

The Nesbitt - Cleland Charitable Trust

Financial Statements

Year Ended 5 April 2020

Charity No: 1123861

THE NESBITT - CLELAND CHARITABLE TRUST

Report and Financial Statements for the year ended 5 April 2020

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Trustees

Stephen James Nesbitt
Aileen Elizabeth Nesbitt
Matthew David Nesbitt
Joel Robert Nesbitt
Harry William Nesbitt

Principal Office

North Standen House, Hungerford, Berkshire, RG17 0QZ

Independent Examiner

Andrew McNamara B.Acc CA, BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX

Investment Managers

Schroder & Co Limited, 100 Wood Street, London, EC2V 7ER

Bankers

Schroder & Co Limited, 100 Wood Street, London, EC2V 7ER

THE NESBITT - CLELAND CHARITABLE TRUST

Report of the Trustees for the year ended 5 April 2020

The Trustees present their report together with the Financial Statements of the charity for the year ended 5 April 2020. The Financial Statements have been prepared in accordance with the accounting policies set out on page 9 and comply with the charity's trust deed and applicable law.

Structure, Governance and Management

The Nesbitt-Cleland Charitable Trust is constituted under a Trust deed dated 27 March 2008. It is a registered charity no. 1123861.

The Trustees who have served during the year and since the year end are set out on page 1.

Where there is a requirement for new Trustees, this would be identified by the remaining Trustees.

Risk management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that such risks are continuously monitored and that appropriate steps can be taken to lessen these risks.

Objectives and Activities

The objects of the charity are to apply the income and capital of the trust for charitable purposes as the Trustees shall in their absolute discretion determine.

Grant making policy

All applications received are considered by the Trustees on their own merit for suitability of funding.

Public benefit

In meeting the objectives the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and judge that all donations made meet this guidance. All donations are listed in note 5 on page 10.

Achievements and Performance

The Trustees have continued to apply their funds in accordance with the objectives of the Trust and their grant making policy. Donations totalling £235,000 have been made in the year (2019 - £225,130) and are detailed in note 5 of these Financial Statements.

Financial Review

The Trust's investments are managed by Schroder & Co Limited under a discretionary mandate and a conservative investment policy which aims at maintaining the capital of the charity through diversification whilst maintaining sufficient liquidity for the trust's foreseeable needs and donations.

The market value of the investment portfolio at 5 April 2020 was £78,638 (2019 - £89,856).

The balance of cash held at 5 April 2020 was £9,749 (2019 - £66,018).

THE NESBITT - CLELAND CHARITABLE TRUST

Report of the Trustees for the year ended 5 April 2020 (continued)

Reserves policy

The Trustees' policy is to maintain their continuing level of support under the grant making policy that they have agreed. If income resources are insufficient to cover the grants then recourse is made to the other funds of the Trust. The Trustees do not consider that any minimum level of resources is required.

Plans for the future

The Trustees intend to continue providing grants in a similar way to the recent past but retaining flexibility as to the timing, and scale of grant making.

COVID-19

Towards the end of the year, the development of the Coronavirus (COVID-19) outbreak across the world has had an unforeseen impact on the Charity, along with all other organisations. The Trustees followed official UK government advice and instituted home working and online meetings to replace face to face gatherings. The Trustees also considered operational aspects, and although many of the operations of the Charity have been temporarily carried out from home, the Charity considers it has sufficient cover in critical operational areas to manage its activities.

Whilst the full effects of these changes are largely unknown, the financial impacts are being closely monitored by the Trustees and their investment managers. The Charity is currently holding a limited cash reserve, but if needed can raise further liquidity from sale of investments without any penalty, to be in a position to operate and meet costs for the next 12-18 months given the current crisis. The Trustees do not anticipate any significant threat to the continued operation of the Charity although the Trustees will be monitoring the effect on income levels in conjunction with grant applications for the foreseeable future.

Trustees' responsibilities in relation to the Financial Statements

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 charity's financial activities during the year and of its financial position at the end of the year. In preparing those Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates 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; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

THE NESBITT - CLELAND CHARITABLE TRUST

Report of the Trustees for the year ended 5 April 2020 (continued)

Trustees' responsibilities in relation to the Financial Statements (continued)

The Trustees are responsible for keeping accounting records which 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 and 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.

Approved by the Trustees and signed on their behalf by:



Stephen James Nesbitt
Trustee

Date: 16/12/2020

Independent Examiner's Report to the Trustees of

The Nesbitt - Cleland Charitable Trust

I report to the trustees on my examination of the accounts of The Nesbitt-Cleland Charitable Trust for the period ended 5 April 2020.

Responsibilities and basis of report

As the charity Trustees of the Trust 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 Trust's accounts carried out under section 145 of the 2011 Act and in carrying out our 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

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.



Andrew McNamara

BDO LLP

Chartered Accountants

4 Atlantic Quay

70 York Street

Glasgow

G2 8JX

Date: 16 December 2020

THE NESBITT - CLELAND CHARITABLE TRUST

Statement of Financial Activities for the year ended 5 April 2020

	Notes	2020 £	2019 £
Income and endowments from			
Donations and legacies	2	162,500	250,019
Investments	3	5,115	5,781
		<u>167,615</u>	<u>255,800</u>
Expenditure on			
Charitable activities	4	241,384	231,678
Total		<u>241,384</u>	<u>231,678</u>
Net income/(expenditure) before investment gains/(losses)		(73,769)	24,122
Net gains/(losses) on investments	7	(11,218)	(20,724)
Net movement in funds		<u>(84,987)</u>	<u>3,398</u>
Total funds at 6 April 2019		<u>199,514</u>	<u>196,116</u>
Total funds at 5 April 2020		<u><u>114,527</u></u>	<u><u>199,514</u></u>

All funds are unrestricted and relate to continuing activities.

The notes on pages 9 to 12 form part of these Financial Statements

THE NESBITT - CLELAND CHARITABLE TRUST

Balance Sheet as at 5 April 2020

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Investments	7		<u>88,387</u>		<u>155,874</u>
			88,387		155,874
Current Assets					
Debtors	8	<u>32,500</u>		<u>50,000</u>	
		32,500		50,000	
Current Liabilities					
Creditors: amounts falling due within one year	9	<u>(6,360)</u>		<u>(6,360)</u>	
Net current assets			<u>26,140</u>		<u>43,640</u>
Total net assets			<u>114,527</u>		<u>199,514</u>
Funds					
Unrestricted Funds			<u>114,527</u>		<u>199,514</u>

Approved by the Trustees and signed on their behalf by:



Stephen James Nesbitt
Trustee

The notes on pages 9 to 12 form part of these Financial Statements

THE NESBITT - CLELAND CHARITABLE TRUST

Statement of Cash Flow

	Notes	2020 £	2019 £
Net cash used in operating activities	10	<u>(223,884)</u>	<u>(231,678)</u>
Cash flow from investing activities:			
Dividends and interest from investments		5,115	5,781
Income from donations		162,500	250,019
Net cash provided by investing activities:		<u>167,615</u>	<u>255,800</u>
Change in cash in the year		(56,269)	24,122
Cash brought forward		66,018	41,896
Cash carried forward		<u><u>9,749</u></u>	<u><u>66,018</u></u>
Represented by:			
Schroder & Co Ltd Account		<u><u>9,749</u></u>	<u><u>66,018</u></u>

The notes on pages 9 to 12 form part of these Financial Statements

THE NESBITT - CLELAND CHARITABLE TRUST

Notes to the Financial Statements for the year ended 5 April 2020

1 Principal Accounting Policies

(a) Accounting Convention

The Financial Statements are prepared under the historical cost convention and in preparing the Financial Statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS 102)) and comply with the Charities (Accounts and Reports) Regulations 2005 issued under the Charities Act 2011.

(b) Donations, legacies and similar income

Donations, legacies and similar income are shown in the accounts when receivable and the value of the incoming resources can be measured with sufficient reliability.

(c) Investment income

Investment income is accounted for in the period in which the charity is entitled to receipt.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

(e) Charitable activities

Costs of charitable activities include grants made and an apportionment of overhead and support costs where applicable.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Trust.

(f) Governance costs

Governance costs comprise costs relating to the general running of the charity as opposed to those associated with generating funds or charitable activity.

(g) Fixed asset investments

Investments are stated at closing market value at the balance sheet date. Any gains or losses on revaluation and disposal are shown in the Statement of Financial Activities.

(h) Realised gains and losses

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 purchase cost. Unrealised gains and losses are calculated as the difference between the market value at year end and opening market value (or purchase date if later). Realised and unrealised gains and losses are not separated in the Statement of Financial Assets.

THE NESBITT - CLELAND CHARITABLE TRUST

Notes to the Financial Statements for the year ended 5 April 2020

2	Donations	2020	2019
		£	£
	Donations received	130,000	200,000
	Gift Aid recoverable thereon	32,500	50,000
	Underprovision on Gift Aid recoverable 2017/18	-	19
		<u>162,500</u>	<u>250,019</u>
3	Investment Income	2020	2019
		£	£
	Dividend income	5,018	5,733
	Interest on investments	97	48
		<u>5,115</u>	<u>5,781</u>
4	Charitable Activities	2020	2019
		£	£
	General charitable purpose donations	235,000	225,130
	Support costs (see note 6)	6,384	6,548
		<u>241,384</u>	<u>231,678</u>
5	Grants paid	2020	2019
		£	£
	St Abbs Marine Station	215,000	205,000
	St Abbs Visitor Centre	15,000	10,000
	Heriot Watt University	-	10,130
	Dynamic Earth Charitable Trust	5,000	-
		<u>235,000</u>	<u>225,130</u>
6	Support Costs	2020	2019
		£	£
	Accountancy fees	5,400	5,400
	Independent Examiner fees	960	960
	Under/(over) provision 2018/19	24	24
	LEI Fees	-	164
		<u>6,384</u>	<u>6,548</u>

THE NESBITT - CLELAND CHARITABLE TRUST

Notes to the Financial Statements for the year ended 5 April 2020

7 Investments	2020	2019
	£	£
Market Value at 6 April 2019	89,856	110,580
Movement in unrealised valuation	<u>(11,218)</u>	<u>(20,724)</u>
	(11,218)	(20,724)
Market value at 5 April 2020	<u>78,638</u>	<u>89,856</u>
Cash held within the investment portfolio	9,749	66,018
Total value of portfolio at 5 April 2020	<u>88,387</u>	<u>155,874</u>
Investments at market value comprised:		
UK Securities	<u>78,638</u>	<u>89,856</u>
Historical cost at 5 April 2020	<u>340,707</u>	<u>340,707</u>

Individual investments representing more than 5% of the investment portfolio are shown in the Appendix to these accounts

8 Debtors	2020	2019
	£	£
HMRC - Gift Aid recoverable	<u>32,500</u>	<u>50,000</u>

9 Creditors: Amounts falling due within one year	2020	2019
	£	£
Accountancy Fees	5,400	5,400
Independent Examiners Fees	<u>960</u>	<u>960</u>
	<u>6,360</u>	<u>6,360</u>

THE NESBITT - CLELAND CHARITABLE TRUST

Notes to the Financial Statements for the year ended 5 April 2020

10 Reconciliation of net movements in funds to net cash flow from operating activities

	2020	2019
	£	£
Net income/(expenditure) for the year	(84,987)	3,398
Deduct income from donations	(162,500)	(250,019)
Deduct investment income	(5,115)	(5,781)
Deduct gains/Add loss on investments	11,218	20,724
Decrease in debtors	17,500	-
	<u>(223,884)</u>	<u>(231,678)</u>

11 Related Party Transactions

£215,000 was granted to St Abbs Marine Station during the year to 5 April 2020 (2019 - £205,000), a charity under common control registered in Scotland (number SC041328). No payroll costs were paid on behalf of St Abbs Marine Station during the year (2019 - £Nil), and no other expenses (2019 - £Nil).

£15,000 was granted to St Abbs Visitor Centre during the year to 5 April 2020 (2019 - £10,000), a charity under common control registered in Scotland (SC042087). No payroll costs were paid on behalf of St Abbs Visitor Centre during the year (2019 - £Nil).

12 Trustees' remuneration and benefits

None of the Trustees have been paid any remuneration or received any other benefits from the Charity.

13 Trustees' expenses

No trustees' expenses were incurred in the year ended 5 April 2020 (2019 - £Nil).

THE NESBITT - CLELAND CHARITABLE TRUST

Appendix

Schedule of Investments

5 April 2020

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Schedule of Investments for the year ended 5 April 2020

		Opening Balances			Acquisitions		Disposals			Closing				
		Units	Cost £	Market Value	Units	Cost £	Units	Proceeds £	Cost £	Profit/Loss £	Units	Cost £	Market Value £	Income £
Man Group PLC														
Ordinary USD 0.03 shares														
06-Apr-19	b/fwd	63,279	340,707	89,856										
17-May-19	Income													2,569
04-Sep-19	Income													2,449
05-Apr-20	c/fwd										63,279	340,707	78,638	
			<u>340,707</u>	<u>89,856</u>		<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>		<u>340,707</u>	<u>78,638</u>	<u>5,018</u>