b>	
At 6 April 2024	324
Depreciation charged in the year	277
At 5 April 2025	601
<b>Carrying amount</b>	
At 5 April 2025	229
At 5 April 2024	506

#### 15 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
<b>Cost or valuation</b>			
At 6 April 2024	859,392	16,110	875,502
Additions	103,316	1,135	104,451
Valuation changes	(6,058)	-	(6,058)
Management fees	-	(8,507)	(8,507)
Disposals	(104,364)	-	(104,364)
At 5 April 2025	852,286	8,738	861,024
<b>Carrying amount</b>			
At 05 April 2025	852,286	8,738	861,024
At 05 April 2024	859,392	16,110	875,502

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

### 15 Fixed asset investments

(Continued)

All investments are carried at their fair value. The charity invests in UK equities and professionally managed collective investment funds, which in turn invest in UK and international equities and corporate and government bonds. Equity investments and investments within the funds are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the price at which shares and units in funds were bought and sold at on the 5th April 2025. All investment assets are held within the UK.

The significance of fixed asset investments to the ongoing financial sustainability of the Trust is considered in the financial review section of the Report of the Trustees.

The main risk to the Trust from its fixed asset investments lies in the combination of uncertain investment markets and volatility in yield. The Trust is in part reliant on dividend yield to finance its work and its collective investment funds include significant holdings in international companies and bonds denominated in US Dollars and other foreign currencies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

Liquidity risk is anticipated to be low. The Trust's investments are traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for diversification of holdings that are quoted on a recognised stock exchange. The Trust does not make significant investments in derivatives and similar complex financial instruments.

### 16 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Other debtors	4,771	4,292
	<u>          </u>	<u>          </u>

### 17 Creditors: amounts falling due within one year

	2025	2024
	£	£
Accruals and deferred income	6,655	6,742
	<u>          </u>	<u>          </u>

Accruals include £1,500 (2024: £950) in respect of obligations to pay grants.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2025

#### 18 Designated funds

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose:

	Movement in funds					Movement in funds					
	Balance at 6 April 2023	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 6 April 2024	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 5 April 2025
	£	£	£	£	£	£	£	£	£	£	£
Fund for investment	811,989	20,101	(7,892)	(19,967)	73,520	877,751	22,317	(8,656)	(21,838)	(5,971)	863,603
The McGregor Saxifrage Study Award	4,473	-	-	-	-	4,473	-	-	-	-	4,473
	<u>816,462</u>	<u>20,101</u>	<u>(7,892)</u>	<u>(19,967)</u>	<u>73,520</u>	<u>882,224</u>	<u>22,317</u>	<u>(8,656)</u>	<u>(21,838)</u>	<u>(5,971)</u>	<u>868,076</u>

The designated fund for investment is of a capital nature to produce an annual income stream for the purpose of meeting grant payments and, by means of capital growth (in the long term) to ensure that the Trust can continue to operate for the foreseeable future. The amount designated represents the value of fixed asset investments and accrued investment income less accrued investment management costs at the year end.

The transfer represents the amount transferred from or released to unrestricted funds at the year end.

A donation received from The Saxifrage Society has been used to establish The McGregor Saxifrage Study Award. Funding will be provided to enable an alpine enthusiast under 35, or within the first five years of a horticultural career, to spend two weeks at Waterperry Gardens.

The transfer represents the amount transferred to unrestricted funds in the year.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

### 19 Analysis of net assets between funds

	Unrestricted funds 2025 £	Designated funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Designated funds 2024 £	Total 2024 £
Fund balances at 5 April 2025 are represented by:						
Tangible assets	229	-	229	506	-	506
Investments	-	861,024	861,024	-	875,502	875,502
Current assets/(liabilities)	23,468	7,052	30,520	35,348	6,722	42,070
	<u>23,697</u>	<u>868,076</u>	<u>891,773</u>	<u>35,854</u>	<u>882,224</u>	<u>918,078</u>

### 20 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

**THE MERLIN TRUST**

England & Wales - Charity number 803441

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# Accounts

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Charity registration number 803441

**THE MERLIN TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2023**

# THE MERLIN TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Jim Jermyn Jonathan Miller Sally Petitt Paul Cook Kit Strange David Knott Lee Hale	(Appointed 8 October 2022)
<b>Secretary</b>	Rebecca Slack Email: <a href="mailto:info@merlin-trust.org.uk">info@merlin-trust.org.uk</a>	
<b>Charity number</b>	803441	
<b>Principal address</b>	c/o Head of Horticulture Cambridge University Botanic Garden 1 Brookside Cambridge CB2 1JE	
<b>Independent examiner</b>	Azets Audit Services Thorpe House 93 Headlands Kettering Northamptonshire United Kingdom NN15 6BL	
<b>Bankers</b>	Lloyds Bank PLC 3 – 4 Market Street, Kettering, Northants, NN16 OAH	
<b>Investment advisors</b>	Brewin Dolphin, Time Central, Gallowgate, Newcastle-Upon-Tyne, NE1 4SR	

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# THE MERLIN TRUST

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 18

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# THE MERLIN TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 5 APRIL 2023*

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The Merlin trustees present their annual report and financial statements of the charity for the year ended 5th April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### **Objectives and activities**

The Trust was established in 1990 by Valerie Finnis, following the death of her husband Sir David Scott in 1986, and in memory of his son, Merlin, who predeceased him in 1941.

The charitable purpose of the Trust for the public benefit is through its grant making policy which aims to give financial assistance to keen young horticulturists, and those new to horticulture, enabling them to further their knowledge of plants in the wild, or in gardens and thereby helping them to acquire skills, practical experience and support their developing career. Applications are welcomed from all, regardless of background, horticultural sector or experience.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in setting the grant making policy.

From April 2022, four awards were offered supporting travel to visit or work in gardens and plant collections in the United Kingdom and Northern Ireland, travel within the UK for a heather-related project, a UK Green Recovery award looking at sustainable horticulture and a UK Health & Wellbeing Award exploring the links between gardening and health.

A donation from the Saxifrage Society enabled the creation of the McGregor Saxifrage Study Award in 2022 which supported a placement working with the saxifrage collection at Waterperry Gardens in Oxfordshire.

The four UK-only awards were converted to thematic areas and expanded in January 2023 to include European travel, while the Schachen Alpine Garden Award was offered again in 2023 for the first time since 2020.

Further details are available on the Trust's website [www.merlin-trust.org.uk](http://www.merlin-trust.org.uk).

# THE MERLIN TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2023**

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### **Achievements and performance**

For the financial year 2022 to 2023, we have managed to offer travel awards consistently throughout the year which is the first time we have been able to do so since the COVID-19 pandemic disrupted travel plans in 2020. Our approach has been measured, reflecting a number of other global issues such as rising energy and hence travel costs, travel disruption, ongoing COVID-19 concern, political instability in many regions and the increasing impacts of climate change.

Between March 2020 and March 2022, applications were frequently suspended due to COVID restrictions in the UK followed by travel issues. We opened for UK-only applications on 1st April 2022 to try and reduce disruption to our applicants as COVID still threatened and air travel was severely disrupted. From mid-January 2023, applications were extended to include European destinations. The decision to restrict to Europe not only reflected our concern about continuing global travel disruption and increasing instability across the globe but also from a recognition that air travel is not a sustainable activity in a climate crisis.

Since April 2022, 11 grants were awarded to individual applicants. Of these, nine were new applications received during the financial year 2022-23 and two were grants awarded in 2020 but delayed due to COVID-19. This is fewer than the 41 grants awarded in the year before COVID-19 but significantly higher than the awards made over the last two years.

Our new award structure, with focused awards on green recovery and health and wellbeing, as well as the McGregor Saxifrage Study Award introduced in 2022 (temporarily suspended in 2023 due to staff illness at the host garden) and the Schachen Alpine Grant Award offered for the first time since 2020, has created greater funding scope for applicants. We have also extended the scope of the awards to include short skills-focused courses and placed an emphasis on internships and work experience, all elements that young horticulturists will have missed during disruptions caused by the pandemic. As a result, we are seeing an increasing diversity of applications from across the different horticultural sectors.

Three awards from 2020 were offered to their successful applicants in 2022, once it was deemed safe to do so. In 2020, the Schachen Alpine Grant Award and the AGS Joint Awards (x2 awards) were deferred rather than cancelled to allow the applicants the opportunity to travel when allowed to do so again. In 2022, the Schachen Award from 2020 and one of the AGS Joint Awards from the same year were finally accepted and used to fund travel. The AGS Joint Award had originally been awarded for travel to the USA but ongoing travel uncertainty and COVID led to it being relocated to the Peloponnese in Europe. Unfortunately, one of the two AGS Joint Award recipients could no longer accept their award. These awards allowed the Trust to explore the opening up of other travel awards beyond the UK in 2023.

In the 33 years since the Trust was established by trust deed in 1990, over 800 grants have been awarded to keen horticulturists and others working with plants. Each applicant is required to submit a written report within three months of their return, with as many photographs as possible. We now encourage different report formats and welcome innovative approaches to reporting.

As the number of awards has reduced in recent years, so has the number of reports. While all reports continue to be placed on the Merlin Trust website to inspire and inform future applicants, they also continue to be sent as hard copies to the Royal Horticultural Society's Lindley Library and offered to the library of the Royal Geographical Society. All reports received in a timely manner are entered into a competition for either the Christopher Brickell Prize for best report received that year or the Valerie Finnis Prize the report demonstrating photographic excellence. All reports received since the pandemic will be considered for the 2022/23 prize. There were eight reports qualifying for the awards in 2022/23 (reports received within three months of return and before 05 April 2023).

We celebrate Merlin Trust Day on 31st October each year. Merlin Trust Day was created to celebrate current and past Merlins, as successful award recipients are known, and to publicise the extensive reports available as well as encourage new applications by raising awareness of the Trust. It is also used to explore new internship opportunities with partners across the UK.

# THE MERLIN TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2023**

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### Financial review

Total income increased from £28,089 in 2022 to £30,405. Following cuts in dividends, made in response to the pandemic, in earlier years, investment income increased by £4,803 to £23,115. Income from donations fell by £7,308 to £1,928. Further details of donations received are provided in the notes to the financial statements. Other incoming resources totalling £4,950 (2022: £Nil) resulted from the cancellation of unpaid grant commitments.

Expenditure increased from £16,426 to £19,922. Grant making costs for the year were £12,176 (2022: £8,190). The value and number of grants awarded increased significantly in 2023, whereas the level of support and other costs remained relatively stable. Further details of the grants paid are provided in the notes to the financial statements.

Following post-pandemic recoveries in financial market prices in 2021 and 2022, the adverse effects of current world events and worsening economic conditions are reflected in the losses on investment assets of £60,403 (2022: gains £39,915).

Net expenditure for the year was £49,920 (2022: net income £51,578).

### Reserves Policy

At 5th April 2023 total funds amounted to £859,037. Of this, £811,989 represents funds designated for long-term investment. Subject to the investment risks identified in the notes to the accounts, this policy produces a reasonably predictable level of income and helps to maintain long-term continuity in the level of support the charity can offer its beneficiaries. In addition, £4,473 has been designated for The McGregor Saxifrage Study Award.

The trustees propose that the level of free reserves not invested, or otherwise designated, should be at level of between £30,000 and £35,000. At this level, the trustees consider that in the event of a significant decrease in normal income, in the short-term, they would be able to continue to meet annual grant commitments and the running costs of the charity, whilst considering how income would be replaced or activities changed, or arranging for the efficient release of funds from long-term investment.

At 5th April 2023, free reserves, excluding designated funds and tangible assets, were £41,792, but it is likely that free reserves will return to target level as grant activity increases following the pandemic. The reserves policy will be reviewed on a regular basis.

### Investment policy

The Trust Deed gives broad powers of investment to the discretion of the trustees, and the investments held by the Trust have been acquired in accordance with those powers.

The trustees have appointed stockbrokers to undertake discretionary management of the investment portfolio. During 2014 the trustees defined and approved a "Statement of Investment Policy" for the guidance of the investment. The Statement of Investment Policy has been periodically reviewed and updated by the trustees since 2014. The trustees have designated funds which are invested on the stock market to produce an annual income stream for the purpose of meeting grant payments and, in a favourable economic climate, by means of capital growth in the longer term, to ensure that the Trust can continue to operate for the foreseeable future.

### Risk review

The trustees consider that the principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making. The investment risk is mitigated by the use of expert investment managers, having a diversified portfolio and benchmarking to monitor performance.

The operational risk is reduced by the close involvement of the trustees in reviewing grant applications using their expertise in the relevant fields to make sound judgements.

# THE MERLIN TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 5 APRIL 2023*

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### **Structure, governance and management**

The governing instrument is the Trust Deed dated 22nd January 1990. The Trust is an unincorporated registered charity number 803441.

In accordance with the Trust Deed there must be at least three trustees. The trustees may at their discretion make rules governing the appointment, retirement or removal of trustees.

The trustees have developed a policy of recruiting their number from diverse horticultural organisations and backgrounds. Their objective is to ensure that collectively they have the wide range of skills and experience necessary to contribute to the management and development of the Trust. To fulfill their aim to represent a wide geographical spread of organisations and individuals and encourage regular replacement of trustees, potential candidates are nominated by existing trustees and their appointment is discussed to confirm universal approval.

Following the sad loss of trustee Fiona Crumley in January 2021, the trustees carefully considered the possibility of recruiting a new trustee to the board. Lee Hale was approached in September 2022 with an invitation to join the existing six trustees and accepted the invitation. The trustees continue to consider new candidates although the current board represent a long-standing, resilient and very effective group with skilled and efficient Chair and Treasurer.

The day to day running of the Trust is delegated to the Secretary. The trustees review all grant applications in detail with decisions of amounts to be paid to successful applicants being taken jointly. The trustees meet regularly to discuss and review all Trust business.

The trustees' report was approved by the Board of Trustees.

**Sally Petitt**

Chair

Dated: 31 July 2023

# THE MERLIN TRUST

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MERLIN TRUST

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I report to the trustees on my examination of the financial statements of The Merlin Trust (the Trust) for the year ended 5 April 2023.

### **Responsibilities and basis of report**

As the trustees of the Trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Paul Tyler FCA  
Institute of Chartered Accountants in England and Wales  
Thorpe House  
93 Headlands  
Kettering  
Northamptonshire  
NN15 6BL  
United Kingdom

Dated: 1 August 2023

# THE MERLIN TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2023

		Unrestricted funds	Unrestricted funds
		2023	2022
	Notes	£	£
<b><u>Income from:</u></b>			
Donations and legacies	3	1,928	9,236
Other trading activities	4	412	541
Investments	5	23,115	18,312
Other income	6	4,950	-
<b>Total income</b>		<u>30,405</u>	<u>28,089</u>
<b><u>Expenditure on:</u></b>			
Raising funds	7	<u>7,746</u>	<u>8,236</u>
 <u>Charitable activities</u>			
Grant making	8	<u>12,176</u>	<u>8,190</u>
<b>Total charitable expenditure</b>		<u>12,176</u>	<u>8,190</u>
<b>Total expenditure</b>		<u>19,922</u>	<u>16,426</u>
 Net gains/(losses) on investments	12	<u>(60,403)</u>	<u>39,915</u>
 <b>Net movement in funds</b>		<u>(49,920)</u>	<u>51,578</u>
 Fund balances at 6 April 2022		<u>908,957</u>	<u>857,379</u>
 <b>Fund balances at 5 April 2023</b>		<u><u>859,037</u></u>	<u><u>908,957</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE MERLIN TRUST

## BALANCE SHEET

AS AT 5 APRIL 2023

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		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		783		1
Investments	14		807,832		876,179
			<u>808,615</u>		<u>876,180</u>
<b>Current assets</b>					
Debtors	16	4,184		1,488	
Cash at bank and in hand		50,170		43,649	
		<u>54,354</u>		<u>45,137</u>	
<b>Creditors: amounts falling due within one year</b>	17	(3,932)		(12,360)	
Net current assets			<u>50,422</u>		<u>32,777</u>
<b>Total assets less current liabilities</b>			<u>859,037</u>		<u>908,957</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	18	816,462		879,869	
General unrestricted funds		<u>42,575</u>		<u>29,088</u>	
			<u>859,037</u>		<u>908,957</u>
			<u>859,037</u>		<u>908,957</u>

The financial statements were approved by the Trustees on 31 July 2023

Jonathan Miller  
Trustee

Sally Petitt  
Trustee

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 5 APRIL 2023

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#### 1 Accounting policies

##### Charity information

The Trust is an unincorporated charity registered with the Charity Commission for England and Wales.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The Trust constitutes a public benefit entity as defined by FRS102 and its financial statements present information about it as an individual undertaking.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. At the end of the reporting period, the most significant areas of uncertainty that affect the carrying value of fixed asset investments held by the Trust are the level of investment return and the performance of investment markets.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives of the Trust.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

##### 1.4 Income

All incoming resources are recognised when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Dividends are recognised once the dividend has been declared and notification has been received from our investment manager of the dividend due. Donations are recognised when the trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2023

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#### 1 Accounting policies

(Continued)

For legacies, recognition is on a case by case basis but generally is the earlier of the charity being notified of an impending distribution or the legacy being received.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Costs of charitable activities include grants made, governance costs and support costs.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the trust. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers and similar equipment	33.33% of cost
---------------------------------	----------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price and are subsequently measured at fair value at each reporting date using the closing quoted market price. Changes in fair value are recognised in net income/(expenditure) for the year.

#### 1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

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### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 3 Donations and legacies

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Donations and gifts	1,928	9,236
	<u>1,928</u>	<u>9,236</u>
<b>Donations and gifts</b>		
Peter Wilson	1,200	2,200
Tim Brotzman	-	780
The Heather Society	-	746
The Saxifrage Society	223	5,500
Other	505	10
	<u>1,928</u>	<u>9,236</u>

### 4 Other trading activities

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Income from royalties	412	541
	<u>412</u>	<u>541</u>

### 5 Investments

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Income from listed investments	22,980	18,306
Interest receivable	135	6
	<u>23,115</u>	<u>18,312</u>

Income from listed investments includes dividends received of £19,436 (2022: £15,281) and interest received of £3,544 (2022: £3,025).

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

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### 6 Other income

Grant awards cancelled in the year ended 5 April 2023 totalled £4,950 (2022: £Nil).

The trustees decided to cancel certain grant awards made in the previous year where awards were not fully claimed in accordance with the Trust's terms and conditions or were not required due to changes in circumstances. The incoming resources represent the cancellation of unpaid grant commitments.

### 7 Raising funds

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2023</b>	2022
	£	£
Investment management	7,746	8,236
	<u>7,746</u>	<u>8,236</u>
	<u><u>7,746</u></u>	<u><u>8,236</u></u>

### 8 Charitable activities

	<b>Grant making 2023</b>	<b>Grant making 2022</b>
	£	£
Depreciation and impairment	48	-
Grant funding of activities (see note 9)	5,898	2,266
Share of support costs (see note 10)	3,548	3,362
Share of governance costs (see note 10)	2,682	2,562
	<u>12,176</u>	<u>8,190</u>
	<u><u>12,176</u></u>	<u><u>8,190</u></u>

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 9 Grants payable

	<b>Grant making 2023</b>	Grant making 2022
	£	£
<b>Grants to individuals</b>		
Rory Pyper - Horticultural – Landscape conservation, in support of traditional orchard management and hedgelaying experience/ training	1,000	-
April Cummins - Attendance at the Beth Chatto Symposium “Rewilding the Mind”	295	-
Callum Halstead - Attendance at the Beth Chatto Symposium “Rewilding the Mind”	321	-
Sam Valente - Level 3 Orchardng Certificate	490	-
Kendall Turner - Analysis of Best Practice Within Social Therapeutic Horticulture in the UK	1,000	-
Eamonn Harnett - Tresco Abbey Gardens – volunteering visit	300	-
Jonathan Zerr - Work Experience with focus on Woodland and Rock Garden/ Alpine collections	592	-
David Doherty - A week of shadowing Joy Larkcom in her garden in West Cork	650	-
Aaron Marshall - Schachen Alpine Garden Grant	1,250	-
Caroline Pheasey - Tresco Abbey Gardens, Isles of Scilly	-	426
Tracey Fahey - South Devon	-	590
Aaron Marshall - The McGregor Saxifrage Study Award	-	1,250
	<u>5,898</u>	<u>2,266</u>

During the year, grants were made to nine individuals (2022: three).

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 10 Support costs

	Support costs £	Governance costs £	2023 Support costs £	Governance costs £	2022 £
Secretarial support	3,100	-	3,100	3,000	3,000
Publicity and website costs	388	-	388	86	86
Stationery, postage, software, travel and other costs	60	-	60	276	276
Independent examiner's remuneration	-	2,682	2,682	-	2,562
	<u>3,548</u>	<u>2,682</u>	<u>6,230</u>	<u>3,362</u>	<u>5,924</u>
Analysed between Charitable activities	<u>3,548</u>	<u>2,682</u>	<u>6,230</u>	<u>3,362</u>	<u>5,924</u>

Independent examiner's remuneration comprises a fee for the independent examination of £420 (2022: £402) and a fee for accountancy services of £2,262 (2022: £2,160). The total support costs in the year and in the previous year were attributable to grant making activities.

Support costs have been allocated to the Trust's grant making activity..

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year or the previous year. No expenses were paid or reimbursed to trustees during the year or the previous year.

### 12 Net gains/(losses) on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Revaluation of investments	(53,551)	36,871
Gain/(loss) on sale of investments	(6,852)	3,044
	<u>(60,403)</u>	<u>39,915</u>

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 13 Tangible fixed assets

	Computers and similar equipment £
<b>Cost</b>	
At 6 April 2022	1,282
Additions	830
Disposals	(1,282)
	<hr/>
At 5 April 2023	830
	<hr/>
<b>Depreciation and impairment</b>	
At 6 April 2022	1,281
Depreciation charged in the year	48
Eliminated in respect of disposals	(1,282)
	<hr/>
At 5 April 2023	47
	<hr/>
<b>Carrying amount</b>	
At 5 April 2023	783
	<hr/> <hr/>
At 5 April 2022	1
	<hr/> <hr/>

### 14 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 6 April 2022	851,103	25,076	876,179
Additions	71,750	-	71,750
Valuation changes	(53,551)	-	(53,551)
Disposals	(83,372)	(3,174)	(86,546)
	<hr/>	<hr/>	<hr/>
At 5 April 2023	785,930	21,902	807,832
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 05 April 2023	785,930	21,902	807,832
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 05 April 2022	851,103	25,076	876,179
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 14 Fixed asset investments

(Continued)

All investments are carried at their fair value. The charity invests in UK equities and professionally managed collective investment funds, which in turn invest in UK and international equities and corporate and government bonds. Equity investments and investments within the funds are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the price at which shares and units in funds were bought and sold at on the 5th April 2023. All investment assets are held within the UK.

The significance of fixed asset investments to the ongoing financial sustainability of the Trust is considered in the financial review section of the Report of the Trustees.

The main risk to the Trust from its fixed asset investments lies in the combination of uncertain investment markets and volatility in yield. The Trust is in part reliant on dividend yield to finance its work and its collective investment funds include significant holdings in international companies and bonds denominated in US Dollars and other foreign currencies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

Liquidity risk is anticipated to be low. The Trust's investments are traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for diversification of holdings that are quoted on a recognised stock exchange. The Trust does not make significant investments in derivatives and similar complex financial instruments.

<b>15 Financial instruments</b>	<b>2023</b>	<b>2022</b>
	£	£
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	785,930	851,103
	=====	=====
<b>16 Debtors</b>	<b>2023</b>	<b>2022</b>
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	4,184	1,488
	=====	=====
<b>17 Creditors: amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	£	£
Accruals and deferred income	3,932	12,360
	=====	=====

Accruals include £1,250 (2022: £7,750) in respect of obligations to pay grants.

**THE MERLIN TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 5 APRIL 2023**

**18 Designated funds**

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose:

	Balance at 6 April 2021		Movement in funds			Balance at 6 April 2022			Movement in funds			Balance at 5 April 2023	
	£	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	£	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	£
Fund for investment	803,852	18,306	18,306	(8,236)	21,782	39,915	875,619	23,035	(7,746)	(18,516)	(60,403)	811,989	
The McGregor Saxifrage Study Award	-	-	-	(1,250)	5,500	-	4,250	-	-	223	-	4,473	
	803,852	18,306	18,306	(9,486)	27,282	39,915	879,869	23,035	(7,746)	(18,293)	(60,403)	816,462	

The designated fund for investment is of a capital nature to produce an annual income stream for the purpose of meeting grant payments and, by means of capital growth (in the long term) to ensure that the Trust can continue to operate for the foreseeable future. The amount designated represents the value of fixed asset investments and accrued investment income less accrued investment management costs at the year end.

The transfer represents the amount transferred from or released to unrestricted funds at the year end.

A donation received from The Saxifrage Society has been used to establish The McGregor Saxifrage Study Award. Funding will be provided to enable an alpine enthusiast under 35, or within the first five years of a horticultural career, to spend two weeks at Waterperry Gardens.

The transfer represents the amount transferred from unrestricted funds in the year.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 19 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Total 2022 £
Fund balances at 5 April 2023 are represented by:						
Tangible assets	783	-	783	1	-	1
Investments	-	807,832	807,832	-	876,179	876,179
Current assets/(liabilities)	41,792	8,630	50,422	29,087	3,690	32,777
	<u>42,575</u>	<u>816,462</u>	<u>859,037</u>	<u>29,088</u>	<u>879,869</u>	<u>908,957</u>

### 20 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

**THE MERLIN TRUST**

England & Wales - Charity number 803441

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# Accounts

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Charity Registration No. 803441

**THE MERLIN TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2022**

# THE MERLIN TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Jim Jermyn Jonathan Miller Sally Petitt Paul Cook Kit Strange David Knott
<b>Secretary</b>	Rebecca Slack Email: <a href="mailto:info@merlin-trust.org.uk">info@merlin-trust.org.uk</a>
<b>Charity number</b>	803441
<b>Principal address</b>	c/o Head of Horticulture Cambridge University Botanic Garden 1 Brookside Cambridge CB2 1JE
<b>Independent examiner</b>	Azets Audit Services Thorpe House 93 Headlands Kettering Northamptonshire United Kingdom NN15 6BL
<b>Bankers</b>	Lloyds Bank PLC 3 – 4 Market Street, Kettering, Northants, NN16 OAH
<b>Investment advisors</b>	Brewin Dolphin, Time Central, Gallowgate, Newcastle-Upon-Tyne, NE1 4SR

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# THE MERLIN TRUST

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 17

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# THE MERLIN TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 5 APRIL 2022

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The trustees present their annual report and financial statements of the charity for the year ended 5th April 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### **Objectives and activities**

The Trust was established in 1990, following the death of Sir David Scott in 1986, and in memory of his son, Merlin.

When Sir David retired from the Foreign Office in 1947, he created a two acre garden in Northamptonshire, in which he planted rare trees, shrubs and hardy plants from many parts of the world. He did this in memory of his only son, Merlin, an outstanding naturalist, who was killed in North Africa during the Second World War whilst still an undergraduate at Oxford.

The Trust furthers its charitable purposes for the public benefit through its grant making policy which aims to give financial assistance to keen young horticulturists, and those new to horticulture, enabling them to further their knowledge of plants in the wild, or in gardens and thereby helping them to acquire skills, academic qualifications or practical experience.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in setting the grant making policy.

In response to the ongoing effects of the coronavirus pandemic, applications for travel grants were suspended in 2020. A new award structure has now been developed to fund UK-only travel.

The structure incorporates new application requirements, including consideration of COVID-19 safe working practices, double vaccination with booster, consideration of the environmental footprint of planned tours and use of the most sustainable means of travel as possible.

The four awards, which have been open for applications from 1 April 2022, are:

- The UK-only Study Travel Grant, which has been expanded into new areas, including conferences, study fees (short skill or competency based courses only), and purely conservation-based projects;
- An UK-only Study Travel Grant special award for a heather-related project in recognition of donations made to the Trust by The Heather Society ;
- A Green Recovery Award aimed at young horticulturists interested in growing their practical experience in sustainable horticulture and conservation horticulture, including the role of horticulture in UK habitat restoration;
- 
- The Health & Wellbeing Award, which will allow award recipients to explore the impact of horticulture on society, particularly the links between gardening and health.

Further details are available on the Trust's website [www.merlin-trust.org.uk](http://www.merlin-trust.org.uk).

In addition to the awards described above, a donation provided by The Saxifrage Society has been used by The Trust to establish The McGregor Saxifrage Study Award. Funding will be provided to enable an alpine enthusiast under 35, or within the first five years of a horticultural career, to spend two weeks at Waterperry Gardens. Further details are provided on our social media sites.

# THE MERLIN TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2022

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#### **Achievements and performance**

From February 2020, the impact of the Covid-19 pandemic and the consequent travel difficulties, lead to a significant reduction in our grant making activity. 41 grants were awarded to individual applicants in 2020, none in 2021 and 3 in 2022. Details of grant making costs are provided in the notes to the accounts.

It is anticipated that our new award structure will enable us to significantly increase spending on grants.

The Trust was established by trust deed dated 22 January 1990. In the 32 years since that date, over 800 grants have been awarded to keen horticulturists. Each applicant is required to submit a written report within three months of their return, with as many photographs as possible.

These reports, which provide a valuable source of information and inspiration to other horticulturists, are kept at the Lindley Library, Royal Horticultural Society, 80 Vincent Square, London, SW1P 2PE. Copies are held at the Royal Geographical Society (with the Institute of British Geographers), 1 Kensington Gore, London, SW7 2AR. Past reports are also available as downloads from our web site.

Christopher Brickell CBE, VMH, Chairman of the Merlin Trust until June 2006, retired as Director General of the Royal Horticultural Society in 1993 after 35 years of work for the RHS, in this country and abroad. To commemorate his great achievements, and particularly his work for young gardeners, the Trustees award a prize for the best report received during the year.

In recognition of the valuable contribution made to the Trust by the Founder, the late Miss Valerie Finnis VMH, and to reflect her special interest in photography, the Trustees make a further award for the report with the best photographs.

Due to the suspension of grant applications in April 2020, no prizes were awarded in 2020/2021 or 2021/2022. Qualifying reports will be rolled over to the next available prize year.

We celebrate Merlin Trust Day on 31st October each year. Merlin Trust Day has been created to celebrate Merlins – past and present – and let future Merlins know that the Merlin Trust can support their early career through grants for travel, internships and work experience around the world. We will use our social media platforms to celebrate in the run up to the day and on the day.

#### **Financial review**

Total income decreased from £38,118 in 2021 to £28,089. In the year ended 5 April 2021, incoming resources included £15,273, comprising grants returned and grant obligations cancelled in respect of travel planned for 2020, which could not proceed due to pandemic-related travel restrictions. Income from donations in the current year was £9,236, compared to £4,399 for 2021. Further details are provided in note 3 to the financial statements.

Expenditure increased from £13,210 to £16,426. In April 2020, applications for travel grants were suspended due to uncertainty regarding the pandemic and the curtailment of non-essential travel. As a result, the cost of the Trust's grant making activity decreased from £47,324 in 2020, to £6,097 in 2021 and £8,190 in 2022.

Net income before investment gains and losses amounted to £11,663 (2021: £24,908).

In late February 2020, the coronavirus pandemic triggered a fall in financial market prices resulting in significant losses on the Trust's listed investment portfolio. The market recovered during 2021 and 2022 and, as a result, gains of £39,915 (2021: £169,510) have been recognised in the financial statements. Since the year end, various factors have resulted in uncertainty in financial markets and a general fall in market prices.

After taking account of gains on investments in the year, net income was £51,578 (2021: £194,418).

# THE MERLIN TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2022**

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### **Reserves Policy**

At 5th April 2022 total funds amounted to £908,957. Of this, £875,619 represents funds designated for long-term investment. Subject to the investment risks identified in the notes to the accounts, this policy produces a reasonably predictable level of income and helps to maintain long-term continuity in the level of support the charity can offer its beneficiaries. In addition, £4,250 has been designated for The McGregor Saxifrage Study Award.

The trustees propose that the level of free reserves not invested, or otherwise designated, should be at level of between £30,000 and £35,000. At this level, the trustees consider that in the event of a significant decrease in normal income, in the short-term, they would be able to continue to meet annual grant commitments and the running costs of the charity, whilst considering how income would be replaced or activities changed, or arranging for the efficient release of funds from long-term investment..

At 5th April 2022, free reserves, excluding designated funds and tangible assets, were £29,087. This is not significantly less than target level. The reserves policy will be reviewed on a regular basis.

### **Investment policy**

The Trust Deed gives broad powers of investment to the discretion of the trustees, and the investments held by the Trust have been acquired in accordance with those powers.

The trustees have appointed stockbrokers to undertake discretionary management of the investment portfolio. During 2014 the trustees defined and approved a "Statement of Investment Policy" for the guidance of the investment. The Statement of Investment Policy has been periodically reviewed and updated by the trustees since 2014. The trustees have designated funds which are invested on the stock market to produce an annual income stream for the purpose of meeting grant payments and, in a favourable economic climate, by means of capital growth in the longer term, to ensure that the Trust can continue to operate for the foreseeable future.

### **Risk review**

The trustees consider that the principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making. The investment risk is mitigated by the use of expert investment managers, having a diversified portfolio and benchmarking to monitor performance.

The operational risk is reduced by the close involvement of the trustees in reviewing grant applications using their expertise in the relevant fields to make sound judgements.

### **Structure, governance and management**

The governing instrument is the Trust Deed dated 22nd January 1990. The Trust is an unincorporated registered charity number 803441.

In accordance with the Trust Deed there must be at least three trustees. The trustees may at their discretion make rules governing the appointment, retirement or removal of trustees.

The trustees have developed a policy of recruiting their number from diverse horticultural organisations and backgrounds. Their objective is to ensure that collectively they have the wide range of skills and experience necessary to contribute to the management and development of the Trust. To fulfill their aim to represent a wide geographical spread of organisations and individuals and encourage regular replacement of trustees, potential candidates are nominated by existing trustees and their appointment is discussed to confirm universal approval.

The day to day running of the Trust is delegated to the Secretary. The trustees review all grant applications in detail with decisions of amounts to be paid to successful applicants being taken jointly. The trustees meet regularly to discuss and review Trust business.

# THE MERLIN TRUST

## TRUSTEES' REPORT (CONTINUED) *FOR THE YEAR ENDED 5 APRIL 2022*

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The trustees' report was approved by the Board of Trustees.

**Sally Petitt**

Chair

Dated: 3 October 2022

# THE MERLIN TRUST

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MERLIN TRUST

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I report to the trustees on my examination of the financial statements of The Merlin Trust (the Trust) for the year ended 5 April 2022.

### **Responsibilities and basis of report**

As the trustees of the Trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Paul Tyler FCA  
Institute of Chartered Accountants in England and Wales  
Thorpe House  
93 Headlands  
Kettering  
Northamptonshire  
NN15 6BL  
United Kingdom

Dated: 6 October 2022

# THE MERLIN TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2022

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	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<b><u>Income from:</u></b>			
Donations and legacies	3	9,236	4,399
Other trading activities	4	541	336
Investments	5	18,312	18,110
Other income	6	-	15,273
<b>Total income</b>		<u>28,089</u>	<u>38,118</u>
<b><u>Expenditure on:</u></b>			
Raising funds	7	<u>8,236</u>	<u>7,113</u>
<b><u>Charitable activities</u></b>			
Grant making	8	<u>8,190</u>	<u>6,097</u>
<b>Total charitable expenditure</b>		<u>8,190</u>	<u>6,097</u>
<b>Total resources expended</b>		<u>16,426</u>	<u>13,210</u>
Net gains/(losses) on investments	12	<u>39,915</u>	<u>169,510</u>
<b>Net movement in funds</b>		51,578	194,418
Fund balances at 6 April 2021		<u>857,379</u>	<u>662,961</u>
<b>Fund balances at 5 April 2022</b>		<u><u>908,957</u></u>	<u><u>857,379</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE MERLIN TRUST

## BALANCE SHEET

AS AT 5 APRIL 2022

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	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		1		1
Investments	14		876,179		804,179
			<u>876,180</u>		<u>804,180</u>
<b>Current assets</b>					
Debtors	16	1,488		1,541	
Cash at bank and in hand		43,649		62,950	
		<u>45,137</u>		<u>64,491</u>	
<b>Creditors: amounts falling due within one year</b>	17	(12,360)		(11,292)	
Net current assets			<u>32,777</u>		<u>53,199</u>
<b>Total assets less current liabilities</b>			<u>908,957</u>		<u>857,379</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	18	879,869		803,852	
General unrestricted funds		29,088		53,527	
		<u>908,957</u>		<u>857,379</u>	
			<u>908,957</u>		<u>857,379</u>

The financial statements were approved by the Trustees on 3 October 2022

Jonathan Miller  
Trustee

Sally Petitt  
Trustee

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

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### 1 Accounting policies

#### Charity information

The Trust is an unincorporated charity registered with the Charity Commission for England and Wales.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The Trust constitutes a public benefit entity as defined by FRS102 and its financial statements present information about it as an individual undertaking.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. At the end of the reporting period, the most significant areas of uncertainty that affect the carrying value of fixed asset investments held by the Trust are the level of investment return and the performance of investment markets.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives of the Trust.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

#### 1.4 Income

All incoming resources are recognised when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Donations are recognised when the trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2022

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#### 1 Accounting policies

(Continued)

For legacies, recognition is on a case by case basis but generally is the earlier of the charity being notified of an impending distribution or the legacy being received.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Costs of charitable activities include grants made, governance costs and support costs.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the trust. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers and similar equipment	33.33% of cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price and are subsequently measured at fair value at each reporting date using the closing quoted market price. Changes in fair value are recognised in net income/(expenditure) for the year.

#### 1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

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### 1 Accounting policies

(Continued)

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 3 Donations and legacies

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2022</b>	2021
	<b>£</b>	£
Donations and gifts	9,236	4,399
	<u>          </u>	<u>          </u>
<b>Donations and gifts</b>		
Peter Wilson	2,200	1,000
Tim Brotzman	780	2,578
The Heather Society	746	821
The Saxifrage Society	5,500	-
Other	10	-
	<u>          </u>	<u>          </u>
	<u>9,236</u>	<u>4,399</u>

### 4 Other trading activities

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2022</b>	2021
	<b>£</b>	£
Income from royalties	541	336
	<u>          </u>	<u>          </u>

### 5 Investments

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2022</b>	2021
	<b>£</b>	£
Income from listed investments	18,306	18,101
Interest receivable	6	9
	<u>          </u>	<u>          </u>
	<u>18,312</u>	<u>18,110</u>

Income from investments includes dividends received of £15,281 (2021: £15,386) and interest received of £3,025 (2021: £2,715).

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2022

#### 6 Other income

Grant awards cancelled in the year ended 5 April 2021 totalled £15,273.

The trustees decided to cancel certain grant awards made in the previous year, for travel in 2020, after it became clear that the continuing impact of the Covid-19 pandemic meant that travel would not be possible for the foreseeable future. The incoming resources represent the return of travel grants paid by the Trust in the year ended 5th April 2020 and the cancellation of unpaid grant commitments.

#### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Investment management	8,236	7,113
	<u>8,236</u>	<u>7,113</u>
	<u><u>8,236</u></u>	<u><u>7,113</u></u>

#### 8 Charitable activities

	Grant making 2022	Grant making 2021
	£	£
Grant funding of activities (see note 9)	2,266	-
Share of support costs (see note 10)	3,362	3,373
Share of governance costs (see note 10)	2,562	2,724
	<u>8,190</u>	<u>6,097</u>
	<u><u>8,190</u></u>	<u><u>6,097</u></u>

#### 9 Grants payable

	Grant making 2022	Grant making 2021
	£	£
Grants to individuals (3 grants)	2,266	-
	<u>2,266</u>	<u>-</u>
	<u><u>2,266</u></u>	<u><u>-</u></u>

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2022

#### 9 Grants payable

(Continued)

Details of the 2022 grant awards, including the travel destination, are set out below:

Caroline Pheasey	Tresco Abbey Gardens, Isles of Scilly	£426
Tracey Fahey	South Devon	£590
Aaron Marshall	The McGregor Saxifrage Study Award	£1,250
-		

#### 10 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Secretarial support	3,000	-	3,000	3,000	-	3,000
Publicity and website costs	86	-	86	187	-	187
Stationery, postage, software, travel and other costs	276	-	276	186	-	186
Independent examiner's remuneration	-	2,562	2,562	-	2,724	2,724
	<u>3,362</u>	<u>2,562</u>	<u>5,924</u>	<u>3,373</u>	<u>2,724</u>	<u>6,097</u>
Analysed between						
Charitable activities	<u>3,362</u>	<u>2,562</u>	<u>5,924</u>	<u>3,373</u>	<u>2,724</u>	<u>6,097</u>

Independent examiner's remuneration comprises a fee for the independent examination of £402 (2021: £384) and a fee for accountancy services of £2,160 (2021: £2,340). The total support costs in the year and in the previous year were attributable to grant making activities.

#### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year or the previous year. No expenses were paid or reimbursed to trustees during the year or the previous year.

#### 12 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Revaluation of investments	36,871	146,117
Gain/(loss) on sale of investments	3,044	23,393
	<u>39,915</u>	<u>169,510</u>

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 13 Tangible fixed assets

	Computers and similar equipment £
<b>Cost</b>	
At 6 April 2021	1,282
At 5 April 2022	1,282
<b>Depreciation and impairment</b>	
At 6 April 2021	1,281
At 5 April 2022	1,281
<b>Carrying amount</b>	
At 5 April 2022	1
At 5 April 2021	1

### 14 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 6 April 2021	782,721	21,458	804,179
Additions	67,018	3,618	70,636
Valuation changes	36,871	-	36,871
Disposals	(35,507)	-	(35,507)
At 5 April 2022	851,103	25,076	876,179
<b>Carrying amount</b>			
At 05 April 2022	851,103	25,076	876,179
At 05 April 2021	782,721	21,458	804,179

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2022

#### 14 Fixed asset investments

(Continued)

All investments are carried at their fair value. The charity invests in UK equities and professionally managed collective investment funds, which in turn invest in UK and international equities and corporate and government bonds. Equity investments and investments within the funds are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the price at which shares and units in funds were bought and sold at the 5th April 2022. All investment assets are held within the UK.

The significance of fixed asset investments to the ongoing financial sustainability of the Trust is considered in the financial review section of the Report of the Trustees.

The main risk to the Trust from its fixed asset investments lies in the combination of uncertain investment markets and volatility in yield. The Trust is in part reliant on dividend yield to finance its work and its collective investment funds include significant holdings in international companies and bonds denominated in US Dollars and other foreign currencies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

Liquidity risk is anticipated to be low. The Trust's investments are traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for diversification of holdings that are quoted on a recognised stock exchange. The Trust does not make significant investments in derivatives and similar complex financial instruments.

<b>15 Financial instruments</b>	<b>2022</b>	<b>2021</b>
	£	£
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	851,103	782,721
	<u>          </u>	<u>          </u>
<b>16 Debtors</b>	<b>2022</b>	<b>2021</b>
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	1,488	1,541
	<u>          </u>	<u>          </u>
<b>17 Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	£	£
Accruals and deferred income	12,360	11,292
	<u>          </u>	<u>          </u>

Accruals include £7,750 (2021: £7,000) in respect of obligations to pay grants and prizes.

**THE MERLIN TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 5 APRIL 2022**

**18 Designated funds**

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose:

	Balance at 6 April 2020		Movement in funds			Movement in funds			Balance at 5 April 2022				
	£	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 6 April 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	£	£
Fund for investment	641,492	18,095	18,095	(7,113)	(18,132)	169,510	803,852	18,306	(8,236)	21,782	39,915	875,619	
The McGregor Saxifrage Study Award	-	-	-	-	-	-	-	-	(1,250)	5,500	-	4,250	
	641,492	18,095	18,095	(7,113)	(18,132)	169,510	803,852	18,306	(9,486)	27,282	39,915	879,869	

The designated fund for investment is of a capital nature to produce an annual income stream for the purpose of meeting grant payments and, by means of capital growth (in the long term) to ensure that the Trust can continue to operate for the foreseeable future. The amount designated represents the value of fixed asset investments and accrued investment income less accrued investment management costs at the year end.

The transfer represents the amount transferred from or released to unrestricted funds at the year end.

A donation received from The Saxifrage Society has been used to establish The McGregor Saxifrage Study Award. Funding will be provided to enable an alpine enthusiast under 35, or within the first five years of a horticultural career, to spend two weeks at Waterperry Gardens.

The transfer represents the amount transferred from unrestricted funds in the year.

# THE MERLIN TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 19 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £
Fund balances at 5 April 2022 are represented by:						
Tangible assets	1	-	1	1	-	1
Investments	-	876,179	876,179	-	804,179	804,179
Current assets/ (liabilities)	29,087	3,690	32,777	53,526	(327)	53,199
	<u>29,088</u>	<u>879,869</u>	<u>908,957</u>	<u>53,527</u>	<u>803,852</u>	<u>857,379</u>

### 20 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

**THE MERLIN TRUST**

England & Wales - Charity number 803441

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# Accounts

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**THE MERLIN TRUST**

**REPORT AND ACCOUNTS**

**5TH APRIL 2021**

**AZETS**

Accountants

**THE MERLIN TRUST**

**REPORT AND ACCOUNTS - 5TH APRIL 2021**

<b>CONTENTS</b>	Pages	1 - 4	Report of the trustees
		5	Report of the independent examiner
		6	Statement of financial activities
		7	Balance sheet
		8 -15	Notes to the accounts

## **THE MERLIN TRUST**

### **REPORT OF THE TRUSTEES - YEAR ENDED 5TH APRIL 2021**

The trustees present their annual report and accounts of the charity for the year ended 5<sup>th</sup> April 2021. The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 published in October 2019.

#### **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The Trust was established in 1990, following the death of Sir David Scott in 1986, and in memory of his son, Merlin.

When Sir David retired from the Foreign Office in 1947, he created a two acre garden in Northamptonshire, in which he planted rare trees, shrubs and hardy plants from many parts of the world. He did this in memory of his only son, Merlin, an outstanding naturalist, who was killed in North Africa during the Second World War whilst still an undergraduate at Oxford.

The Trust furthers its charitable purposes for the public benefit through its grant making policy which aims to give financial assistance to keen young horticulturists, and those new to horticulture, enabling them to further their knowledge of plants in the wild, or in gardens and thereby helping them to acquire skills, academic qualifications or practical experience. This study could take any of the following forms - photography, painting, written observations, seed collecting or help with conservation projects, especially involving garden plants.

#### **Grant making policy**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in setting the grant making policy.

The Trust invites applications for funding for suitable projects which may include visiting gardens in different parts of this country or abroad or travelling to see wild plants in their native habitats. Any suitable project, large or small, will be carefully considered. The Trust also aims to fund one or two places on an Alpine Garden Society trip and provide a grant for one person to spend two or three weeks working in the world renowned Schachen Alpine Garden. All grants are awarded at the discretion of the Trustees.

Applicants are preferably between the ages of 18 and 35, or any person within the first five years of a new career in horticulture with a genuine keenness on plants, gardens or gardening. The applicants should be able to show that their proposed project will help them in their careers.

Details of how to apply for grants are normally available on the Trust's website [www.merlin-trust.org.uk](http://www.merlin-trust.org.uk). We reported last year that, due to the coronavirus pandemic and the curtailment of all non-essential travel, applications for all Merlin Trust travel grants would be suspended. We had hoped to open applications in January 2021. After careful consideration, it has been decided to delay the opening of applications for travel grants further due to uncertainty regarding the pandemic. The intention is to open applications for UK-only travel on 1st September 2021 for travel from October. This will be subject to change should there be new concerns regarding transmission rates, new virus variants etc. Further details and updates will be provided on our website.

#### **ACHIEVEMENTS AND PERFORMANCE**

The trustees decided to cancel certain grant awards made in the previous year, for travel in 2020, after it became clear that the continuing impact of the Covid-19 pandemic meant that travel would not be possible for the foreseeable future. No grants were awarded in the year ended 5th April 2021. Last year 41 grants were awarded to individual applicants.

Further details of grant making costs and incoming resources from grant cancellations are provided in notes 4 to 6 to the accounts.

## **THE MERLIN TRUST**

### **REPORT OF THE TRUSTEES - YEAR ENDED 5TH APRIL 2021**

#### **ACHIEVEMENTS AND PERFORMANCE (Cont)**

The Trust was established by trust deed dated 22 January 1990. In the 30 years since that date, over 800 grants have been awarded to keen horticulturists. Each applicant is required to submit a written report within three months of their return, with as many photographs as possible of the plants studied. Many of those submitted are quite outstanding and beautifully illustrated.

These reports, which provide a valuable source of information and inspiration to other horticulturists, are kept at the Lindley Library, Royal Horticultural Society, 80 Vincent Square, London, SW1P 2PE. Copies are held at the Royal Geographical Society (with the Institute of British Geographers), 1 Kensington Gore, London, SW7 2AR. Past reports are also available as downloads from our web site.

Christopher Brickell CBE, VMH, Chairman of the Merlin Trust until June 2006, retired as Director General of the Royal Horticultural Society in 1993 after 35 years of work for the RHS, in this country and abroad. To commemorate his great achievements, and particularly his work for young gardeners, the Trustees award a prize for the best report received during the year.

In recognition of the valuable contribution made to the Trust by the Founder, the late Miss Valerie Finnis VMH, and to reflect her special interest in photography, the Trustees make a further award for the report with the best photographs.

Due to the suspension of grant applications in April 2020, no prizes will be awarded in 2020/2021. Qualifying reports will be rolled over to the next available prize year. Last year, prizes of £1,000 were awarded.

Although the Covid-19 outbreak has resulted in a temporary suspension of grant awards, we hope that in the short-term, we will be able to launch a number of UK study award opportunities, alongside the study travel grant, providing a wider remit for horticulturists to explore horticultural practice, gardens and the native flora of the UK.

During the year, we celebrated the first ever Merlin Trust Day on 31st October 2020. Merlin Trust Day, to be held on 31<sup>st</sup> October each year, has been created to celebrate Merlins – past and present – and let future Merlins know that the Merlin Trust can support their early career through grants for travel, internships and work experience around the world. We will use our social media platforms to celebrate in the run up to the day and on the day.

It is with great sadness that we report that trustee and former Secretary of the Trust, Fiona Crumley, passed away in January 2021. She will be greatly missed by all at The Merlin Trust.

#### **FINANCIAL REVIEW**

Total income increased from £28,368 in 2020 to £38,118. Incoming resources include £15,273, comprising grants returned and grant obligations cancelled in respect of travel planned for 2020, which could not proceed due to pandemic-related travel restrictions.

Expenditure decreased from £54,779 to £13,210. In April 2020, applications for travel grants were suspended due to uncertainty regarding the pandemic and the curtailment of non-essential travel. As a result, the cost of the Trust's grant making activity decreased from £47,324 in 2020 to £6,097 in the current year. Further details are provided in notes 5 and 6 to the accounts.

Net income before investment gains and losses amounted to £24,908 (2020: net expenditure £26,411).

In late February 2020, the coronavirus pandemic triggered a fall in financial market prices resulting in an unrealised loss of £111,244 on the Trust's listed investment portfolio. The market recovered during the current year and, as a result, an unrealised gain of £146,117 has been recognized in the accounts.

After taking account of realised gains on investment sales in the year of £23,393 (2020: £6,718), net income for the year was £194,418 (2020: net expenditure £130,937).

## **THE MERLIN TRUST**

### **REPORT OF THE TRUSTEES - YEAR ENDED 5TH APRIL 2021**

#### **INVESTMENT POLICY**

The Trust Deed gives broad powers of investment to the discretion of the Trustees, and the investments held by the Trust have been acquired in accordance with those powers.

The Trustees have appointed stockbrokers to undertake discretionary management of the investment portfolio. During 2014 the Trustees defined and approved a "Statement of Investment Policy" for the guidance of the investment. The Trustees have designated funds which are invested on the stock market to produce an annual income stream for the purpose of meeting grant payments and, in a favourable economic climate, by means of capital growth in the longer term, to ensure that the Trust can continue to operate for the foreseeable future.

#### **RISK REVIEW**

The Trustees consider that the principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making. The investment risk is mitigated by the use of expert investment managers, having a diversified portfolio and benchmarking to monitor performance.

The operational risk is reduced by the close involvement of the Trustees in reviewing grant applications using their expertise in the relevant fields to make sound judgements.

#### **RESERVES POLICY**

At 5th April 2021 total funds amounted to £857,379. Of this, £803,852 represents funds earmarked for long-term investment. Subject to the investment risks identified in the notes to the accounts, this policy produces a reasonably predictable level of income and helps to maintain long-term continuity in the level of support the charity can offer its beneficiaries.

The trustees propose that the level of free reserves not invested should be at level of between £35,000 and £40,000. At this level, the trustees consider that in the event of a significant decrease in normal income, in the short-term, they would be able to continue to meet annual grant commitments and the running costs of the charity, whilst considering how income would be replaced or activities changed.

At 5th April 2021, free reserves not invested, and excluding tangible assets, were £53,527. This is more than target level, but, as reported above, applications for grants have been temporarily suspended. Reserves are expected to return to target level once the Trust can again accept grant applications. The reserves policy will be reviewed on a regular basis.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The governing instrument is the Trust Deed dated 22nd January 1990. The Trust is a registered charity number 803441.

In accordance with the Trust Deed there must be at least three Trustees. The Trustees may at their discretion make rules governing the appointment, retirement or removal of Trustees.

The Trustees have developed a policy of recruiting their number from diverse horticultural organisations and backgrounds. Their objective is to ensure that collectively they have the wide range of skills and experience necessary to contribute to the management and development of the Trust. To fulfill their aim to represent a wide geographical spread of organisations and individuals and encourage regular replacement of Trustees, potential candidates are nominated by existing Trustees and their appointment is discussed to confirm universal approval.

The day to day running of the Trust is delegated to the Secretary. The Trustees review all grant applications in detail with decisions of amounts to be paid to successful applicants being taken jointly. The Trustees meet regularly to discuss and review Trust business.

**THE MERLIN TRUST****REPORT OF THE TRUSTEES - YEAR ENDED 5TH APRIL 2021****STRUCTURE, GOVERNANCE AND MANAGEMENT (Cont)****Reference and administrative information**

**TRUSTEES**

Fiona Crumley (Deceased 20<sup>th</sup> January 2021)  
Jim Jermyn  
Jonathan Miller  
Sally Petitt (Chair)  
Paul Cook  
Kit Strange  
David Knott

**SECRETARY**

Rebecca Slack  
Email: info@merlin-trust.org.uk

**PRINCIPAL ADDRESS**

c/o Head of Horticulture  
Cambridge University Botanic Garden  
1 Brookside  
Cambridge  
CB2 1JE

**INDEPENDENT EXAMINERS**

Azets Audit Services  
Thorpe House, 93 Headlands, Kettering,  
Northants, NN15 6BL

**BANKERS**

Lloyds Bank PLC  
3 – 4 Market Street, Kettering,  
Northants, NN16 OAH

**SOLICITORS**

Hewitsons  
Elgin House  
Billing Road  
Northants, NN1 5AU

**STOCKBROKERS**

Brewin Dolphin,  
Time Central, Gallowgate,  
Newcastle-Upon-Tyne, NE1 4SR

Approved by the trustees on 13<sup>th</sup> September 2021  
and signed on their behalf by:-

S PETITT  
CHAIR

**THE MERLIN TRUST****INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MERLIN TRUST**

I report to the trustees on my examination of the accounts of The Merlin Trust for the year ended 5th April 2021 which are set out on pages 6 to 15.

**Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn. I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A P ARMER  
Chartered Accountant  
Azets Audit Services  
Thorpe House  
93 Headlands  
KETTERING NN15 6BL

Date: 21<sup>st</sup> September 2021

**THE MERLIN TRUST****STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 5TH APRIL 2021**

	<u>NOTES</u>	<u>2021</u>	<u>2020</u>
<b>Income and endowments from</b>			
Donations and legacies	2	4,399	5,100
Other trading activities		336	179
Investments	3	18,110	23,089
Other income	4	15,273	-
		<hr/>	<hr/>
<b>Total income</b>		38,118	28,368
		<hr/> <hr/>	<hr/> <hr/>
<b>Expenditure on</b>			
Raising funds			
Investment management expenses		7,113	7,455
Charitable activities			
Cost of grant making	5 & 6	6,097	47,324
		<hr/>	<hr/>
<b>Total expenditure</b>		13,210	54,779
		<hr/> <hr/>	<hr/> <hr/>
<b>Net income/(expenditure) before gains and losses on investments</b>		24,908	(26,411)
Net gains/(losses) on investments		169,510	(104,526)
		<hr/>	<hr/>
<b>Net income/(expenditure) and net movement in funds</b>		194,418	(130,937)
Reconciliation of funds			
Total funds brought forward		662,961	793,898
		<hr/>	<hr/>
<b>Total funds carried forward</b>	11	£857,379	£662,961
		<hr/> <hr/>	<hr/> <hr/>

**THE MERLIN TRUST****BALANCE SHEET AS AT 5TH APRIL 2021**

	<u>NOTES</u>	<u>2021</u>	<u>2020</u>
<b>Fixed assets</b>			
Tangible assets	7	1	1
Investments	8	804,179	641,631
		<hr/>	<hr/>
		804,180	641,632
<b>Current assets</b>			
Debtors	9	1,541	2,078
Cash at bank and in hand		62,950	36,876
		<hr/>	<hr/>
		64,491	38,954
		<hr/>	<hr/>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	10	11,292	17,625
		<hr/>	<hr/>
<b>Net current assets</b>		53,199	21,329
		<hr/>	<hr/>
<b>Total assets less current liabilities/net assets</b>		£857,379	£662,961
		<hr/> <hr/>	<hr/> <hr/>
<b>The funds of the charity</b>			
Unrestricted funds:			
Designated fund	11	803,852	641,492
General fund	11	53,527	21,469
		<hr/>	<hr/>
	12	£857,379	£662,961
		<hr/> <hr/>	<hr/> <hr/>

The accounts were approved by the Trustees on 13<sup>th</sup> September 2021

S PETITT	)	
	)	
	)	
	)	TRUSTEES
	)	
J MILLER	)	

Notes on pages 8 to 15 form part of these accounts.

**THE MERLIN TRUST****NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****1. ACCOUNTING POLICIES****a) Basis of preparation**

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The Trust constitutes a public benefit entity as defined by FRS102. The presentation currency of the accounts is the Pound Sterling (£). The Trust's accounts present information about it as an individual undertaking.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. At the end of the reporting period, the most significant areas of uncertainty that affect the carrying value of fixed asset investments held by the Trust, as disclosed in note 8, are the level of investment return and the performance of investment markets.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

**b) Income recognition**

All incoming resources are recognised when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Donations are recognised when the trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. For legacies, recognition is on a case by case basis but generally is the earlier of the charity being notified of an impending distribution or the legacy being received.

**THE MERLIN TRUST****NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****1. ACCOUNTING POLICIES (Cont)****c) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the trust. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**d) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

**e) Charitable activities**

Costs of charitable activities include grants made, governance costs and support costs.

**f) Foreign currencies**

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

**g) Tangible fixed assets**

All tangible fixed assets purchased for use by the charity are capitalised at cost and depreciated at the following annual rates in order to reduce each asset to its estimated residual value at the end of its period of use:-

Computer and similar equipment	-	33 1/3% of cost
Other office furniture and equipment	-	20% of cost

**h) Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

**i) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**THE MERLIN TRUST****NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****1. ACCOUNTING POLICIES (Cont)****j) Fund structure**

The principles of fund accounting will be adopted in these accounts as follows:-

- restricted funds are those to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the funds, together with a fair allocation of overheads and support costs.
- unrestricted funds are donations and other incoming resources received for expenditure on the general objectives of the charity.
- designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

At 5th April 2021 all funds were unrestricted. Details of the designated funds are disclosed in note 11.

**k) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**2. DONATIONS AND LEGACIES**

	<b><u>2021</u></b>	<b><u>2020</u></b>
Peter Wilson	1,000	1,000
Tim Brotzman	2,578	4,000
The Heather Society	821	-
Other donations	-	100
	<hr/>	<hr/>
	£4,399	£5,100
	<hr/> <hr/>	<hr/> <hr/>

**3. INVESTMENT INCOME**

	<b><u>2021</u></b>	<b><u>2020</u></b>
Bank interest	9	18
Dividends and similar income from listed investments	18,101	23,071
	<hr/>	<hr/>
	£18,110	£23,089
	<hr/> <hr/>	<hr/> <hr/>

**4. OTHER INCOME**

	<b><u>2021</u></b>	<b><u>2020</u></b>
Grant awards cancelled	£15,273	£ -
	<hr/> <hr/>	<hr/> <hr/>

The trustees decided to cancel certain grant awards made in the previous year, for travel in 2020, after it became clear that the continuing impact of the Covid-19 pandemic meant that travel would not be possible for the foreseeable future. The incoming resources represent the return of travel grants paid by the Trust in the year ended 5th April 2020 and the cancellation of unpaid grant commitments.

**THE MERLIN TRUST****NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****5. ANALYSIS OF CHARITABLE EXPENDITURE****GRANTS AND PRIZES**

Although costs were incurred in connection with the administration of the Trust's grant making activity, no grants or prizes were awarded in the year. During the year ended 5<sup>th</sup> April 2020, 41 grants and 2 prizes were awarded to individuals. Details of the costs incurred are as follows:

	<b><u>2021</u></b>	<b><u>2020</u></b>
Total grants and prizes	-	40,517
Support and governance costs	6,097	6,807
	<hr/>	<hr/>
Total cost of grant making activity	£6,097	£47,324
	<hr/>	<hr/>

**6. SUPPORT AND GOVERNANCE COSTS**

The total support costs in 2021 and 2020 were attributable to grant making activities. A breakdown of the costs is shown below.

	<b><u>2021</u></b>	<b><u>2020</u></b>
<b>Support costs</b>		
Secretarial support	3,000	3,000
Publicity and website costs	187	227
Stationery, postage, software, travel and other costs	186	789
	<hr/>	<hr/>
Total	3,373	4,016
	<hr/>	<hr/>
<b>Governance costs</b>		
Independent examiner's remuneration		
Independent examiner's fee	384	372
Accountancy and other services	2,340	2,196
Trustees' expenses	-	223
	<hr/>	<hr/>
	2,724	2,791
	<hr/>	<hr/>
Total support and governance	£6,097	£6,807
	<hr/> <hr/>	<hr/> <hr/>

**THE MERLIN TRUST****NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****7. TANGIBLE FIXED ASSETS**

	<b><u>Equipment, fixtures &amp; fittings</u></b>
<b>COST</b>	
At 6th April 2020 and at 5th April 2021	£ 1,282
	=====
<b>ACCUMULATED DEPRECIATION</b>	
At 6th April 2020 and at 5th April 2021	£ 1,281
	=====
<b>NET BOOK VALUE</b>	
At 5th April 2021	£ 1
	=====
At 5th April 2020	£ 1
	=====

The fixed assets are all used for direct charitable purposes.

**8. FIXED ASSET INVESTMENTS**

	<b><u>Listed Investments</u></b>	<b><u>Cash Deposit</u></b>	<b><u>2021 Total</u></b>	<b><u>2020 Total</u></b>
Market value at 6th April 2020	605,310	36,321	641,631	753,575
Additions at cost	165,500	-	165,500	232,028
Disposals at carrying value	(134,206)	(14,863)	(149,069)	(232,728)
Unrealised gain/(loss) on revaluation	146,117	-	146,117	(111,244)
	-----	-----	-----	-----
Market value at 5th April 2021	£782,721	£21,458	£804,179	£641,631
	=====	=====	=====	=====

**THE MERLIN TRUST****NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****8. FIXED ASSET INVESTMENTS continued**

All investments are carried at their fair value. The charity invests in UK equities and professionally managed collective investment funds, which in turn invest in UK and international equities and corporate and government bonds. Equity investments and investments within the funds are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the price at which shares and units in funds were bought and sold at the 5th April 2021. All investment assets are held within the UK.

The significance of fixed asset investments to the ongoing financial sustainability of the Trust is considered in the financial review section of the Report of the Trustees.

The main risk to the Trust from its fixed asset investments lies in the combination of uncertain investment markets and volatility in yield. The Trust is in part reliant on dividend yield to finance its work and its collective investment funds include significant holdings in international companies and bonds denominated in US Dollars and other foreign currencies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

Liquidity risk is anticipated to be low. The Trust's investments are traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for diversification of holdings that are quoted on a recognised stock exchange. The Trust does not make significant investments in derivatives and similar complex financial instruments.

**9. DEBTORS**

	<b><u>2021</u></b>	<b><u>2020</u></b>
Other debtors	£1,541	£2,078
	=====	=====

**10. ANALYSIS OF CREDITORS FALLING DUE WITHIN ONE YEAR**

	<b><u>2021</u></b>	<b><u>2020</u></b>
Grants and prizes	7,000	11,000
Accruals and deferred income	4,292	6,625
	=====	=====
	£11,292	£17,625
	=====	=====

**THE MERLIN TRUST****NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****11. ANALYSIS OF CHARITABLE FUNDS****Analysis of fund movements**

	<u>At 6th April 2020</u>	<u>Income</u>	<u>Expenditure</u>	<u>Investment Gains</u>	<u>Transfers</u>	<u>At 5th April 2021</u>
Designated fund	641,492	18,095	(7,113)	169,510	(18,132)	803,852
General fund	21,469	20,023	(6,097)	-	18,132	53,527
	<hr/> £662,961	£38,118	(£13,210)	£169,510	£ -	£ 857,379 <hr/> <hr/>

**Analysis of fund movements - previous year**

	<u>At 6th April 2019</u>	<u>Income</u>	<u>Expenditure</u>	<u>Investment Losses</u>	<u>Transfers</u>	<u>At 5th April 2020</u>
Designated fund	753,785	23,071	(7,455)	(104,526)	(23,383)	641,492
General fund	40,113	5,297	(47,324)	-	23,383	21,469
	<hr/> £793,898	£28,368	(£54,779)	(£104,526)	£ -	£662,961 <hr/> <hr/>

The designated fund for investment is of a capital nature to produce an annual income stream for the purpose of meeting grant payments and, by means of capital growth (in the long term) to ensure that the Trust can continue to operate for the foreseeable future.

**THE MERLIN TRUST****NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b><u>Designated Fund</u></b>	<b><u>General Fund</u></b>	<b><u>Total</u></b>
Tangible fixed assets	-	1	1
Investments	804,179	-	804,179
Current assets	1,541	62,950	64,491
Current liabilities	(1,868)	(9,424)	(11,292)
	<hr/>	<hr/>	<hr/>
	£803,852	£53,527	£857,379
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Analysis of net assets between funds – previous year**

	<b><u>Designated Fund</u></b>	<b><u>General Fund</u></b>	<b><u>Total</u></b>
Tangible fixed assets	-	1	1
Investments	641,631	-	641,631
Current assets	1,578	37,376	38,954
Current liabilities	(1,717)	(15,908)	(17,625)
	<hr/>	<hr/>	<hr/>
	£641,492	£21,469	£662,961
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**13. RELATED PARTY TRANSACTIONS**

Trustees are not remunerated for their services as trustees.

There were no transactions with trustees or related parties in the year ended 5<sup>th</sup> April 2021. During the year ended 5<sup>th</sup> April 2020, travel costs of £223 were reimbursed to 2 trustees.