

## SCHOLARSHIP TRUST FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

| CONTENTS                                | PAGE    |
|---|---------|
| Trustees Report and General Information | 2 - 5   |
| Auditors Report                         | 6 - 8   |
| Statement of Financial Activities       | 9       |
| Balance Sheet                           | 10      |
| Statement of Cash Flows                 | 11      |
| Notes to the Financial Statements       | 12 - 18 |

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## TRUSTEES REPORT

The Trustees present their report and financial statements of Scholarship Trust Fund (the "Trust") for the year ended 31st December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the 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 Standards applicable in the UK and Republic of Ireland published on 1st January 2019.

**OBJECTIVES AND ACTIVITIES**

The Trustees are directed to hold capital and income of the Trust for such charitable institutions or charitable purposes as the Trustees shall from time to time in their absolute discretion determine. There have been no changes to the Trust Deed during the past year.

Income of the fund is applied at the sole discretion of the Trustees to further medical research and the further education of medical practitioners and research scientists. Each year the Trustees usually hold a research grants awards ceremony to celebrate the success of the projects funded, although this year due to COVID 19 the Trustees were unable to arrange this ceremony.

The BMA has a long history of supporting medical research and academic medicine, and is the oldest medical organisation in the world to award grants and prizes to encourage and further medical research. The grants are awarded to clinical academic doctors and research scientists, and aim to support grant winners in their research aims and career development.

Trustees have had regard to the Charity Commission's guidance on Public Benefit.

Each year, research grants totalling approximately £500,000 are awarded under the auspices of the BMA board of science, all funded by past bequests to the BMA, to fund basic and clinical medical research. In 2020 the BMA awarded research funding to 17 different projects, across a diverse range of research topics, from arthritis to mental illness to cancer. These grants are distributed through Scholarship Trust Fund, Joan Dawkins Fund, The T V James Trust and H C Roscoe Trust Fund.

The BMA plans to continue supporting the best possible research and researchers, for the advancement of health and the medical profession.

**GRANT MAKING POLICY STATEMENT**

The Trust has established its grant making policy to achieve its objects for the public benefit.

The BMA Foundation for Medical Research Grants are advertised widely on an annual basis, including on the BMA website and in the *British Medical Journal*. Applications are invited from medical practitioners and/or research scientists between December and March. These are then independently assessed by expert reviewers. Winners are ratified by the Research Grant Trustees and received by the Board of Science.

The BMA Foundation for Medical Research Grants encourage and further medical research, benefiting both applicants and the greater public. The BMA supports a broad spectrum of research with the objective of eliminating and/or improving the treatment of many conditions. This funding allows doctors and research scientists the opportunity to either continue research already in progress or to commence new research. Past winners of BMA research grants advocate that the projects they have worked on as a result of funding have contributed positively to their career progression.

**ACHIEVEMENTS AND PERFORMANCE**

During the year the Trustees made twelve new awards to the value of £593,957 (2019: fifteen awards £555,862) which will be drawn down over a three year period. Payments continue to be made against the previous year's commitments.

**FINANCIAL REVIEW**

The charity's income has decreased from £707,949 in 2019 to £590,176 in 2020.

Net grants amounted to £547,538 (2019 - £519,843) which after management and administration costs left a deficit of £(78,468) (£110,832 a surplus in 2019) which was carried over to the accumulated fund. The financial information is presented in £sterling.

At the end of the year the unrestricted reserves totalled £11,841,609 (2019: £12,710,843)

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## TRUSTEES REPORT ...../continued

The COVID 19 pandemic has impacted on the investment income of the charity and this will continue into 2021 after it has been absorbed into the BMA Foundation. The loss of income and expected loss of income has been taken into account in planning funds available for grant giving in the short to medium term.

**INVESTMENT POLICY**

The charity has adopted a total return policy for its investments which the trustees have agreed with the investment managers. It is the trust's policy to specifically exclude investments in armaments and tobacco.

It is the policy of the Trust to maximise its investment income so that a wide range of good causes can be supported each year.

**RISK MANAGEMENT**

The Trustees have examined the major strategic, business and operations risks which the trust faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

**RESERVES POLICY**

An annual grant budget is approved by the Trustees. It is linked to the budgeted income less known recurring costs. The Trust has significant reserves in which to draw in the event of a shortfall and Trustees feel it unnecessary to have additional funds in place to cover short terms needs.

**PLANS FOR FUTURE PERIODS**

It is the Trustees intention to continue the present policy of grant making, within annual income for the foreseeable future. The size and nature of grants are revised annually dependent on the expected annual income.

The Trustees are planning to try and maximise future legacy income by utilising the services of a legacy Notification Service and by raising awareness generally to try to maintain and increase legacies in future. Nicky Jayasinghe, Head of Research Grants will be leading this work.

Trustees work closely with Trustees from:

HC Roscoe Trust Fund  
The TV James Trust  
Joan Dawkins Fund

All four charities work in similar ways to deliver their common charitable objectives. Trustees have for some time been considering amalgamating all four charities to reduce administration and release more funds for the charitable objectives. A new charity, The BMA Foundation, has been established and from 1st January 2021 the assets, liabilities and work of all four charities will be merged into this entity. Advice has been taken from the Charity Commission regarding this merger.

**STRUCTURE GOVERNANCE AND MANAGEMENT**

The Trust is a registered charity, number 245997 and is constituted by Trust Deed dated 8th November 1965. Its objects are very wide ranging.

The Trustees named on page 4 have served during the year. The appointment of trustees is governed by the Trust Deed of the Charity.

Trustees are by virtue of their occupations familiar with the areas in which the Trust makes grants. They are informed through the Trust's infrastructure of any matters relating to Charity Law and accounting requirements that they should be aware of.

The Trustees have very wide investment powers to manage the Trust's assets.

The Trustees meet annually to assess grant and loan applications.

Day to day administration is delegated to the members of the BMA team and the Trustees receive reports at their meetings.

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## TRUSTEES REPORT ...../continued

**KEY MANAGEMENT PERSONNEL REMUNERATION**

The Trustees consider the Board of Trustees and the Head of the BMA Foundation for Medical Research Grants as comprising the key management personnel of the Charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give their time freely and no trustee remuneration was paid in the year. Details of trustees expenses and related party transactions are disclosed in note 3 to the accounts.

Trustees are required to disclose all relevant interest and register them with the Head of the BMA Foundation for Medical Research Grants and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**CURRENT TRUSTEES AND THOSE WHO HAVE SERVED DURING THE YEAR** Dr C Nagpaul  
Professor Dame Parveen Kumar  
Dr Trevor Pickersgill

**DIRECTOR OF THE BMA FOUNDATION  
FOR MEDICAL RESEARCH** N Jayasinghe

**PRINCIPAL OFFICE** British Medical Association  
BMA House  
Tavistock Square  
London  
WC1H 9JP

**REGISTERED CHARITY NO.** 2E+05

**NATURE OF GOVERNING DOCUMENT** Trust deed

**BANKERS** C A F Bank  
Charities Aid Foundation  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4TA

**FUND  
MANAGERS** Charles Stanley & Company Limited  
25 Luke Street  
London  
EC2A 4AR

**AUDITORS** Prentis & Co LLP  
Chartered Accountants & Statutory Auditors  
115c Milton Road  
Cambridge  
CB4 1XE

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## TRUSTEES REPORT ...../continued

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

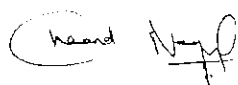
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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:

- (i) Select suitable accounting policies and then apply them consistently.
- (ii) Observe the methods and principles of the Charities SORP.
- (iii) Make judgements and estimates that are reasonable and prudent.
- (iv) State whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements.
- (v) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ascertain that the financial statements comply with section 4 of the Charities Act 2011, the Charity (Accounts and Reports) Regulations 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.

This annual report was approved by the Trustees on 22 October 2021  
and signed on their behalf



.....  
DR C NAGPAUL  
Trustee

For and on behalf of the Trustees

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE SCHOLARSHIP TRUST FUND

## OPINION

We have audited the financial statements of The Scholarship Trust Fund for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes.

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).

This report is made solely to the Trustees, as a body, in accordance with the Charities Act 2011. 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 auditors' 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## BASIS OF 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 FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 6 to the financial statements, 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.

## EMPHASIS OF MATTER – GOING CONCERN

We draw your attention to note 2 to the financial statements which explains that the trustees intend to merge the following trusts, Scholarship Trust Fund, Joan Dawkins Fund, H C Roscoe Trust Fund and The TV James Trust into one consolidate charity, The BMA Foundation on 1<sup>st</sup> January 2021. We therefore do not consider it to be appropriate to adopt the going concern basis of the accounts in preparing the financial statements. Our opinion is not modified in this respect.

## OTHER INFORMATION

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the Trustees' Report.

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 Trustees' Report and, in doing so, consider whether the Trustees' Report 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.

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SCHOLARSHIP TRUST FUND

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you 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.

## RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 5, 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

## IDENTIFYING AND ASSESSING POTENTIAL RISKS RELATED TO IRREGULARITIES

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the industry and sector, control environment and business performance, including the design of the charity's remuneration policies.
- We have enquired with management in regards to their own assessment of the risks of irregularities, including fraud.
- We have obtained relevant documentation and representations in order to form an opinion on potential irregularities, including fraud.
- Our audit work is limited to samples inherently used under International Auditing Standards, therefore not all transactions are reviewed so the detection of irregularities, including fraud is limited to this.
- Any matter we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they are aware of any non-compliance.
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
  - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SCHOLARSHIP TRUST FUND

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud is in relation to the overstatement of revenue. In common with all audits under ISAs (UK). We are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory environment and frameworks in which the charity operates, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Statement of Recommended Practice for Charities and The Trust Deed.

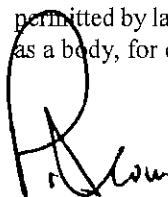
In addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements, but compliance which may be fundamental for the charity to operate or to avoid a material penalty. These included compliance with discrimination in the workplace, health and safety and in relation to the current pandemic, compliance with Covid-19 Government regulations.

Relevant identified laws and regulations were communicated within the engagement team so they remained alert throughout the audit for indications of fraud or non-compliance.

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 AUDIT 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) Regulation 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.



PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS  
& STATUTORY AUDITORS  
115c Milton Road  
Cambridge  
CB4 1XE

22 October 2021

Prentis & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## STATEMENT OF FINANCIAL ACTIVITIES

|  | Note | Year ended 31st December 2020 |                 |                  |                                   | Year ended 31st December 2019 |                |                  |                                       |
|--|------|-------------------------------|-----------------|------------------|-----------------------------------|-------------------------------|----------------|------------------|---------------------------------------|
|  |      | Unrestricted Funds            |                 | Restricted Funds | Unrestricted and Restricted Funds | Unrestricted Funds            |                | Restricted Funds | All Unrestricted and Restricted Funds |
|  |      | £                             | £               | £                | £                                 | £                             | £              | £                | £                                     |
| <b>INCOME AND ENDOWMENTS</b>   |      |                               |                 |                  |                                   |                               |                |                  |                                       |
| Donations and legacies: Bequests                                     | 4a   | 32,560                        | 124,400         |                  | 156,960                           | 15,259                        | 65,000         |                  | 80,259                                |
| Investment income  | 4b   | 404,055                       | 29,161          |                  | 433,216                           | 586,769                       | 40,921         |                  | 627,690                               |
| <b>TOTAL INCOME</b>  |      | <u>436,615</u>                | <u>153,561</u>  |                  | <u>590,176</u>                    | <u>602,028</u>                | <u>105,921</u> |                  | <u>707,949</u>                        |
| <b>EXPENDITURE</b>   |      |                               |                 |                  |                                   |                               |                |                  |                                       |
| Costs of raising funds: Investment management costs                  |      | 16,548                        | -               |                  | 16,548                            | 16,969                        | -              |                  | 16,969                                |
| Charitable activities  | 5    | 521,983                       | 124,399         |                  | 646,382                           | 513,171                       | 66,977         |                  | 580,148                               |
| <b>TOTAL EXPENDITURE</b>   |      | <u>538,531</u>                | <u>124,399</u>  |                  | <u>662,930</u>                    | <u>530,140</u>                | <u>66,977</u>  |                  | <u>597,117</u>                        |
| <b>NET INCOME/(EXPENDITURE) BEFORE GAINS/(LOSSES) ON INVESTMENTS</b> |      | (101,916)                     | 29,162          |                  | (72,754)                          | 71,888                        | 38,944         |                  | 110,832                               |
| Net gains/(losses) on investments assets                             | 9    | (761,604)                     | (54,967)        |                  | (816,571)                         | 1,584,876                     | 110,529        |                  | 1,695,405                             |
| <b>NET MOVEMENT IN FUNDS</b>   |      | <u>(863,520)</u>              | <u>(25,805)</u> |                  | <u>(889,325)</u>                  | <u>1,656,764</u>              | <u>149,473</u> |                  | <u>1,806,237</u>                      |
| <b>RECONCILIATION OF FUNDS</b>                                       |      |                               |                 |                  |                                   |                               |                |                  |                                       |
| Total funds brought forward  |      | 12,710,843                    | 867,367         |                  | 13,578,210                        | 11,054,079                    | 717,894        |                  | 11,771,973                            |
| Total funds at carried forward                                       |      | <u>11,847,323</u>             | <u>841,562</u>  |                  | <u>12,688,885</u>                 | <u>12,710,843</u>             | <u>867,367</u> |                  | <u>13,578,210</u>                     |

The notes on pages 12 to 18 form part of these financial statements.

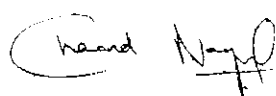
## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## BALANCE SHEET

|                                       | Note | 2020<br>Total<br>£ | 2019<br>Total<br>£ |
|---------------------------------------|------|--------------------|--------------------|
| <b>FIXED ASSETS</b>                   |      |                    |                    |
| Investments                           | 9    | 14,123,523         | 14,646,659         |
| <b>CURRENT ASSETS</b>                 |      |                    |                    |
| Debtors                               | 10   | -                  | 680                |
| Cash at bank                          |      | 142,724            | 393,017            |
| <b>TOTAL CURRENT ASSETS</b>           |      | 142,724            | 393,697            |
| <b>LIABILITIES</b>                    |      |                    |                    |
| Creditors falling due within one year | 11   | 1,577,362          | 1,462,146          |
| <b>NET CURRENT LIABILITIES</b>        |      | (1,434,638)        | (1,068,449)        |
| <b>NET ASSETS</b>                     |      | 12,688,885         | 13,578,210         |
| <b>THE FUNDS OF THE CHARITY</b>       |      |                    |                    |
| Unrestricted funds                    |      | 11,847,323         | 12,710,843         |
| Restricted funds                      |      | 841,562            | 867,367            |
| <b>Total funds</b>                    | 12   | 12,688,885         | 13,578,210         |

The notes on pages 12 to 18 form part of these accounts and were approved by the trustees on 22 October 2021 and signed on their behalf by:



.....  
DR C NAGPAUL  
TRUSTEE

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## STATEMENT OF CASH FLOWS

|   | Note | 2020<br>Total<br>£ | 2019<br>Total<br>£ |
|---|------|--------------------|--------------------|
| <b>Net cash provided by/(used in) operating activities</b>            | 13   | (390,075)          | (233,981)          |
| <b>Cash flows from investing activities:</b>                          |      |                    |                    |
| Interest and dividends  |      | 433,216            | 627,690            |
| Cash invested   |      | (310,000)          | (350,000)          |
| Management fees paid from capital account                             |      | 16,566             | 16,700             |
| <b>Net cash provided by/(used in) investing activities</b>            |      | <u>139,782</u>     | <u>294,390</u>     |
| Change in cash and cash equivalents<br>in the reporting period        |      | (250,293)          | 60,409             |
| Cash and cash equivalents at the<br>beginning of the reporting period |      | <u>393,017</u>     | <u>332,608</u>     |
| Cash and cash equivalents at the<br>end of the reporting period       | 13   | <u>142,724</u>     | <u>393,017</u>     |

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## NOTES TO THE FINANCIAL STATEMENTS

**1) ACCOUNTING POLICIES****(a) BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN**

The financial statement 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) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

As explained in note 2 the Charity transferred the activities, assets and liabilities to the BMA Foundation on 1st January 2021 and has ceased activity.

As required by UK accounting standards, the Trustees have prepared the financial statements on the basis that the charity is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities were transferred to the BMA Foundation at their carrying amounts.

The current situation regarding the COVID 19 pandemic has been considered by Trustees. The impact on the Trust is likely to mean a short to medium term reduction in investment income which in the view of Trustees can comfortably be absorbed from existing reserves. There is in the view of Trustees no need to reduce the level of grant funding at present. This will be kept under review.

**(b) INCOME RECOGNITION**

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

- Investment income is accounted for when receivable. Tax recoverable relating to Investment income is accounted for in the same period as the related income.

- Bequests are accounted for when receivable. This is when certainty is established and the bequest can be quantified.

**(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 obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Charitable support expenses and governance costs include all expenditure not directly relating to the charitable activity. This includes costs of renting office premises, fees for accountancy and administrative support.

- Charitable grants payable are reflected in the accounts during the year in which the grant was made, and any amounts outstanding at the year end are included in current liabilities. When grants awarded expire unclaimed they are recredited.

**(d) VALUE ADDED TAX**

Value added tax is not recoverable by the Trust, and such is included in the relevant costs in the Statement of Financial Activities.

**(e) COST OF RAISING FUNDS**

The costs of generating funds consist of investment management costs and certain legal fees.

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

**(f) FIXED ASSETS 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 the revaluation and disposal 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 and sub sectors.

**(g) 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.

**(h) RESTRICTED FUNDS INCOME**

Where monies are held for restricted funds at the start of the year an appropriate share of investment income is credited to those funds.

**2) THE FUTURE OF THE CHARITY**

The charity ceased trading at the balance sheet date. On 1st January 2021 the assets and liabilities of the charity were transferred to a new entity the BMA Foundation. This Registered Charity has been set up to merge the Charity and its three associated charities, Joan Dawkins Fund, The T V James Trust and H C Roscoe Trust Fund with a view to reducing costs, releasing more funds for charitable activities. The new entity will absorb the assets and liabilities of all four charities and will honour all commitments, along with any restrictions placed on funds held.

**3) RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES AND REMUNERATION**

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019: £nil). No expenses were paid to the Trustees during the year (2019: £nil).

The British Medical Association provided staffing to the charity for which it charged £96,787 (2019: £42,821) for the year.

No amounts were outstanding at the year end.

**4a)****BEQUESTS AND GRANTS****Year ended 31st December 2020**

|                              | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>Funds<br>£ |
|------------------------------|----------------------------|--------------------------|---------------------|
| Jon Moulton Foundation Grant | -                          | 124,400                  | 124,400             |
| Rosetrees                    | 32,560                     | -                        | 32,560              |
|                              | <u>32,560</u>              | <u>124,400</u>           | <u>156,960</u>      |

**Year ended 31st December 2019**

|                              | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>Funds<br>£ |
|------------------------------|----------------------------|--------------------------|---------------------|
| Jon Moulton Foundation Grant | -                          | 65,000                   | 65,000              |
| Other donations              | 15,259                     | -                        | 15,259              |
|                              | <u>15,259</u>              | <u>65,000</u>            | <u>80,259</u>       |

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## NOTES TO THE FINANCIAL STATEMENTS

|            |                           |                |                |
|------------|---------------------------|----------------|----------------|
| <b>4b)</b> | <b>INVESTMENT INCOME</b>  | 2020           | 2019           |
|            |                           | £              | £              |
|            | Listed UK investments     | 432,980        | 627,258        |
|            | Interest on cash deposits | 236            | 432            |
|            |                           | <u>433,216</u> | <u>627,690</u> |

|           |                                      |                       |                              |                |
|-----------|--------------------------------------|-----------------------|------------------------------|----------------|
| <b>5)</b> | <b>CHARITABLE ACTIVITIES</b>         | Charitable Activities | Support and Governance Costs | Total          |
|           |                                      | £                     | £                            | £              |
|           | <b>Year ended 31st December 2020</b> |                       |                              |                |
|           | Grants (see note 7)                  | 541,824               | -                            | 541,824        |
|           | Bank charges                         | -                     | 88                           | 88             |
|           | Accountancy                          | -                     | 4,781                        | 4,781          |
|           | Audit fee                            | -                     | 2,868                        | 2,868          |
|           | Recharged salaries                   | -                     | 96,786                       | 96,786         |
|           | Miscellaneous                        | -                     | 35                           | 35             |
|           |                                      | <u>541,824</u>        | <u>104,558</u>               | <u>646,382</u> |

|  |                                      |                       |                              |                |
|--|--------------------------------------|-----------------------|------------------------------|----------------|
|  |                                      | Charitable Activities | Support and Governance Costs | Total          |
|  |                                      | £                     | £                            | £              |
|  | <b>Year ended 31st December 2019</b> |                       |                              |                |
|  | Grants (see note 7)                  | 519,843               | -                            | 519,843        |
|  | Bank charges                         | -                     | 108                          | 108            |
|  | Accountancy                          | -                     | 4,694                        | 4,694          |
|  | Audit fee                            | -                     | 2,820                        | 2,820          |
|  | Recharged salaries                   | -                     | 42,821                       | 42,821         |
|  | Computer expenses                    | -                     | 9,827                        | 9,827          |
|  | Miscellaneous                        | -                     | 35                           | 35             |
|  |                                      | <u>519,843</u>        | <u>60,305</u>                | <u>580,148</u> |

- 6) AUDITORS' REMUNERATION**  
The auditors' remuneration constituted an audit fee of £2,868 (2019: £2,820) and management accounts fees and tax work of £4,781 (2019: £4,694).

|   |                |                |
|---|----------------|----------------|
| <b>7) ANALYSIS OF GRANTS</b>  |                |                |
| This is made up of grant commitments to institutions analysed as follows: | 2020           | 2019           |
|   | £              | £              |
| <b>T P Gunton</b>   |                |                |
| 2020 - Dr B Davies  | 57,207         | -              |
| 2019 - Dr A Banerjee  | -              | 65,000         |
| <b>Helen H Lawson</b>   |                |                |
| 2020 - Dr T Waterfield  | 49,200         | -              |
| 2019 - Dr T Newlove-Delgado & Dr O Mitrofan                               | -              | 20,687         |
| 2019 - Dr C Meek & Dr K Beardsall   | -              | 28,000         |
| <b>Josephine Lansdell</b>   |                |                |
| 2020 - Dr T Patterson   | 64,076         | -              |
| 2019 - Dr Elaine Soon   | -              | 64,975         |
| <b>c/fwd to page 15</b>   | <u>170,483</u> | <u>178,662</u> |

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## NOTES TO THE FINANCIAL STATEMENTS

## 7) ANALYSIS OF GRANTS .....continued

|   | 2020           | 2019           |
|---|----------------|----------------|
|   | £              | £              |
| b/fwd from page 14                            | 170,483        | 178,662        |
| <b>Vera Down</b>                              |                |                |
| 2020 - Dr S Rinaldi                           | 64,955         | -              |
| 2019 - Dr R Well                              | -              | 64,988         |
| <b>Kathleen Harper</b>                        |                |                |
| 2020 - Dr A Hammond                           | 57,539         | -              |
| 2019 - Dr M Dubareva & Dr M Scarborough       | -              | 64,998         |
| <b>Doris Hillier</b>                          |                |                |
| 2020 - Dr P Riches                            | 50,857         | -              |
| 2019 - Mr Benjamin Dean                       | -              | 65,000         |
| <b>Scholarship Trust</b>                      |                |                |
| 2020 - Professor A Grant                      | 64,800         | -              |
| 2019 - Dr A Rich & Miss A Medisavskaitė       | -              | 58,209         |
| <b>J Moulton</b>                              |                |                |
| 2020 - Dr A Al-Hindawi                        | 61,109         | -              |
| 2020 - Dr R Brown                             | 63,290         | -              |
| 2019 - Dr G Khandaker & Professor N Barnes    | -              | 64,977         |
| <b>Lift into Research</b>                     |                |                |
| 2020 - Dr K Fairhurst                         | 20,000         | -              |
| 2020 - Dr H Al Hassan                         | 20,000         | -              |
| 2020 - Mr C Hannan                            | 20,000         | -              |
| 2019 - Dr H Akintomide                        | -              | 4,281          |
| 2019 - Dr W Bolton                            | -              | 19,000         |
| 2019 - Dr A Hanrath                           | -              | 10,040         |
| 2019 - Dr A Thaventhiran                      | -              | 5,683          |
| 2019 - Dr S Tingle                            | -              | 15,749         |
| 2019 - Dr J Van Oppen                         | -              | 4,275          |
| <b>Other grants and prizes</b>                | -              | 2,000          |
| Adjustment for grants unclaimed (prior years) | (51,209)       | (38,019)       |
|   | <u>541,824</u> | <u>519,843</u> |

## 8) ANALYSIS OF STAFF COSTS

The Trust does not directly employ any staff.

A recharge of administrative costs, including staff time is recharged to the Trust by the British Medical Association as shown in note 3.

## 9) INVESTMENTS

|                                       | 2020              | 2019              |
|---------------------------------------|-------------------|-------------------|
|                                       | £                 | £                 |
| Market value at 1st January 2020      | 14,023,788        | 11,848,834        |
| Additions                             | 1,448,016         | 558,435           |
| Disposals                             | (704,674)         | (78,886)          |
| Net realised (losses)/gains           | (64,759)          | 17,608            |
| Net unrealised (losses)/gains         | (751,812)         | 1,677,797         |
| Market value at 31st December 2020    | <u>13,950,559</u> | <u>14,023,788</u> |
| Historical cost at 31st December 2020 | <u>10,274,089</u> | <u>9,387,513</u>  |

## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## NOTES TO THE FINANCIAL STATEMENTS

## 9) INVESTMENTS .....continued

|                                    | Cost              |                   | Market Value      |                   |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                    | 2020              | 2019              | 2020              | 2019              |
|                                    | £                 | £                 | £                 | £                 |
| UK Government Fixed interest stock | -                 | 421,036           | -                 | 462,915           |
| Listed equity investments          | 10,274,089        | 8,966,477         | 13,950,559        | 13,560,873        |
|                                    | <u>10,274,089</u> | <u>9,387,513</u>  | <u>13,950,559</u> | <u>14,023,788</u> |
| Cash held at brokers               | 172,964           | 622,871           | 172,964           | 622,871           |
|                                    | <u>10,447,053</u> | <u>10,010,384</u> | <u>14,123,523</u> | <u>14,646,659</u> |

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Asset sales and purchases are recognised at the date of trade cost (that is their transaction value).

The only investment to comprise of more than 5% of the total portfolio valuation is Maitland Institutional Services Ltd - 8.0%. No other investments comprise 5% or more of the portfolio.

## 10) DEBTORS

|                | 2020       | 2019       |
|----------------|------------|------------|
|                | Due within | Due within |
|                | one year   | one year   |
|                | £          | £          |
| Accrued income | -          | 680        |

## 11) CREDITORS

|                               | 2020             | 2019             |
|-------------------------------|------------------|------------------|
|                               | Due within       | Due within       |
|                               | one year         | one year         |
|                               | £                | £                |
| Grant commitments outstanding | 1,546,400        | 1,444,263        |
| Accruals                      | 30,962           | 17,883           |
|                               | <u>1,577,362</u> | <u>1,462,146</u> |

The trustees have accrued as a liability grants which can be claimed over a period of up to three years. The rate of project progression is outside of the control of trustees who accrue in full for the commitment.



## SCHOLARSHIP TRUST FUND

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## NOTES TO THE FINANCIAL STATEMENTS

## 12) ANALYSIS OF FUNDS - 2020

|   | Balance b/f       | Net Investment,<br>Income,<br>Gains/(Losses) | Grants and<br>Bequests | Expenditure         | Balance c/f       |
|---|-------------------|--|------------------------|---------------------|-------------------|
|   | £                 | £  | £                      | £                   | £                 |
| <b>RESTRICTED FUNDS</b>                   |                   |  |                        |                     |                   |
| <b>Funds supporting long term grants:</b> |                   |  |                        |                     |                   |
| The Trump Estate                          | 846,706           | (21,697)                                     | -                      | -                   | 825,009           |
| Walter Jobson Horne Prize Fund            | 6,862             | (2,481)                                      | -                      | -                   | 4,381             |
| MedFASH                                   | 10,341            | (271)  | -                      | -                   | 10,070            |
| <b>Short term project grants:</b>         |                   |  |                        |                     |                   |
| Jon Moulton Foundation                    | 3,458             | (1,357)                                      | 124,400                | (124,399)           | 2,102             |
| <b>Total restricted funds</b>             | <b>867,367</b>    | <b>(25,806)</b>                              | <b>124,400</b>         | <b>(124,399)</b>    | <b>841,562</b>    |
| <b>Unrestricted funds</b>                 | <b>12,710,843</b> | <b>(357,549)</b>                             | <b>32,560</b>          | <b>(538,531)</b>    | <b>11,847,323</b> |
| <b>Total funds</b>                        | <b>13,578,210</b> | <b>(383,355)</b>                             | <b>156,960</b>         | <b>(662,930)</b>    | <b>12,688,885</b> |
|   |                   |  | Unrestricted<br>Funds  | Restricted<br>Funds | Total             |
|   |                   |  | £                      | £                   | £                 |
| <b>REPRESENTED BY:</b>                    |                   |  |                        |                     |                   |
| Investments                               |                   |  | 13,276,112             | 847,411             | 14,123,523        |
| Cash at bank                              |                   |  | 142,724                | -                   | 142,724           |
| Creditors                                 |                   |  | (1,571,513)            | (5,849)             | (1,577,362)       |
|   |                   |  | 11,847,323             | 841,562             | 12,688,885        |

## ANALYSIS OF FUNDS - 2019

|   | Balance b/f       | Net Investment,<br>Income,<br>Gains/(Losses) | Grants and<br>Bequests | Expenditure         | Balance c/f       |
|---|-------------------|--|------------------------|---------------------|-------------------|
|   | £                 | £  | £                      | £                   | £                 |
| <b>RESTRICTED FUNDS</b>                   |                   |  |                        |                     |                   |
| <b>Funds supporting long term grants:</b> |                   |  |                        |                     |                   |
| The Trump Estate                          | 698,956           | 147,750                                      | -                      | -                   | 846,706           |
| Walter Jobson Horne Prize<br>Fund         | 6,577             | 1,285  | -                      | (1,000)             | 6,862             |
| MedFASH                                   | 9,487             | 1,854  | -                      | (1,000)             | 10,341            |
| <b>Short term project grants:</b>         |                   |  |                        |                     |                   |
| Jon Moulton Foundation                    | 2,874             | 561  | 65,000                 | (64,977)            | 3,458             |
| <b>Total restricted funds</b>             | <b>717,894</b>    | <b>151,450</b>                               | <b>65,000</b>          | <b>(66,977)</b>     | <b>867,367</b>    |
| <b>Unrestricted funds</b>                 | <b>11,054,079</b> | <b>2,171,645</b>                             | <b>15,259</b>          | <b>(530,140)</b>    | <b>12,710,843</b> |
| <b>Total funds</b>                        | <b>11,771,973</b> | <b>2,323,095</b>                             | <b>80,259</b>          | <b>(597,117)</b>    | <b>13,578,210</b> |
|   |                   |  | Unrestricted<br>Funds  | Restricted<br>Funds | Total             |
|   |                   |  | £                      | £                   | £                 |
| <b>REPRESENTED BY:</b>                    |                   |  |                        |                     |                   |
| Investments                               |                   |  | 13,767,859             | 878,800             | 14,646,659        |
| Debtors                                   |                   |  | 680                    | -                   | 680               |
| Cash at bank                              |                   |  | 393,017                | -                   | 393,017           |
| Creditors                                 |                   |  | (1,450,713)            | (11,433)            | (1,462,146)       |
|   |                   |  | 12,710,843             | 867,367             | 13,578,210        |

## SCHOLARSHIP TRUST FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

## NOTES TO THE FINANCIAL STATEMENTS

**13) RECONCILIATION OF INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|  | 2020<br>£        | 2019<br>£        |
|--|------------------|------------------|
| Net income for the reporting period (as per page 9 - SOFA) | (889,325)        | 1,806,237        |
| Adjustments for:   |                  |                  |
| Dividends and interest from investments                    | (433,216)        | (627,690)        |
| (Gains)/losses on investments                              | 816,571          | (1,695,405)      |
| (Increase)/decrease in debtors                             | 680              | 1584             |
| Increase/(decrease) in creditors                           | 115,215          | 281,293          |
| Net cash provided by/(used in) operating activities        | <u>(390,075)</u> | <u>(233,981)</u> |

**ANALYSIS OF CASH AND CASH EQUIVALENTS**

|              | 2020<br>£      | 2019<br>£      |
|--------------|----------------|----------------|
| Cash at bank | <u>142,724</u> | <u>393,017</u> |

**14) CONNECTED PARTIES**

Scholarship Trust Fund is run alongside three other charities:-

Joan Dawkins Fund  
H C Roscoe Trust Fund  
The T V James Trust

The charities have some common trustees and share operational arrangements.