

**Registered Charity No. 1143342 (England and Wales)**  
**Registered Company No. 06231613**  
**Registered Charity No. SC043441 (Scotland)**

**SPUC Education and Research Trust**

**Trustees' report and financial statements**  
**for the year ended 29 February 2020**

## **SPUC Education and Research Trust**

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## SPUC Education and Research Trust

### Information

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**Charity registered number** 1143342

**Company registered number** 06231613

**Scottish charity register number** SC043441

**Trustees and directors** John Atherton  
Philippa Forsdike  
Robin Haig  
John Smeaton

**Trust and company secretary** John Deighan

**Business address** Unit C  
3 Whitacre Mews  
Stannary Street  
London SE11 4AB

**Auditors** Saffery Champness LLP  
Chartered Accountants  
71 Queen Victoria Street  
London EC4V 4BE

**Bankers** HSBC Bank Plc  
The Peak  
333 Vauxhall Bridge Road  
Victoria  
London  
SW1V 1EJ

HSBC Bank Plc  
3<sup>rd</sup> Floor  
133 Regent Street  
London  
W1B 4HX

**Investment managers** Quilter Cheviot Limited  
Senator House  
85 Queen Victoria Street  
London EC4V 4AB

Investec Wealth & Investment Limited  
2 Gresham Street  
London EC2V 7QN

**Trustees' report**  
**For the year ended 29 February 2020**

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The Trustees present their report together with the audited financial statements for the year ended 29 February 2020. The financial statements comply with the current statutory requirements, the requirements of the Institute's governing document and the provision of the Charities SORP (FRS102).

**1. Objects**

SPUC Education and Research Trust (the "Company") was incorporated on 30 April 2007 (Registration number 06231613 in England and Wales) and registered as a charity on 15 August 2011 (Charity Registration number 1143342 in England and Wales and Charity Registration number SC043441 in Scotland).

The Trustees of the SPUC Educational Research Trust (Charity Registration number 326138) resolved that the entire undertaking be transferred to SPUC Education and Research Trust with effect from 1 March 2012. The old Trust will continue to exist but will be dormant. The new Trust company commenced business on 1 March 2012.

The old Trust was established in May 1982 under a charitable settlement for:

- the relief of poverty generally,
- the benefit and protection of children with congenital abnormalities and disabled children,
- the advancement of medical knowledge and education matters pertaining to unborn children, congenital abnormalities, disabilities generally, pregnancy and the termination of pregnancy.

These objectives continue in the new Trust company.

**2. Trustees**

The Trustees at the date of approving the report are set out on the information sheet on page 1, and they all served for the whole of the financial year under review.

**3. Appointment of Trustees**

The Trustees must number between three and eight trustees, all of whom are appointed without limit of time by SPUC Pro-life Limited. There are presently three Trustees who are reimbursed only for travel and expenditure which may arise from pursuit of their duties. Trustees must act in accordance with the requirements of the obligations imposed by the Charity Commission. The Trustees have had regard to the Charity Commission's guidance on public benefit. An item on the agenda of all meetings is included to examine any possible conflict of interest which may arise.

**4. Trustees' responsibilities**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimate that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

**Trustees' report (continued)**  
**For the year ended 29 February 2020**

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**4. Trustees' responsibilities (continued)**

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware, there is no relevant information that has not been disclosed to the Company's auditors and each of the Trustees believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the Company's auditors have been made aware of that information.

**5. Review of activities in the year 2019/2020**

**a. ARCH (Abortion Recovery Care and Helpline)**

ARCH, Abortion Recovery Care and Helpline, previously known as British Victims of Abortion (BVA), was set up in 1987 in response to the many requests for help received from women who experienced difficulties, both emotionally and physically, following their abortions. It was re-launched in Glasgow under its new name on 27 April 2010.

Now in its thirty third year, through the Trust, ARCH remains committed to its original and primary goal of promoting emotional and psychological support to those suffering after an abortion, as well as support to those facing a crisis pregnancy.

Following a period of difficulty caused by problems in being able to establish a useable free telephone contact number, the problem was finally resolved this year. Anyone suffering and needing support after an abortion or facing a crisis pregnancy, can call the ARCH helpline (0345 603 8501) free of charge. The call is dealt with in complete confidence and by a "Befriender". When necessary, callers can receive one-to-one expert counselling.

Studies are being undertaken to investigate the influence of coercion as an influence in women's decision to undergo an abortion procedure. This program is continuing.

**b. Book sales and donations**

The Trust continues to sell and distribute free of charge copies of Ethical Sex, a book written by ethicist Dr Anthony McCarthy, SPUC's Director of Education, Research and Communications, a book which seeks to bring philosophical clarity to the difficult subject of sexual ethics – an issue of deep relevance to pro-life values.

The Trust has assisted in the promotion and sale of copies of the book Abortion Matters written by Dr Anthony McCarthy. The book was published to coincide with the 50th anniversary on 27th April 2018 of the Abortion Act 1967 coming into effect in Britain and seeks to provide clear, convincing answers to the most fundamental questions relating to abortion, not least: why abortion is always wrong, and how women are also victimised by abortion.

**c. Sales and donations of foetal models**

The Trust's world-renowned set of foetal models "How You Began" and accompanying literature continue to be sold and donated to educational groups, caring organisations, and to other bodies in Britain and in many other parts of the world. 51 sets were sold.

**d. Provita Romania**

During the financial year, the SPUC Education Research Trust had ceased administering earmarked donations within a restricted fund to Provita Romania which supported the work of a comparable organisation in Romania.

**e. NPT Transatlantic**

During November 2019, we received a substantial restricted fund donation from NPT Transatlantic in the USA. This donation will be used to fund education work in the form of an education pack for schools and conferences for medical staff and related persons involved in care of women who have had abortions.

**f. Grant to SPUC Pro-Life Ltd**

A grant was made during the year to SPUC Pro-Life Ltd (see paragraph 10) towards its educational work.

**General publicity**

The Trust continues to promote giving by legacies, sharing the cost with its sister organization, SPUC Pro-Life Ltd.

Consideration was also given and action taken to raise funds for the Trust, especially in relation to specific issues which the Trust is seeking to address. The donation received from NPT Transatlantic, mentioned above is a first result of that activity.

**Voice of the Family**

The Trust continued to meet the costs of employment and other expenses of the Director of the Voice of the Family project.

**Scotland**

As agreed in the previous year for a three-year period, the Trust continued to pay £28,000 per annum to SPUC Scotland for its educational and other charitable work: a contribution towards the salary of John Deighan, SPUC Scotland's chief executive, to meet the costs of his overseeing the work of ARCH and other work undertaken by the Trust as agreed with John Deighan from time to time.

ARCH continues to use the new office facilities in the recently acquired premises on Union Street Glasgow. Despite the disruption caused by the relocation, the use of these premises has created a positive impact on morale of staff, Befrienders and clients.

**Other grants**

Various other grants were made supporting pro-life related projects in various parts of the world. In particular, the Trust contributed towards the launch of BIOS, a pro-life research project in London headed by Dr Anthony McCarthy. The Launch event went well and it is anticipated that BIOS will facilitate research on many abortion and pro-life related topics in answer to the research papers produced by supporters of abortion and other anti-life activities.

**6. Achievements during 2019/2020**

Enquiries to the Helpline and via email remained consistent with last year. The counselling service has also remained consistent, operating at full capacity for our existing counsellor. Additional appropriately-qualified counsellors have been identified and their involvement will allow the service capability to grow next year. This will allow us to help dozens more families each year.

**Trustees' report (continued)**  
**For the year ended 29 February 2020**

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Our training, safeguarding and recruitment processes have been enhanced this year to ensure such policies are fully up-to-date and adequate to deal with all areas of our work.

A practical tool for assessing abortion-related pressure and coercion has been developed by ARCH. This has proven useful for many women who have made use of the web-based version of the tool which is available on the ARCH website and also for medical professionals who have shown an interest in understanding coercive pressure applied to pregnant women.

**7. Review of financial results for the year 2019/2020**

- a. Total unrestricted Income for the year amounted to £503,663
- b. Total unrestricted expenditure for the year amounted to £442,886
- c. Combined unrestricted and restricted fund value at year end of £2,541,360.

**8. Investments**

The Trust's investment portfolio is managed by Investec Wealth & Investment Limited and by Quilter Cheviot Limited. The achievements of the fund managers are kept under close scrutiny by the trustees and at least one of the two firms is invited to an annual review meeting with the Trustees. There has been a continued improvement in both portfolios during the year.

In 2017/18, the Trust invested £225,000 excluding VAT, in purchasing a property in Preston which is currently rented by SPUC Pro-Life Ltd. This property allowed the re-location of SPUC staff from an older property to a more suitable office in which staff could work. The new property gives a steady rental income every year greater than the investment yield for the amount used from our reserves and provides a long-term investment.

**9. Organisational arrangements**

The Trustees usually meet quarterly with one Trustee acting as an Executive. The Trustees have a Trust Secretary, who has overall management and fundraising responsibility. In particular, he supervises the operations of ARCH.

**10. Related body**

As noted in paragraph 3, the appointment of Trustees is vested in the board of SPUC Pro-Life Limited. The Trust's policy is to work as closely with SPUC Pro-Life Limited as charity law permits, whilst maintaining a proper operational and financial separation as appropriate.

**11. Reserves policy**

The total of unrestricted reserves is £2,505,049. The total of restricted reserves is £36,311. We hold reserves to ensure that we have sufficient resources to continue as a going concern. The total amount of reserves is predominantly represented by stock investments and cash which are held with two investment companies, Quilter Cheviot and Investec. These have been given equal investments and have had similar levels of performance which is monitored by the Trustees.

The Trustees continue to give careful thought to the Trust's future resource requirements and policy. The funding of 'Abortion Recovery Care and Helpline (ARCH)' is the priority area of work and it has been an aim to contribute the dividend income from investments to the work of ARCH. Expenditure is therefore made with an aim of allowing stable dividend whilst also permitting a level of spending from reserves to support projects and work deemed of high importance by the

**Trustees' report (continued)**  
**For the year ended 29 February 2020**

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Trustees. Present expenditure in relation to income will permit the Trust to continue for the foreseeable future.

**12. Risk management**

Risks to which the Trust is exposed have been reviewed and will continue to be reviewed at least annually. Systems have been put in place to mitigate the risks to which the Trust is exposed.

**13. Coronavirus (COVID-19)**

The SPUC Trust is committed to observing the law and the advice issued by the government on COVID-19 and to providing frequent updates to staff generally as well as guidance to individual members of staff as required. Our investment income has reduced by a small amount, which constitutes a small proportion of the total income. The drop in dividend income reflects economic uncertainty as a result of COVID-19, but the trustees are confident that the consequent shortfall in income from this source will be redressed by the generosity of the Trust's supporters with whom we are routinely, frequently in touch. The impact of adverse conditions that can arise due to COVID-19 is managed by regular review of our cashflow and good cost control.

On behalf of the Trustees



John Smeaton  
Trustee

25<sup>th</sup> November 2020



**Independent auditors' report to the trustees and members  
For the year ended 29 February 2020**

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**Opinion**

We have audited the financial statements of SPUC Education and Research Trust for the year ended 29 February 2020 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including, Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 29 February 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the 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 charitable company'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.

**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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**Independent auditors' report to the trustees and members (continued)**  
**For the year ended 29 February 2020**

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

We have nothing to report in this regard.

**Other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 2-3, the trustees (who are also directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative to do so.

**Independent auditors' report to the trustees and members (continued)**  
**For the year ended 29 February 2020**

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**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees and members 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 trustees, the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Timothy Gregory (Senior Statutory Auditor)**  
**For and on behalf of Saffery Champness LLP**

**25 November 2020**

**Chartered Accountants**  
**Statutory Auditors**

71 Queen Victoria Street  
London  
EC4V 4BE

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**SPUC Education and Research Trust**

**Statement of Financial Activities  
For the year ended 29 February 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>Income:</b>					
Donations and legacies					
- Legacies		308,013	-	308,013	38,510
- Donations		96,891	44,971	141,862	90,418
- Income tax recoverable		12,563	2,165	14,728	10,126
Property income		20,000	-	20,000	20,000
Investment income	5	59,538	-	59,538	63,269
Other trading activities					
- Sale of educational materials		6,657	-	6,657	8,854
<b>Total income</b>		<b>503,663</b>	<b>47,136</b>	<b>550,799</b>	<b>231,177</b>
<b>Expenditure:</b>					
Raising funds	2	18,563	-	18,563	16,421
Charitable activities	3	424,323	10,825	435,148	290,041
<b>Total expenditure</b>		<b>442,886</b>	<b>10,825</b>	<b>453,711</b>	<b>306,462</b>
<b>Net income/(expenditure) and net movement in funds before gains and losses on investments</b>					
		<b>60,777</b>	<b>36,311</b>	<b>97,088</b>	<b>(75,285)</b>
Net gains/(losses) on investments	7	67,454	-	67,454	53,220
Transfers between funds		14	(14)	-	-
<b>Net Movement in funds</b>		<b>128,714</b>	<b>36,297</b>	<b>164,542</b>	<b>(22,065)</b>
<b>Reconciliation of funds</b>					
Total Funds brought forward		2,376,804	14	2,376,818	2,398,883
<b>Total funds carried forward</b>		<b>2,505,049</b>	<b>36,311</b>	<b>2,541,360</b>	<b>2,376,818</b>

The statement of financial activities has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the statement of financial activities.

The notes on pages 13 to 23 form part of these financial statements.

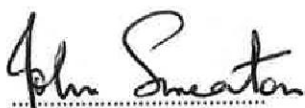
**SPUC Education and Research Trust**

**Balance Sheet**  
**As at 29 February 2020**

	Note	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Tangible assets	6		8,804		12,657
Investments	7		2,036,222		1,990,148
Investment property	8		225,000		225,000
			<u>2,270,026</u>		<u>2,227,805</u>
<b>Current assets</b>					
Stocks		6,042		9,951	
Debtors	9	29,837		20,712	
Cash at bank and in hand		268,366		143,952	
		<u>304,245</u>		<u>174,615</u>	
<b>Creditors: amounts falling due within one year</b>	10	(32,910)		(25,602)	
<b>Net current assets</b>			<u>271,334</u>		<u>149,013</u>
<b>Total assets less current Liabilities</b>			<u>2,541,360</u>		<u>2,376,818</u>
<b>Funds</b>					
Unrestricted	11		2,505,049		2,376,804
Restricted	11		36,311		14
<b>Total charity funds</b>			<u>2,541,360</u>		<u>2,376,818</u>

The notes on pages 13 to 23 form part of these financial statements.

The financial statements were approved by the Trustees on 25 November 2020 and signed on their behalf by:



John Smeaton  
Trustee

**Company Registration No. 06231613**

**SPUC Education and Research Trust**

**Statement of Cash Flows**  
**For the year ended 29 February 2020**

	2020 £	2019 £
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by/(used in) operating activities (see note)</b>	43,495	(77,084)
<b>Cash flows from investing activities:</b>		
Investment income	59,538	63,269
Purchase of tangible fixed assets	-	(16,500)
Purchase of investments	(107,126)	(135,508)
Proceeds on disposal of investment	128,506	103,276
<b>Net cash provided/(used) by investing activities</b>	80,918	14,537
 Change in cash and cash equivalents in the year	 124,414	 (62,547)
Cash and cash equivalents brought forward	143,952	206,499
<b>Cash and cash equivalents carried forward</b>	<b>268,366</b>	<b>143,952</b>

**NOTE**

**Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2020 £	2019 £
<b>Net income/(expenditure) for the reporting period as per the statement of financial activities</b>	164,542	(22,065)
<b>Adjustments for</b>		
Depreciation charges	3,854	5,504
(Gains)/losses on investments	(67,454)	(53,220)
Dividends and interest from investments	(59,538)	(63,269)
(Increase)/decrease in stocks	3,909	13,419
(Increase)/decrease in debtors	(9,125)	37,000
Increase/(decrease) in creditors	7,308	5,547
<b>Net cash provided by operating activities</b>	43,495	(77,084)
<b>Cash and cash equivalents</b>		
Cash at bank and on instant access deposit accounts	268,366	143,952



**1. Accounting policies**

**1.1 Accounting convention and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With regards to the implications of COVID-19 the trustees have carefully considered monthly management accounts and forecast information and have a reasonable expectation that the Trust will have adequate resources available to continue in operational existence for the foreseeable future.

**1.2 Compliance with accounting standards**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) and the Companies Act 2006.

The Trust constitutes a public benefit entity as defined by FRS102.

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 £.

**1.3 Income**

- a. Donations and legacies are credited to the Statement of Financial Activities in on an accruals basis.
- b. Taxation recoverable on gift-aided donations is credited on an accruals basis.
- c. Investment income is derived from equity dividends and fixed interest income transmitted to the Trust by the investment managers during the financial year. It includes income received by the fund managers at the balance sheet date which is yet to be remitted to the Trust.
- d. Sales and purchases (after stock adjustments) of educational materials are shown net of VAT.

**1.4 Expenditure recognition**

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

All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings

**1.5 Investment Property**

Investment property is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently, it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the statement of financial activities.

Notes to the financial statements (continued)  
For the year ended 29 February 2020

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**1. Accounting policies** (continued)

**1.6 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.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Unlisted investments are valued at fair value.

**1.7 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.

**1.8 Stock**

Stocks of educational materials are valued at the lower of cost and net realisable value.

**1.9 Funds**

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the following notes to the accounts.

**1.10 Financial Instruments**

The Company 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 company's statement of financial position when the company 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 intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



Notes to the financial statements (continued)  
For the year ended 29 February 2020

## 1. Accounting policies

(continued)

**Basic financial assets**

Basic financial assets, which include debtors, 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 measure 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.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measure 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 business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year. 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 rate method.

## 1.11 Critical estimates and judgements

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In making these estimates the Trustees make assumptions concerning the future. The Trustees do not believe that there is a significant risk of material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

2. Expenditure on raising funds	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total* £
Fundraising	13,009	-	13,009	13,365
Exhibitions and other costs	5,554	-	5,554	3,056
	<u>18,563</u>	<u>-</u>	<u>18,563</u>	<u>16,421</u>

\*2019: all unrestricted expenditure

Notes to the financial statements (continued)  
For the year ended 29 February 2020

### 3. Charitable expenditure

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds* £
<b>Grants</b>				
Grant to SPUC Pro-Life Ltd	200,000	-	200,000	50,000
Grant to SPUC Scotland	28,000	-	28,000	28,000
Grant to Provita Romania	-	10,825	10,825	14,850
Grants for research, education etc.	4,950	-	4,950	6,464
<b>Other direct costs</b>				
ARCH	67,129	-	67,129	62,674
Publishing and printing	8,622	-	8,622	8,285
International	53,918	-	53,918	52,313
Support and governance costs (note 4)	61,704	-	61,704	67,455
	<u>424,323</u>	<u>10,825</u>	<u>435,148</u>	<u>290,041</u>

\*2019: all unrestricted expenditure except for the Grant to Provita Romania

### 4. Support and Governance costs

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Bank charges and interest	469	-	469	538
Telephone and office costs	13,465	-	13,465	3,054
Sundry expenses	2,220	-	2,220	4,058
Staff employment costs	4,094	-	4,094	4,230
Property costs	16,605	-	16,605	16,605
New Preston office costs	554	-	554	3,095
Trustees travel costs	823	-	823	1,274
Employment allowance	(12,000)	-	(12,000)	-
Professional services	11,879	-	11,879	13,423
Investment managers' fees	23,595	-	23,595	21,178
Allocated to charitable expenditure	<u>61,704</u>	<u>-</u>	<u>61,704</u>	<u>67,455</u>

Support costs are those incurred directly in support of expenditure on the objectives of the charity. Governance costs for the year ending 29 February 2020 totalled £35,473 (2019: £34,601).

The auditor's remuneration of £11,879 (2019: £13,423) related solely to the audit with no other additional work being undertaken (2019: £nil).

**Notes to the financial statements (continued)**  
**For the year ended 29 February 2020**

<b>5. Investment income</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Equities and fixed interest (note 7)	55,367	60,602
Other interest	4,171	2,667
	<u>59,538</u>	<u>63,269</u>
<b>6. Tangible fixed assets</b>	<b>Fixtures &amp; fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 March 2019 and at 29 February 2020	<u>18,714</u>	<u>18,714</u>
<b>Depreciation</b>		
At 1 March 2019	6,057	6,057
Charge for year	3,854	3,854
At 29 February 2020	<u>9,911</u>	<u>9,911</u>
<b>Net book value</b>		
<b>At 29 February 2020</b>	<u>8,804</u>	<u>8,804</u>
At 28 February 2019	<u>12,657</u>	<u>12,657</u>
<b>7. Fixed asset investment</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>a. Unlisted investment at cost:</b>		
Shares in Stannary Property Limited	20	20
Loan to Stannary Property Limited	210,000	210,000
	<u>210,020</u>	<u>210,020</u>

In 2007 The SPUC Educational Research Trust loaned £200,000 to Stannary Property Limited, a company in which it is a shareholder, together with a further £10,000 in 2010. The loan comprises £70,000 which is interest free and £140,000 on which interest is charged at a rate of 1% over the Charities Official Investment Fund Deposit rate. This loan was transferred over to SPUC Education and Research Trust on 1 March 2012.

**Notes to the financial statements (continued)**  
**For the year ended 29 February 2020**

**7. Fixed asset investments (continued)**

**b. Listed investments at market value:**

	<b>Fixed Interest £</b>	<b>Equities £</b>	<b>2020 Total £</b>	<b>2019 Total £</b>
Brought forward 1 March 2019	371,986	1,408,142	1,780,128	1,694,676
Additions in year at cost	38,703	68,423	107,126	135,508
Disposals at market value	(40,000)	(88,506)	(128,506)	(103,276)
Net investment gains/(losses) in the year	9,169	58,285	67,454	53,220
Holdings carried forward at market value	<u>379,858</u>	<u>1,446,344</u>	<u>1,826,202</u>	<u>1,780,128</u>
Historical cost at 29 February 2020	<u>350,017</u>	<u>1,006,360</u>	<u>1,356,377</u>	<u>1,358,120</u>
Investment income therefrom	<u>6,423</u>	<u>48,944</u>	<u>55,367</u>	<u>60,602</u>

There were no investments representing more than 5% of the portfolio's value.

**Reconciliation of movements in unrealised gains/(losses) on investments**

	<b>2020 £</b>	<b>2019 £</b>
Disposals at market value	128,506	103,276
Historical cost of disposals	<u>(107,816)</u>	<u>(85,433)</u>
Realised profit based on historical cost	20,690	17,843
Unrealised profit/(loss) at 29 February 2020	<u>46,764</u>	<u>35,377</u>
	<u>67,454</u>	<u>53,220</u>
<b>Total of investments carried forward 29 February 2020</b>	<b><u>2,036,222</u></b>	<b><u>1,990,148</u></b>

Included in bank balances of £268,366 (2019: £143,952) is an amount of £13,995 (2019: £15,774) held by stockbrokers pending further investment.

**Notes to the financial statements (continued)**  
**For the year ended 29 February 2020**

**8. Investment Property**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Fair value</b>		
1 March 2019	225,000	-
Reclassification	-	225,000
At 29 February 2020	<u>225,000</u>	<u>225,000</u>

The Trustees consider the valuation of the investment property in the financial statements to represent its current market value. The historical cost of this property is £225,000.

**9. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	541	166
Other debtors and prepayments	29,296	20,546
	<u>29,837</u>	<u>20,712</u>

**10. Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	6,199	3,476
Taxation and social security	3,436	3,283
SPUC Pro-Life Limited	1,612	1,203
Accruals and deferred income	21,663	17,640
	<u>32,910</u>	<u>25,602</u>

The SPUC Pro-Life Limited balance is an interest free current account.

**Notes to the financial statements (continued)**  
**For the year ended 29 February 2020**

**11. Movement on funds****a. Restricted funds**

	Movement in resources			Balance c/fwd £
	Balance b/fwd £	Incoming £	Outgoing £	
Pro-Vita Romania Fund	14	10,825	(10,839)	-
USA Restricted Donation	-	36,311	-	36,311
	<u>14</u>	<u>47,136</u>	<u>(10,839)</u>	<u>36,311</u>

Movement in resources – previous year				
	Balance b/fwd £	Incoming £	Outgoing £	Balance c/fwd £
	14	14,850	(14,850)	14

The Pro-Vita Romania Fund was created to donate funds specifically received to Asociatia Pro vita Media, a pro-life organisation working to develop pro-life programmes in Romania intended to protect the lives of unborn children.

During the year to Feb 2020, the Trust received a grant of £36,311 from NPT Transatlantic Trust.

The Trust plan to use this fund for the production and distribution of educational material for primary schools, supported by online resources, which consists of lessons on the biological development of human life in the womb. In addition to this the Trust will organise a conference aimed at medics to help them understand the tell-tale signs of coercive control from partners, sex-traffickers, parents etc. who may force a woman/girl to have an abortion against her will. Although the precise details of the project have yet to be worked out (e.g. Seminars may be replaced by actors to act out scenarios) the overall purpose of the project is to train medics to recognise and prevent cases of coerced abortion.

Notes to the financial statements (continued)  
For the year ended 29 February 2020

## b. Unrestricted funds

	Movement in resources		
	Balance b/fwd £	Incoming £	Outgoing £
General fund	2,376,804	571,117	(442,872)

Movement in resources – previous year			
	Balance b/fwd £	Incoming £	Outgoing £
General fund	2,398,869	269,547	(291,612)

## c. Analysis of net assets between funds:

	Unrestricted Funds £	Restricted Funds £	2020 Total £
Tangible assets	8,804	-	8,804
Investments	2,036,222	-	2,036,222
Investment property	225,000	-	225,000
Net current assets	235,023	36,311	271,334
	2,505,049	36,311	2,541,360

## Analysis of net assets between funds – previous year

	Unrestricted Funds £	Restricted Funds £	2019 Total £
Tangible assets	12,657	-	12,657
Investments	1,990,148	-	1,990,148
Investment property	225,000	-	225,000
Net current assets	148,999	14	149,013
	2,376,804	14	2,376,818

**Notes to the financial statements (continued)**  
**For the year ended 29 February 2020**

**12. Employees****Average number of employees during the year:**

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Management, administration and fundraising	1	1
ARCH	2	2
International	1	1
	<u>4</u>	<u>4</u>

**Employment costs**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	71,552	71,704
Social security costs	7,365	4,090
	<u>78,917</u>	<u>75,794</u>

No employee earned more than £60,000 during this, or the previous year.

There was no remuneration paid to trustees during this, or the previous year.

Three trustees were reimbursed for travel costs during the year. The total cost in the year was £823.44 (2019: £1,274).

**13. Related party transactions**

The trust has made a loan of £210,000 to Stannary Property Limited, a company in which the trust is a shareholder (Note 8). The trust also paid £16,605 to Stannary Property Limited during the year for rent (2019: £16,605).

During the year SPUC Education and Research Trust made a grant to SPUC Pro-Life Limited of £200,000 (2019: £50,000) for its educational work. During the year SPUC Education and Research Trust made a grant to SPUC Pro-Life Limited (Scotland) of £28,000 (2019: £28,000) for its educational work. At the year-end SPUC Education and Research Trust owed £1,612 (2019 £1,203) to SPUC Pro-Life Limited. All of the trustees of the charity are directors of SPUC Pro-Life Limited.



Notes to the financial statements (continued)  
For the year ended 29 February 2020

## 14. Comparative figures for the financial statements

SPUC Education and Research Trust  
Statement of Financial Activities  
For the year ended 28 February 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
<b>Income:</b>				
Donations and legacies				
- Legacies		38,510	-	38,510
- Donations		78,538	11,880	90,418
- Income tax recoverable		7,156	2,970	10,126
Property income		20,000	-	20,000
Investment income	5	63,269	-	63,269
Other trading activities				
- Sale of educational materials		8,854	-	8,854
<b>Total income</b>		<b>216,327</b>	<b>14,850</b>	<b>231,177</b>
<b>Expenditure:</b>				
Raising funds	2	16,421	-	16,421
Charitable activities	3	275,191	14,850	290,041
<b>Total expenditure</b>		<b>291,612</b>	<b>14,850</b>	<b>306,462</b>
<b>Net income/(expenditure) and net movement in funds before gains and losses on investments</b>		<b>(75,285)</b>	<b>-</b>	<b>(75,285)</b>
Net gains/(losses) on investments	7	53,220	-	53,220
<b>Net Movement in funds</b>		<b>(22,065)</b>	<b>-</b>	<b>(22,065)</b>
<b>Reconciliation of funds</b>				
Total Funds brought forward		2,398,869	14	2,398,883
<b>Total funds carried forward</b>		<b>2,376,804</b>	<b>14</b>	<b>2,376,818</b>

