

THE NOTGROVE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

THE NOTGROVE TRUST

CONTENTS

	Page
Legal and administrative information	1
Trustees' report	2 - 4
Independent examiner's report	5
Statement of financial activities	6
Statement of financial position	7
Statement of cash flows	8
Notes to the accounts	9 - 15
Schedule of investments and income	16 - 21

THE NOTGROVE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr H A Acland Mrs S E Acland Mrs D F Acland Mrs L H Morris (Appointed 23 July 2018)
Charity number	278692
Registered office	The Manor Notgrove Nr Cheltenham Gloucestershire GL54 3BT
Independent examiner	Bourner Bullock, Chartered Accountants Sovereign House 212-224 Shaftesbury Avenue London WC2H 8HQ
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment advisors	Rathbone Investment Management Ltd 8 Finsbury Circus London EC2M 7AZ

THE NOTGROVE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2018

The Trustees present their report and financial statements for the year ended 30 September 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with 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 and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The Notgrove Trust was created by Deed dated 1 September 1979. The Trustees shall hold the capital and the income of the Trust Fund upon trust to apply income and, as far as may be necessary, the capital for or towards such charitable purposes and to make donations to such charitable bodies or institutions at such times and in such manner as the Trustees may, in their absolute discretion, think fit. The Trustees favour charities based in Gloucestershire.

Public benefit

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

During the year the Trustees have supported a number of charitable organisations, details of the organisations supported are shown within note 15 to the financial statements. The Trustees believe all donations made are for the benefit of the public.

Grant Making Policies

The Trustees meet annually to review applications for funding. Only successful applicants are notified of the Trustees' decision. Certain charities are supported annually, although no commitment is given. The Trustees benefit charitable institutions and organisations and make payments to individuals in accordance with Clause 3 (2) of the Declaration of Trust.

During the year under review, the Trustees resolved to make 31 donations totalling £139,325 (donations totalling £100,700 in 2017), as detailed in note 15 of these accounts.

Financial review

Total incoming resources were £218,076 (£216,925 in 2017), with £139,325 (£100,700 in 2017) being committed to charitable donations and £27,323 (£24,317 in 2017) relating to costs of generating funds and £1,450 (£1,680 in 2017) relating to governance costs, resulting in net incoming resources of £49,978 (£90,228 in 2017).

The total movement of resources in the year also include the realised gain in the year £11,158 (gain of £15,530 in 2017) and an unrealised gain based upon the market value of the investments at the year end of £989,635 (£1,358,941 in 2017). The overall movement of resources in the year showed an increase of £1,050,771 (£1,464,699 in 2017).

Reserves

The Trustees have a balanced investment policy and therefore only distribute income on an annual basis and retain capital for the maintenance and growth of the fund.

THE NOTGROVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

Investment policy and performance

The Investment Objective for the Charity is for longer-term growth in capital and income, invested in line with Risk Strategy 5 as defined by Rathbone's Terms of Business.

During the 12 months to 30 September the total return for the Trust was 13.93%, compared to the WMA Balanced Index which rose 7.00% and FTSE 100 which gained 6.08%. The projected gross income is £216,082 a yield of 2.06%.

During the period under review the portfolio performed well given market volatility and the political events of the year, having benefited from having a greater bias to growth investments and international markets. The equity exposure of 88% has remained the same over the period however the investment manager reduced some exposure to UK equities, which are now 40% of the portfolio having reinvested the proceeds into Emerging Markets and Global funds. The investment manager has slightly reduced investments in Fixed Income which now only represent 2.5% of the portfolio in favour of cash, given the sell off seen in bond markets over the period. Cash is 10% of the portfolio.

This period has been dominated by the US equity market rising by 20% and Japan having returned 10%, at a time when all other markets were broadly unchanged or slightly lower. The weaker trend in global equity and bond markets is a consequence of the gradual tightening of US monetary policy and the withdrawal of monetary stimulus. This reflects a stronger US economy, where further tax reductions continue to lead to strong gains in US equities. Rising US interest rates has also lead to a stronger Dollar, which is more negative for Asia and Emerging Markets given sizeable borrowings in US dollars. Fears of an escalation in the global trade war is a further concern for these cyclical markets, notwithstanding the lower valuations in Asia and China. Political concerns in Europe and the UK over Brexit are leading to weaker markets in these regions. In contrast, alongside the strength of US economy, Japanese companies are demonstrating reasonable growth and Prime Minister Abe's re-election is perhaps a beacon of political stability in a world of growing political turmoil. Against this background, the outperformance of higher rated growth stocks has very much been to the fore, benefiting from continued resilient growth in the global economy, albeit such growth is currently bias towards the United States.

Risks

Above and beyond the inherent market risk to which the Charitable Trust is exposed, the portfolio is well diversified, both on a stock and sectorial basis. The Trust invests predominantly in UK companies demonstrating strong dividend streams, in order to meet the income requirements of the Trustees, where such companies are, on the whole, regarded to be trading on reasonable valuations, given their future prospects.

The Trustees have identified major risks and believe that appropriate action has been taken to mitigate these risks. The Trustees will continue to keep the adequacy of the systems in place under review.

Plans for the future

The Trustees do not envisage any significant changes to its aims and objectives and they intend to continue supporting the various causes to a similar level.

Structure, governance and management

The Trustees who served during the year were:

Mr D A Acland CBE	(Resigned 23 July 2018)
Mr H A Acland	
Mrs S E Acland	
Mrs D F Acland	
Mrs L H Morris	(Appointed 23 July 2018)

The Trust's other advisors are noted on page 1.

Appointment of new Trustees

The power of appointing new and/or additional Trustees is vested with Mrs S E Acland.

THE NOTGROVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

Trustee training

The Trustees are aware of the requirement for relevant induction and training of any new Trustee. The Trustees correspond and meet with their professional advisors regularly and the advisors are specifically instructed to appraise the Trustees of relevant technical issues as they arise.

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).

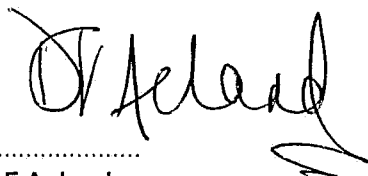
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Board of Trustees.



.....
Mrs D F Acland

Trustee

Dated: 9/3/2019

THE NOTGROVE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE NOTGROVE TRUST

I report to the trustees on my examination of the financial statements of The Notgrove Trust ('the charity') for the year ended 30 September 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the statement of Cash Flows and related notes.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

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:

- (i) accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- (ii) the financial statements do not accord with those records; or
- (iii) the financial statements 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 financial statements to be reached.



.....
David Matkins FCA

Bourner Bullock, Chartered Accountants
Sovereign House
212-224 Shaftesbury Avenue
London
WC2H 8HQ

Dated: 9/3/2019

THE NOTGROVE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	2018 £	2017 £
Income			
Investments	2	216,082	216,674
Other income	3	1,994	251
Total income		<u>218,076</u>	<u>216,925</u>
Expenditure			
Charitable activities	4	<u>168,098</u>	<u>126,697</u>
Net income before investment gains		49,978	90,228
Net gains on investments	9	<u>1,000,793</u>	<u>1,374,471</u>
Net movement in funds		1,050,771	1,464,699
Fund balances at 1 October 2017		<u>9,082,533</u>	<u>7,617,834</u>
Fund balances at 30 September 2018		<u><u>10,133,304</u></u>	<u><u>9,082,533</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

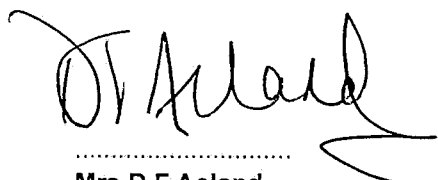
All income and expenditure derive from continuing activities.

THE NOTGROVE TRUST

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Investments	10		9,742,923		8,767,184
Current assets					
Cash at bank and in hand		398,849		323,103	
Creditors: amounts falling due within one year	11	(8,468)		(7,754)	
Net current assets			390,381		315,349
Total assets less current liabilities			10,133,304		9,082,533
Income funds					
Unrestricted funds			10,133,304		9,082,533
			10,133,304		9,082,533

The financial statements were approved by the board of Trustees and authorised for issue on 9/3/2019 and are signed on its behalf by:



.....
Mrs D F Acland
Trustee

THE NOTGROVE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash absorbed by operations	13		(165,387)		(55,314)
Investing activities					
Purchase of investments		(1,565,472)		(677,498)	
Proceeds on disposal of investments		1,896,445		816,153	
Dividends and interest received from investments		216,082		216,674	
Net cash generated from investing activities			547,055		355,329
Net increase in cash and cash equivalents			381,668		300,015
Cash and cash equivalents at beginning of year			960,743		660,728
Cash and cash equivalents at end of year	14		1,342,411		960,743

THE NOTGROVE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 and the Charities Act 2011. The Trust is a Public Benefit Entity as defined by FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant policy note.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following 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 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

1.2 Going concern

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Trustees confidence the charity remains a going concern for the foreseeable future.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Investment income is accounted for on an accruals basis in the period to which it relates.

1.5 Debtors

Debtors are receivable at their expected settlement amount.

1.6 Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.7 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

THE NOTGROVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

1.8 Resources expended

Management and administration costs comprise those costs incurred in running the charity. They have been apportioned on the basis of time spent between charitable activities, cost of raising funds and governance costs.

Governance costs consist of those costs associated with the overall running of the charity and meeting statutory and regulatory requirements.

Grants are included in the financial statements when approved by the Trustees and notified to recipients. The value of committed grants unpaid at the year end is accrued. Grants offered that are subject to conditions that have not been met at the year end are noted as a commitment but not accrued as expenditure.

1.9 Financial instruments

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure), except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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

1.10 Investments

Fixed assets investments represent listed investments which are stated at market valuation, where market value represents the mid market value on the last trading day before the year end. Any unrealised or realised gains arising from investments are accounted for in the Statement of Financial Activities.

2 Investments

	2018 £	2017 £
Income from UK listed investments	150,490	150,910
REIT income	7,046	12,166
Fixed interest	798	1,550
Foreign income	57,748	52,048
	<u>216,082</u>	<u>216,674</u>

3 Other income

	2018 £	2017 £
Bank interest	<u>1,994</u>	<u>251</u>

THE NOTGROVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

4 Charitable activities

	2018 £	2017 £
Grant funding of activities (see note 5)	139,325	100,700
Share of support costs (see note 6)	27,323	24,317
Share of governance costs (see note 6)	1,450	1,680
	<u>168,098</u>	<u>126,697</u>

5 Grants payable

	2018 £	2017 £
Grants to institutions:		
Local charities and hospices	39,500	24,200
Religious organisations	8,000	5,000
The arts & museums	4,500	24,000
Youth & education	48,625	22,000
Other national and general payments	38,700	25,500
	<u>139,325</u>	<u>100,700</u>

6 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Investment management fees	27,323	-	27,323	24,317	
Independent examiners fee	-	1,380	1,380	1,380	Governance
Underprovision independent examiners fee	-	-	-	300	Governance
Bank charges	-	70	70	-	Governance
	<u>27,323</u>	<u>1,450</u>	<u>28,773</u>	<u>25,997</u>	

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year, or the previous year.

THE NOTGROVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

8 Employees

There were no employees during the year, or in the previous year.

9 Net gains/(losses) on investments

	2018 £	2017 £
Unrealised gain	989,635	1,358,941
Gain on sale of investments	11,158	15,530
	<u>1,000,793</u>	<u>1,374,471</u>

10 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 30 September 2017	8,129,544	637,640	8,767,184
Additions	1,565,472	-	1,565,472
Realised gain	11,158	-	11,158
Unrealised gain	989,635	-	989,635
Cash available to invest	-	305,922	305,922
Disposals	(1,896,448)	-	(1,896,448)
At 30 September 2018	<u>8,799,361</u>	<u>943,562</u>	<u>9,742,923</u>

Investments representing more than 5% of the portfolios total market value:

Investment	Units	Market Value £	% of Total Market Value
Burford Capital Ltd	50,000	972,000	11.04%
JPM American Investment Trust	107,000	500,760	5.69%

	2018 £	2017 £
Listed investments	8,799,361	8,129,544
Cash in investment portfolio	943,562	637,640
	<u>9,742,923</u>	<u>8,767,184</u>

THE NOTGROVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

10	Fixed asset investments	(Continued)	
		2018	2017
		£	£
	Historic cost of investments	4,926,844	4,763,215
11	Creditors: amounts falling due within one year	2018	2017
		£	£
	Independent examiner's fee	1,380	1,380
	Investment management fee	7,088	6,374
		8,468	7,754
12	Related party transactions		
	There were no disclosable related party transactions during the year, or in the previous year.		
13	Cash generated from operations	2018	2017
		£	£
	Surplus for the year	1,050,771	1,464,699
	Adjustments for:		
	Investment income recognised in statement of financial activities	(216,082)	(216,674)
	Gain on disposal of investments	(11,158)	(15,530)
	Fair value gains and losses on investments	(989,635)	(1,358,941)
	Movements in working capital:		
	(Increase)/decrease in debtors	-	99,230
	Increase/(decrease) in creditors	717	(28,098)
	Cash absorbed by operations	(165,387)	(55,314)
14	Cash and cash equivalents	2018	2017
		£	£
	Cash at bank and in hand	398,849	323,103
	Cash available to invest	943,562	637,640
		1,342,411	960,743

THE NOTGROVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

15 Donations made to institutions during the year

	2018 £	2017 £
Belmont School	-	5,000
Canine Partners	2,500	-
Cheltenham Festivals	9,000	9,000
Chipping Norton	3,000	-
Cirencester Housing for Young People (C H Y P)	5,000	3,000
Cotswold Canals Trust	18,000	-
Cotswold Riding for the Disabled Association	-	3,000
Dean Heritage Centre	-	5,000
EDT	3,000	-
FareShare South West	3,000	3,000
Farms for City Children	2,400	-
Friend of Cotswold	4,000	-
FRP Gloucester	-	4,000
GL11 Community Project	-	5,000
GLHA	1,000	-
Gloucestershire City Mission	2,000	-
Gloucestershire Historic Church	5,000	-
Gloucestershire History Trust	5,000	-
Gloucestershire Outward Bound	1,000	-
Gloucestershire Resource Centre	2,500	-
Gloucestershire Wildlife Trust	-	2,000
Guiting Music Festival	1,000	-
Home-Start Cotswolds	3,000	-
Hucclecote Community Association	-	5,000
Hunt Servants Fund	2,000	2,000
Insight Gloucestershire	-	1,200
Lightbourne & Lawrence Educational Foundation	-	2,000
Longfield Hospice	-	3,000
Methodist Church	3,000	-
Midlands Air Ambulance Charity	-	10,000
Misc (7) under £1,000	-	2,000
National Star	3,000	-
Naunton Village Hall	-	3,000
Notgrove Village Hall	25,000	-
Relate Gloucestershire & Swindon	-	2,000
Royal Agricultural University, Cirencester	-	6,000
Rugby Football Association	-	2,500
Rustin Mill Trust	2,400	-
Scrubbitch Care Farm	10,000	2,000
Sea Cadets	500	-
Stratton PTA	2,000	-
Sue Ryder	-	5,000
The Churn Project	-	3,000
The Dean Heritage Centre	-	2,000
The Guiting Festival	-	1,000
Carried forward	118,300	90,700

THE NOTGROVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

15 Donations made to institutions during the year

(Continued)

Brought forward	118,300	90,700
The Gust	-	10,000
The Nelson Trust	5,000	-
The Rock	3,000	-
The Smallpiece Trust	2,200	-
The Wheels Project	3,000	-
War Memorials Trust	2,500	-
Young Gloucestershire	5,325	-
	<u>139,325</u>	<u>100,700</u>

