

HS BARLOW CHARITABLE TRUST

Annual Report and Financial Statements

31 July 2019

(- 08/01/2020)

HS BARLOW CHARITABLE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS 2019

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HS BARLOW CHARITABLE TRUST

TRUSTEES' REPORT 2018-19

1. OBJECTS AND PURPOSES OF THE TRUST

The HS Barlow Charitable Trust was established by Trust Deed, dated 17 November 2014, with the following Object:

- The advancement of education for the benefit of the public, and in particular (but without limiting the generality of the foregoing) by means of means-tested bursaries and scholarships for post-graduate students from the Developing World, at Trinity College, Cambridge, and other colleges at Cambridge University, as well as at other UK universities regularly in the top 10 UK universities' rankings.

The Developing World is defined in the Trust Deed as Asia, Africa, Central and South America.

The Trustees may in their discretion, for the period of 21 years from the date of the Trust Deed, instead of applying the income of the Charity in any year, accumulate all or any part of such income by investing the same, and the resulting income, in any investments authorised by the Trust Deed or by law as an accretion to and as part of the capital of the Charity, without prejudice to their right to apply the whole or any part of such accumulated income in any subsequent year as if the same were income of the Charity arising in the then current year.

2. ORGANISATION AND MANAGEMENT OF THE TRUST

The Trust is a charity registered with the Charity Commission (Charity Reference Number 1161780).

The Trust is governed by its Trustees as follows.

- Mr Henry Barlow, Chairman and Settlor
- Dr Anil Seal
- Mr Rory Landman
- Mr Stuart Robb

The Trustees have made the following appointments:

Joint Executive Trustees: Mr Barlow and Dr Seal

Honorary Secretary of the Trust: Dr Seal

Honorary Treasurer of the Trust: Dr Nicholas Branson

Recruitment, induction and training of Trustees

The original trustees are still in place. In accordance with the Trust Deed, the power of appointing new trustees is vested in the Settlor during his lifetime, and thereafter in the continuing Trustees. Trustees may be expected to have run or held senior positions in educational or business institutions, and have an interest in the advancement of higher education, in particular through the support of graduate students from the developing world. New Trustees will receive a copy of the Trust Deed, the minutes of recent meetings of Trustees, and details of recent accounts and budgets. Trustees are made aware of the notes of guidance for trustees which are published on the Charity Commission website.

HS BARLOW CHARITABLE TRUST

TRUSTEES' REPORT 2018-19

3. ACTIVITIES OF THE TRUST DURING 2018-19

Income of the Trust

Following the donations to the Trust of £355,000, £200,000 and £200,000 by Mr Barlow in 2015-16, 2016-17 and 2017-18 respectively, a further donation of £200,000 from Mr Barlow was received in August 2019. The Trustees record their appreciation of Mr Barlow's generosity, and of his promise to make further substantial donations to the Trust in the future.

Trinity-Barlow Scholarships 2018

The Trustees have agreed that initially scholarships will be only for doctoral research (i.e. PhD) students, and that the main focus will be on students undertaking research in engineering and in medicine and science, namely physics, chemistry, biology (including environmental issues upon which these subjects bear) and mathematics, both applied and pure; and that exceptionally funds may be made available for the support of research in law, economics, and related subjects.

Trinity College Cambridge has generously agreed to contribute to the cost of the scholarships awarded by the Trust on a 50:50 basis, that agreement being confirmed each year by the College before the scholarships are offered and confirmed.

As in the previous year, the Trust sought nominations from Heads of Departments and Colleges of highly-ranked candidates for part-cost means-tested awards. The awards were administered through Trinity College.

Ten substantial awards were made. Award-holders came from China (3), Egypt (1), India (1), Iran (1), Korea (1), Malaysia (1), Russian Federation (1) and Thailand (1). Their subjects of study were Chemistry (3), Chemical Engineering (1), Engineering (3), Materials Science (1), Medical Science (1) and Physics (1).

In addition, seven students eligible for awards subsequently secured full funding from other sources and were made Honorary award-holders without stipend; each was awarded an *ex gratia* payment of £1,000. These students came from India (2), Jordan (1), Kenya (2), Malaysia (1) and St Vincent and the Grenadines (1). Their subjects of study were Applied Mathematics and Theoretical Physics (1), Chemical Engineering and Biotechnology (3), Engineering (1), Physics (1) and Veterinary Medicine (1).

The total cost of the 2018 awards over their full length was £309,000, shared 50:50 with Trinity College. The charge to the Trust for the year ended 31 July 2019 was therefore £154,500.

4. PUBLIC BENEFIT

The Trustees are satisfied that the activities of the Trust, as described in this report and in the accompanying accounts, are entirely for charitable purposes and fully meet the 'public benefit' requirement of the Charities Act 2011. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit.

In particular, by making awards to students who did not have the means to take up their offers of places at Cambridge University (and in due course and from time-to-time at other UK universities regularly in the top rankings), the Trust has been able to benefit these students in a manner which will have a significant and beneficial effect on their future lives.

5. FINANCIAL REVIEW

The net incoming resources for the year ended 31 July 2019 were £42,320 (2017-18: £1,311). The unrestricted funds at 31 July 2019 were £306,444 (2018: £264,124).

HS BARLOW CHARITABLE TRUST

TRUSTEES' REPORT 2018-19

6. FUTURE OUTLOOK

The Trust is making further awards starting in October 2019, with support from Trinity College and other collaborators. The funds available are sufficient to cover all current commitments.

7. GOING CONCERN

The Trustees are confident that the charity has adequate funds and resources to continue operating for the foreseeable future and is well placed to manage its business risks successfully. For this reason, they continue to adopt the going concern basis in preparing financial statements.

8. RESERVES POLICY

The Trust intends to retain as a reserve only sufficient capital to meet the following year's awards. It will rely on further transfers of funds from the Settlor to meet the cost of awards in subsequent years.

The unrestricted reserves at 31 July 2019 were £306,444 (2018: £264,124). There were no restricted reserves at 31 July 2019 (2018: £nil).

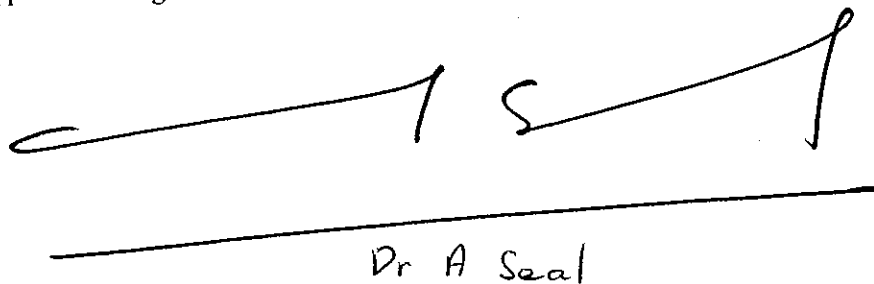
9. RISK MANAGEMENT

The Trustees have examined the major strategic, business and operational risks which the Trust faces, and are satisfied that, with the regular reports they receive, they are able to assess these risks and to put in hand on a timely basis any necessary actions (mainly in relation to the scale of the collaborative activities of the Trust) to lessen or avoid them.

A risk register has been prepared, and will be kept under regular review.

The assets of the Trust are sufficient to meet the commitments currently envisaged for 2019-20.

Approved and signed on behalf of the Trustees:



Dr A Seal

Date: 15 January 2020

HS BARLOW CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE DETAILS

The Trustees for the period 2018-19 were the following:

Mr Henry Barlow, Chairman of the Trustees and Settlor
Dr Anil Seal
Mr Rory Landman
Mr Stuart Robb

HONORARY TREASURER

Dr Nicholas Branson

TRUST ADDRESS

The formal and registered postal address of the Trust is:

HS Barlow Charitable Trust
c/o Trinity College
Cambridge
CB2 1TQ

LEGAL STATUS

The charity was established by a Deed of Trust dated 17 November 2014.
The trust is registered with the Charity Commission, Reference Number 1161780.

BANK

National Westminster Bank Plc
23 Market Street
Cambridge
CB2 3PA

AUDITOR

Deloitte LLP
Statutory Auditor
1 Station Square
Cambridge
CB1 2GA

REPORT

These financial statements should be read in conjunction with the trustees' annual report which is included within these accounts.

HS BARLOW CHARITABLE TRUST

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HS BARLOW CHARITABLE TRUST

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of HS Barlow Charitable Trust (the 'charity'):

- give a true and fair view of the state of the charity's affairs as at 31 July 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011 and the trust deed.

We have audited the financial statements which comprise:

- the statement of financial activities;
- the balance sheet;
- the accounting policies; and
- the related notes 1 to 8.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the trustees' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HS BARLOW CHARITABLE TRUST (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HS BARLOW CHARITABLE TRUST (continued)

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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

Deloitte LLP

Deloitte LLP

Statutory Auditor
Cambridge, United Kingdom

17 January 2020

Deloitte LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006 and consequently to act as the auditor of a registered charity.

HS BARLOW CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES Year ended 31 July 2019

	Note	Total unrestricted funds	
		2019	2018
		£	£
INCOME FROM:			
Donations	1	200,000	200,000
TOTAL INCOME		<u>200,000</u>	<u>200,000</u>
EXPENDITURE ON:			
Charitable activities	2	157,680	198,689
TOTAL EXPENDITURE		<u>157,680</u>	<u>198,689</u>
NET INCOME FOR THE YEAR AND NET MOVEMENT OF FUNDS		42,320	1,311
TOTAL FUNDS brought forward at 1 August		<u>264,124</u>	<u>262,813</u>
TOTAL FUNDS carried forward at 31 July		<u>306,444</u>	<u>264,124</u>

All results are derived from continuing activities.

There are no recognised gains and losses for the current or preceding financial year other than as stated in the Statement of Financial Activities.

The accounting policies and notes set out on pages 8 to 11 form part of these financial statements.

HS BARLOW CHARITABLE TRUST

BALANCE SHEET

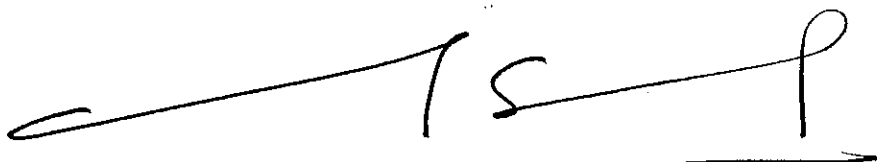
31 July 2019

	Note	2019 £	2018 £
CURRENT ASSETS			
Debtors	5	200,000	200,000
Cash at bank and in hand		109,564	67,244
		<u>309,564</u>	<u>267,244</u>
CREDITORS: amounts falling due within one year	6	<u>(3,120)</u>	<u>(3,120)</u>
NET CURRENT ASSETS		<u>306,444</u>	<u>264,124</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>306,444</u>	<u>264,124</u>
FUNDS			
Unrestricted funds	8	<u>306,444</u>	<u>264,124</u>

The accounting policies and notes set out on pages 8 to 11 form part of these financial statements.

These financial statements were approved by the trustees on 15 January 2020

Signed on behalf of the trustees


Dr A Seal

HS BARLOW CHARITABLE TRUST

ACCOUNTING POLICIES

Year ended 31 July 2019

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Charities" SORP 2015 issued in January 2015 (revised 1 January 2016), Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

General information and basis of accounting

HS Barlow Charitable Trust is a charitable trust. The financial statements have been prepared under the historical cost convention.

Going concern

The trustees are confident that the charity has adequate funds and resources to continue operating for the foreseeable future and is well placed to manage its business risks successfully. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Fund accounting

The charity maintains:

General unrestricted funds

General unrestricted funds represent income which is expendable at the discretion of the trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Income

All income is recognised in the statement of financial activities when the conditions for receipt have been complied with.

Donations

Donations and all other receipts are reported gross and the related fundraising costs are reported in other expenditure.

Charitable expenditure

Charitable expenditure includes all expenditure directly related to the objects of the charity and principally comprises the following:

Support for research related to the purposes of the Trust.

Grants are recognised when a commitment to pay the grant has become a constructive obligation.

Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the statutory audit and legal fees.

Financial instruments

The charity only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

HS BARLOW CHARITABLE TRUST

ACCOUNTING POLICIES

Year ended 31 July 2019

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described on page 8, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

HS BARLOW CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2019

1. INCOME FROM DONATIONS

	2019 £	2018 £
Donations from H S Barlow	<u>200,000</u>	<u>200,000</u>

2. CHARITABLE ACTIVITIES

	2019 £	2018 £
Awards to students	154,500	195,509
Bank charges	60	60
Audit	<u>3,120</u>	<u>3,120</u>
	<u>157,680</u>	<u>198,689</u>

All awards to students were made to individuals.

3. INFORMATION REGARDING EMPLOYEES AND TRUSTEES

Employees

The Trust has no full-time staff (2017-2018 - none).

Trustees

No Trustee received any remuneration from the Trust (2017-2018 - none). No trustees received payments for expenses (2017-2018 - none).

Key Management Personnel

The key management personnel are the Joint Executive Trustees and the Honorary Treasurer. Neither received any remuneration for their work (2017-2018: £nil).

4. TAXATION

The HS Barlow Charitable Trust is a registered charity and is exempt from tax on income and capital gains falling within Chapter 3 of Part II to the Corporation Tax Act 2010 or Section 256 of the Taxation of Capital Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charges have arisen in the Charitable Trust.

HS BARLOW CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2019

5. DEBTORS

	2019 £	2018 £
Donation receivable from H S Barlow	200,000	200,000

All debtors are due within one year.

6. CREDITORS

	2019 £	2018 £
Accruals	3,120	3,120

7. RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations, it is inevitable that transactions will take place in which a trustee may have an interest - in particular two of the Trustees are Fellows of Trinity College, and some trustees and officers have close ties with the Malaysian Commonwealth Studies Centre and other potential collaborating bodies. These related interests are included in the register of declared interests of trustees and officers which will be regularly updated.

8. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	2019 £	2018 £
Current assets	309,564	267,244
Current liabilities	(3,120)	(3,120)
	306,444	264,124