

THE ROBERT ANDERSON RESEARCH CHARITABLE TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Charity Registration No. 800617

THE ROBERT ANDERSON RESEARCH CHARITABLE TRUST

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THE ROBERT ANDERSON RESEARCH CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE DETAILS

Trustees: S J A Stuart-Smith (Chairman)

A C Berendt

Miss E K Gray

Director: C H Naunton M Phil, PhD

Coordinator, D H Davies

Charity Correspondent 9 Holly Terrace

and registered address: Highgate West Hill

London N6 6LX

Bankers: Barclays Bank Plc.
54 Highgate High Street
London N6 5JD

Independent Examiner: C E Osborn ACA
Brook Cottage
Petworth Road
Haslemere
Surrey GU27 3BG

THE ROBERT ANDERSON RESEARCH CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The Trustees present their report and financial statements of the charity for the year ended 31 December 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK published on 16 July 2014.

Objects, Structure, Governance and Management

The charitable trust was established under a trust deed made by the late Dr Robert Anderson dated 8 December 1988. The objects of the charity are to advance the education of under-graduate and post-graduate students, whether from the United Kingdom or overseas, by the provision of financial grants and research facilities to enable them to study in the fields of historical, archaeological, artistic and scientific research.

The original cash bequest was supplemented by further gifts from the Founder, including in 2000 freehold residential property in Highgate, London N6 and also a half share in the freehold of retail premises in Mayfield, East Sussex. In 2006 Dr Anderson gifted his half share in freehold residential accommodation in Kensington, London W8 and the Trustees were able to purchase the other half share for a sum payable by instalments over 25 years. These properties are partly let to provide income for the charity, with those parts not let being devoted to the provision of accommodation for visiting students, principally for short periods of intensive research in London.

Those who were the Trustees of the charity during the year are disclosed on page 1. The trust deed provides for a new Trustee to be appointed by a resolution at a meeting of the Trustees, subject to the number of Trustees being not less than three and not more than five.

The Trustees have been fully briefed on the charity's assets together with its governance and management. They have been provided with a copy of the Charity Commission guidance note - "The Essential Trustee: what you need to know". The Trustees are kept informed of key changes in Charity Law by their professional advisers.

Investment policy and means for raising additional funds have been kept under review, as appropriate, with a view to enabling the objects to be promoted over the longer term. The trustees have unlimited powers of investment. The investment strategy is set by the trustees for an anticipated cycle of five years or more, having regard to the expected level of grant applications in the medium term. The trustees consider the income requirements, the risk profile and independent advice on the market prospects in the medium term. Funds are invested in low and medium risk investments, including unit trusts aimed at capital appreciation.

Public Benefit Statement

The charity's Trustees have considered the guidance on public benefit published by the Charity Commission, when reviewing the Trust's aims and objectives and in planning future activities, and are of the view that their policies and activities are consistent with the requirements of Section 17 of the Charities Act 2011.

Policy concerning Academic Visitors and Grant Applications

Applications for grants and administration of the charity are dealt with jointly by the Director and the Coordinator. The Trustees take decisions on applications for charitable grants in consultation with them at meetings during the year.

The Trustees aim to make charitable grants broadly equivalent to the net incoming resources, excluding capital gains or losses on investment assets and after provision for annual instalments required over the 25 year period from 2006 under the terms agreed for the purchase of the half share of the freehold property in Kensington, London W8 referred to above.

The charity invites applications for grants towards the cost of short term visits for research purposes to the United Kingdom, through its contacts with many universities worldwide. The applications are reviewed to enable research students of proven calibre to extend the scope of their studies within the United Kingdom, where the circumstances are such that, without assistance provided by the charity, they would be unable to do so. The cash grants (awarded primarily to assist with incidental travel costs) are supplementary to the principal benefit provision for visitors being in the form of free residential accommodation together with, where appropriate, related support and advice.

Achievements and Performance

A permanent two-year MMus residency has been established from October 2017 for postgraduate music students studying at an approved London music college, offering free accommodation at the Kensington property and access to its music library. The first such award has enabled our music scholar (H T Wong) to embark on a postgraduate course at the Guildhall School of Music and Drama to be completed in 2019.

As also listed in the Appendix, the Charity was able to welcome a further 14 students on short term visits during the year (2016: 9), to whom accommodation was provided with cash grants made totalling £3,053 (2016: £3,833).

The creation of the charity's website during 2017 is expected to broaden the scope of its activities for the longer term, being already established as the primary medium for applications for visitor grants.

The returns on investment property and financial investments achieved are considered by the Trustees to remain satisfactory in the light of prevailing circumstances.

Financial review

The results for the year are set out in the attached financial statements, which have been prepared in accordance with the accounting policies set out on pages 9 to 11 and comply with the charity's trust deed and applicable law.

The income and expenditure of the general fund is set out on page 7. Income amounted to £69,340 (2016: £54,105), a net increase reflecting both improvement in rents receivable and a fall in donations received. Expenditure amounted to £51,573 (2016: £31,000), the increase being mainly attributed to additional property maintenance.

The retained funds at 31 December 2017 amounted to £6,389,323 (2015: £6,363,235). The net movement in funds, increased by £26,088, is comparable with that for 2016 (£29,932) and remains broadly in line with funds required to meet the annual instalment requirement for property purchase.

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity (excluding listed investments and chattels held as fixed assets), at a level which equates with approximately 12 months expenditure. After allowing for each annual instalment payable, as above, on property purchase, this provides sufficient funds to cover management, administration and support costs and to be able to commit to the planned programme of grants for the coming year.

Risk management

The Trustees take this area seriously and have considered the risks faced by the Trust. These include the risk of fraud and error, catastrophe, and reputational risks amongst others, in order to ensure that procedures and processes are in place to mitigate these risks.

In the opinion of the Trustees, the key risk to the Trust continues to be ensuring that sufficient income can be generated both to fund property purchase instalments and to sustain a capability to meet property maintenance costs as and when required.

Plans for the future

In accordance with the objects of the charity, the Trust will make further grants to academic visitors during the year ending 31 December 2018.

As previously indicated, and following the appointment of Dr Chris Naunton as Director, the Trustees are continuing to implement plans both to broaden existing overseas connections, including in the Middle East, and to enable gradual improvements to be made of the facilities offered for research to be undertaken within the UK to students from further afield. While the manner in which the charitable objectives are realised is expected to remain broadly unchanged, such plans should be aided by further development of the website during the coming year.

It is likely that optimal realisation of certain peripheral assets will also ultimately enhance the attainment of these core objectives. In particular, this will depend on the outcome expected during 2018 of application in hand for planning consent in respect of proposals for restoration and redevelopment of the property at Mayfield.

Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 the charity will continue in operation.

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

Approved by the Trustees and signed on their behalf by:

S J A Stuart-Smith

Date: 28 February 2018

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ROBERT ANDERSON RESEARCH CHARITABLE TRUST

I report on the accounts for the year ended 31 December 2017 set out on pages 7 to 12.

Respective responsibilities of the Trust and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

C E Osborn ACA

Date: 28 February 2018

Brook Cottage
Petworth Road
Haslemere
Surrey
GU27 3BG

THE ROBERT ANDERSON RESEARCH CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
				£	£
Income from:					
Donations and Legacies					
Annual receipts under gift aid		125	-	125	750
Other donations receivable		7	-	7	150
Legacies		20,000	-	20,000	-
Investment income					
Interest receivable		246	-	246	523
Dividends receivable		1,360	-	1,360	1,122
Rental income		<u>—</u>	47,602	47,602	51,560
Total income		<u>21,738</u>	<u>47,602</u>	<u>69,340</u>	<u>54,105</u>
Expenditure on:					
Cost of raising funds					
Property maintenance costs	3	-	45,307	45,307	24,651
Charitable activities					
Grants to academic visitors		3,053	-	3,053	3,833
Support costs	4	<u>3,213</u>	<u>—</u>	<u>3,213</u>	<u>5,516</u>
Total expenditure		<u>6,266</u>	<u>45,307</u>	<u>51,573</u>	<u>31,000</u>
Net income / (expenditure) before gains / (losses) on investments		15,472	2,295	17,767	23,105
Other recognised gains and losses					
Net gains / (losses) on investments	4	<u>8,321</u>	<u>—</u>	<u>8,321</u>	<u>6,827</u>
Transfer between funds		23,793	2,295	26,088	29,932
Net movement in funds		<u>2,295</u>	<u>(2,295)</u>	<u>—</u>	<u>—</u>
Reconciliation of funds					
Total funds brought forward		<u>2,378,235</u>	<u>3,985,000</u>	<u>6,363,235</u>	<u>6,333,303</u>
Total funds carried forward		<u>2,404,323</u>	<u>3,985,000</u>	<u>6,389,323</u>	<u>6,363,235</u>

The notes on pages 9 to 12 form part of these accounts.

THE ROBERT ANDERSON RESEARCH CHARITABLE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
		£	£	£	£
Fixed Assets					
Investment properties	5	2,375,000	3,985,000	6,360,000	6,360,000
Listed investments	6	82,260	-	82,260	72,579
Tangible fixed assets	7	<u>37,715</u>	-	<u>37,715</u>	<u>37,715</u>
		<u>2,494,975</u>	<u>3,985,000</u>	<u>6,479,975</u>	<u>6,470,294</u>
Current Assets					
Debtors	8	1,063	-	1,063	2,717
Cash at bank and on hand	9	<u>114,191</u>	-	<u>114,191</u>	<u>126,827</u>
		<u>115,254</u>	-	<u>115,254</u>	<u>129,544</u>
Creditors: Amounts falling due within one year	10	<u>25,906</u>	-	<u>25,906</u>	<u>26,603</u>
Net Current Assets		<u>89,348</u>	-	<u>89,348</u>	<u>102,941</u>
Total assets less current liabilities		2,584,323	3,985,000	6,569,323	6,573,235
Creditors: Amounts falling due after more than one year	11	<u>180,000</u>	-	<u>180,000</u>	<u>210,000</u>
Total Net Assets		<u>2,404,323</u>	<u>3,985,000</u>	<u>6,389,323</u>	<u>6,363,235</u>
Funds of the Charity					
Unrestricted funds		531,174	-	531,174	502,086
Restricted funds – permanent endowment		-	2,290,000	2,290,000	2,290,000
Revaluation reserve – freehold properties		<u>1,873,149</u>	<u>1,695,000</u>	<u>3,568,149</u>	<u>3,568,149</u>
Total Funds		<u>2,404,323</u>	<u>3,985,000</u>	<u>6,389,323</u>	<u>6,333,235</u>

Approved by the Trustees on 28 February 2018 and signed on their behalf by:

S J A Stuart-Smith

Miss E K Gray

A C Berendt

The notes on pages 9 to 12 form part of these accounts

THE ROBERT ANDERSON RESEARCH CHARITABLE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The Robert Anderson Research Charitable Trust is a registered charity with the Charity Commission in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities is to apply the capital and income of the Trust to advance the education of under-graduate and post-graduate students, whether from the United Kingdom or overseas, by the provision of financial grants and research facilities to enable them to study in the fields of historical, archaeological, artistic and scientific research.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) as amended by bulletin 1, the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, the functional currency of the charity, and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds

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

The restricted fund represents investment property gifted by the Founder under a permanent endowment, to be held as capital which is not to be converted to income.

1.3 Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

- Donations are included in full in the Statement of Financial Activities when receivable.
- Tax reclaimable in respect of deeds of covenant is accounted for when the income giving rise to the reclaim of tax is received.
- Investment income is included when receivable.
- Dividend and interest income is accounted for on an accruals basis.

- Legacy income is recognised in the Statement of Financial Activities provided that sufficient information has been received to enable valuation of the charity's entitlement.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.5 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Investment properties are measured at valuation less impairment, subject to revaluations every 5 years, the most recent being undertaken in 2015.

1.6 Debtors and creditors receivable / payable within one year

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

1.7 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 TRUSTEES' REMUNERATION AND STAFF COSTS

The Trustees neither received nor waived any emoluments. Trustees' expenses paid during the year were £161 (2016: £106).

Although the Trustees did not employ any staff, the Director and Hon. Secretary are provided with rent free accommodation within the Trust's properties, but no salary, necessary to enable them properly to devise and implement visitor programmes at those properties in London and to carry out associated trust administration (2016: nil).

3	PROPERTY MAINTENANCE COSTS		2017	2016
			£	£
	Council tax and water rates		6,564	5,870
	Buildings insurance		2,506	3,031
	Utilities		6,013	4,327
	Repairs and maintenance		<u>30,224</u>	<u>11,423</u>
			<u>45,307</u>	<u>24,651</u>

4	SUPPORT COSTS		2017	2016
			£	£
	Bank Charges		100	25
	Independent examination fee		1,650	1,350
	Trustees' travel expenses		161	315
	Other expenses		<u>1,302</u>	<u>826</u>
			<u>3,213</u>	<u>2,516</u>

5 FIXED ASSET INVESTMENT PROPERTIES

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Opening and closing market value	<u>2,375,000</u>	<u>3,985,000</u>	<u>6,360,000</u>	<u>6,360,000</u>

Restricted Funds represents property under a permanent endowment.

6	FIXED ASSET LISTED INVESTMENTS		2017	2016
			£	£
	Opening market value		72,579	64,630
	Investment additions – reinvested dividends		1,360	1,122
	Investment disposals			
	Net unrealised gains / (losses)		8,321	6,827
	Net realised gains / (losses)		<u>—</u>	<u>—</u>
	Closing market value		<u>82,260</u>	<u>72,579</u>

7	TANGIBLE FIXED ASSETS		2017	2016
			£	£
	Library and sundry chattels – at cost		<u>37,715</u>	<u>37,715</u>

8	DEBTORS		2017	2016
			£	£
	Loan to beneficiary		<u>—</u>	<u>1,679</u>
	Income tax recoverable		<u>1,063</u>	<u>1,038</u>
			<u>1,063</u>	<u>2,717</u>

9	CASH AT BANK AND ON HAND		2017	2016
			£	£
	Barclays Current accounts		9,148	16,514
	Barclays Short Term Deposit account		<u>105,043</u>	<u>110,313</u>
			<u>114,191</u>	<u>126,827</u>
10	CREDITORS - Amounts falling due within one year		2017	2016
			£	£
	Purchase of freehold property		20,000	20,000
	Other creditors		<u>5,906</u>	<u>6,603</u>
			<u>25,906</u>	<u>26,603</u>
11	CREDITORS - Amounts falling due within one year		2017	2016
			£	£
	Purchase of freehold property		<u>180,000</u>	<u>210,000</u>