

COMPANY REGISTRATION NUMBER : 00335344
CHARITY REGISTRATION NUMBER: 227151

NEWBY TRUST LIMITED
DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
5 APRIL 2015

NEWBY TRUST LIMITED
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NEWBY TRUST LIMITED
LEGAL AND ADMINISTRATIVE INFORMATION

DIRECTORS

Mrs A S Reed
Mrs S A Charlton
Mrs A L Foxell
Mr R B Gooder
Mrs E Bentley
Mr N Callaghan
Mr D Charlton
Mr D Reed

COMPANY SECRETARY

Miss A Grout

COMPANY REGISTRATION NUMBER

00335344

REGISTERED CHARITY NUMBER

227151

CHARITY REGISTERED OFFICE

Hill Farm, Froxfield, Petersfield, Hampshire GU32 1BQ

AUDITORS

Begbies, 9 Bonhill Street, London, EC2A 4DJ

BANKERS

Adam & Company plc, 22 King Street, London SW1Y 6QY

CCLA Investment Management Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

SOLICITORS

Gregory Rowcliffe Milners (GRM Law), 1 Bedford Row, London WC1R 4BZ

INVESTMENT MANAGERS

Rathbone Investment Management Limited, 1 Curzon Street, London W1J 5FB

ACCOUNTANTS

Shipleys LLP, 10 Orange Street, Haymarket, London WC2H 7DQ

NEWBY TRUST LIMITED

DIRECTORS' REPORT

The directors submit their annual report and audited financial statements for the year ended 5 April 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Newby Trust was established in December 1937 by Mr H.N. Smith who at that time lived in Newby, North Yorkshire. Newby Trust Limited ("the company") was registered as a company limited by guarantee in January 1938 and as a charity in May 1964. The company is governed by its Articles of Association.

DIRECTORS AND TRUSTEES

The directors of the company are its trustees for the purpose of charity law. The current directors are all descendants or spouses of descendants of the founder and it is likely that new directors will be recruited from within the family for the foreseeable future. There are three branches of the family descended from the founder's grandchildren and the directors aim to maintain a balance between experienced and new directors and between the family branches. The directors would be willing to recruit external directors if they considered that the company would benefit from specialist knowledge.

The more senior members of the board and the company secretary deliver induction training for new directors which includes providing information about the company and its objectives together with summaries of the responsibilities of company directors and trustees. The directors receive updates on current regulatory requirements from the company secretary and may attend external training courses as necessary.

As set out in the Articles of Association, the members of the company at the annual general meeting may increase or reduce the number of directors. The board may appoint a director to fill a casual vacancy and may also appoint an additional director, who shall retire from office at the following annual general meeting, but be eligible for re-election. One third of the board retires by rotation each year and is eligible for re-election.

MANAGEMENT

The directors meet twice each year to approve grants, review objectives and manage the business of the company. The day-to-day running of the company is delegated to the company secretary who is responsible for receiving and dealing with grant applications and with initiating all payments. The directors have also delegated primary responsibility for the small grant programme to the company secretary. The company secretary reports to the directors regularly between directors' meetings.

The directors manage the company with minimal administrative expenditure and receive no salary or expenses. The company operates from an office rented from one of the directors, Mrs A S Reed, for which a small charge for rent and electricity costs is made (see note 3 to the financial statements).

NEWBY TRUST LIMITED

DIRECTORS' REPORT - CONTINUED

RISK MANAGEMENT

The directors have considered the major risks to which the company is exposed and have established systems and procedures to manage the risks.

The company's grants are made from the income from the expendable endowment fund. The directors aim to maximise the return on the company's portfolio and believe the major risk facing the company remains a significant fall in the UK stock market. To mitigate this risk, the directors keep the investment policy of the company under review and regularly monitor the performance of the portfolio.

The directors are aware that having a sole member of staff in charge of payments does constitute a risk. However, all payments require two signatures and the directors and accountants monitor internal financial controls. In relation to grants for individuals, there is an inherent risk of knowing too little of an applicant and of giving help to individuals who prove to be less worthy. The company requires financial information for all applications and does not make payments to individuals but to organisations on their behalf.

PUBLIC BENEFIT

The directors have had regard to the Charity Commission's guidance on public benefit and are satisfied that the company meets the public benefit requirement.

OBJECTIVES AND ACTIVITIES

OBJECTIVES

The charitable objects of the company as stated in the constitutional documents are: "to promote all or any purposes which now are or hereafter may be deemed by law to be charitable and in particular, the advancement of education, the furtherance of health and the relief of poverty, distress and sickness".

The principal focus of the company's grant-giving has been on education, training and research and medical welfare and the company also makes small social welfare grants.

The directors review the objectives of the company annually. The current objectives are as follows:

Strategic Aims

- | | |
|---------------|---|
| 1. Education: | To enable people to benefit from educational opportunities and to support excellence at post-graduate level |
| 2. Health: | To advance medical knowledge and improve the provision of health care |
| 3. Welfare: | To support disadvantaged people |
| 4. Company: | To strengthen family engagement in the company |
| 5. Financial: | To maintain and increase the endowment |

Objectives

- | | |
|---------------|--|
| 1. Education: | |
| 1.1. | to fund postgraduate research |
| 1.2. | to provide financial support to enable disadvantaged people to access and stay in education and training |

NEWBY TRUST LIMITED

DIRECTORS' REPORT - CONTINUED

2. Health:
 - 2.1. to fund equipment and activities in hospitals, residential and nursing homes, day care centres and hospices
 - 2.2. to fund support services to improve the mental and physical health of adults and children
 - 2.3. to contribute funds towards medical research
3. Welfare:
 - 3.1. to provide small grants for short-term emergency relief
 - 3.2. to fund support and activities for vulnerable and disadvantaged people
4. Company:
 - 4.1. to identify areas of interest for family members
 - 4.2. to encourage younger members to become involved in the company
5. Financial:
 - 5.1. to adopt investment strategies to maintain the endowment and achieve a stable income
 - 5.2. to generate income of at least £300,000 a year for expenditure on grants
 - 5.3. to maintain administrative costs at no more than 10% of grants and income generation costs at no more than 17.5% of annual income
 - 5.4. to monitor investment management costs.

The directors have identified that the percentage set for administrative costs may need to be increased next year.

The company has a Special Category for grants each year. This category is selected by the directors each year under one of the main headings of education, health and welfare and provides a focus for grant-giving in that year.

The directors will consider making grants to other good causes and charities which fall outside the three main categories if company members propose suitable organisations for support.

ACTIVITIES

1. Education

The company promotes education by providing grants:

- 1.1. To fund postgraduate research.

In this category, the directors approved a grant of £30,000 to Durham University to fund two PhD students in the School of Modern Languages and Culture and a grant of £30,000 to Lancaster University to fund a Newby Fellowship in the Faculty of Arts and Social Sciences to work on a corpus analysis in the field of poverty and the relief of the poor.

As an additional extraordinary grant, the directors approved the payment of the sum of £1,200,000 for the establishment of a permanent endowment for a Junior Research Fellowship in the Arts and Humanities at Newnham and Clare Colleges, Cambridge University ("JRF Endowment").

NEWBY TRUST LIMITED

DIRECTORS' REPORT - CONTINUED

- 1.2. To provide financial support to enable disadvantaged people to access and stay in education and training. Education and training is widely defined to include academic, arts, craft or sporting activities. These are often associated with the annual special category.

In this category, the directors approved grants of £5,000 to Futureversity, £15,000 to Bedales School, £21,750 to the Academy of Ancient Music, £5,000 to the Royal School of Needlework and £5,000 to Sistema England for the Nucleo Project, as well as £4,000 for Future Talent.

2. Health

The company promotes health by providing grants:

- 2.1. for equipment and activities in hospitals, residential and nursing homes, day care centres and hospices
- 2.2. to fund support services to improve the mental and physical health of adults and children
- 2.3. to contribute funds towards medical research

The directors approved grants of £10,000 for Treloar College, £5,000 for Freedom from Torture, £1,000 for Hope in the Valley Riding for the Disabled and £5,000 to Living Well Dying Well to part-fund the salary of a new administrator. The grant to Living Well Dying Well was subsequently declined as the charity decided not to proceed with the new post.

In addition, the special category for 2014-2015 related to the health category. See below.

3. Welfare

The company makes grants:

- 3.1. to provide small grants for short-term emergency relief
- 3.2. to fund support and activities for vulnerable and disadvantaged people

The directors approved a sum of up to £50,000 to be distributed as small grants for the benefit of individuals for essential home equipment, clothing, school uniforms, course fees and other items. 296 grants totalling £45,278 were made to support individuals. In relation to support for vulnerable and disadvantaged people, the directors approved grants of £10,000 for the Halow Project, £5,000 for the Dame Vera Lynn Trust, £5,000 for Off the Record, £3,000 for the Angel Community Canal Boat Trust and £2,500 to Independence at Home plus one annual grant from the restricted fund estimated at £16,000.

4. Annual Special Category

Under the general headings above, the directors have a policy of selecting one category for special support each year and in 2014/15 the special category under the health heading was:

To fund equipment and activities in hospitals, residential and nursing homes, hospices and day centres.

NEWBY TRUST LIMITED
DIRECTORS' REPORT - CONTINUED

£132,672 was spent on the special category and grants were made to:

Above and Beyond	£10,000
Alive Activities	£10,000
Clowns in the Sky	£4,000
Cotswold Care Hospice	£4,000
Fountain Centre, St. Luke's Hospital	£5,100
Jessie's Fund	£7,360
Lakelands Day Care Hospice	£6,572
Learning for the 4th Age	£5,000
Maggie's Cancer Caring Centre (West London)	£8,000
MS Therapy Centres in Berkshire, Bristol & Cornwall	£15,000
Music in Hospitals	£9,800
Radio Lollipop in Royal Manchester Children's Hospital	£7,600
Rotherham Hospice	£7,300
Shooting Star Chase	£5,000
The Haven	£7,600
Theodora Children's Trust	£13,000
Weston Hospicecare	£7,340

In 2015/16 the special category will come under the Welfare heading and will be:

To fund local charities supporting homeless people with education, employment, tenancy support and other services aimed at helping people back into mainstream society.

GRANT PROCESSES

Grants to Charities

The company does not accept unsolicited applications in any of the categories and only charities that are invited to apply may submit applications. Full information is provided on the company's website. The company makes grants across the United Kingdom although the majority of larger grants are made in England. Due to the difficulties of verifying overseas organisations and monitoring grant expenditure, the grant programme is normally limited to UK charities.

Grants for Individuals

Eligible organisations such as social or probation services, charities or housing associations may apply on behalf of individuals and payments are made to the applicant organisation or to a supplier. No applications are accepted from individuals themselves and no payments are made direct to individuals. Every application must be accompanied by a financial statement showing the individual's income and expenditure and an explanation of why the funds are required.

The company is one of the few organisations that does not place restrictions on eligible applicants for small grants. The company therefore makes grants for young people, families, single parents, older people, those with disabilities, ex-offenders and those in recovery from substance abuse. In most cases the person suffers from an added disadvantage over and above financial need.

NEWBY TRUST LIMITED
DIRECTORS' REPORT - CONTINUED

ACHIEVEMENTS AND PERFORMANCE

The directors aim to generate income of at least £300,000 for expenditure on grants. In 2014/15 a total of £1,552,432 was approved for grants in the year. This figure includes the extraordinary grant of £1,200,000 which was paid partly by transfer from the expendable endowment fund for the establishment of the JRF Endowment. In 2014/15 £1,315,750 was awarded for education, £88,010 was distributed in the welfare category and £148,672 was spent on health, including £132,672 in the special category.

The company continues to be heavily over subscribed for its funds.

Future Plans

The company intends to continue its grant making activities in the three main categories of education, health and welfare together with a special category each year as well as encouraging company members to identify other areas of interest. In recent years the main focus of the company's grant-giving has been education. The directors have agreed that following the award of the JRF Endowment the focus of the educational funding of the company will in the future shift from postgraduate funding to other areas of education and training and that the educational objectives will be reviewed in March 2016.

FINANCIAL REVIEW

Full details of the company's financial position can be found in the financial statements. The sole funding source of the company is investment income.

The company's income amounted to £509,655, which enabled the company to maintain planned grant expenditure and support costs.

Investment Performance

The company's principal investments are in stocks, bonds and listed securities.

The company's investment policy was reviewed on the appointment of Rathbone Investment Management Limited as investment managers, and the directors have given them discretion to manage the portfolio within the agreed risk profile. The investment objective is to achieve a balance of capital growth and income generation from a portfolio of investments with an overall medium risk profile and a spread of asset classes.

The benchmark for performance measurement is the FTSE/WMA Balanced Index. Portfolio movement for the year was +9.63% against the benchmark of +11.60%.

Reserves

The reserves policy is reviewed by the directors on an annual basis.

NEWBY TRUST LIMITED

DIRECTORS' REPORT - CONTINUED

The expendable endowment fund is available for release into the unrestricted fund at any time, although the directors have taken the view that, unless there are exceptional circumstances, the endowment fund should be retained intact to produce income for the unrestricted fund for many years to come. As a result of the increase in the value of the endowment fund during the financial year from £17,651,104 to £18,780,098 (before transfers) the directors considered that the company could make the award of the JRF Endowment without materially affecting the value of the endowment fund.

The company has free reserves, comprising the net current assets of the unrestricted fund, of £298,924. It is the policy of the company to keep reserves sufficient to meet expenditure on charitable activities for at least twelve months and accordingly the directors aim to have free reserves of £300,000. Grant expenditure will be kept under review to ensure it is less than anticipated investment income. The directors intend to move gradually to making fewer, larger grants to charities and are considering a policy of making occasional major grants in excess of £100,000.

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The directors (who are also trustees of Newby Trust Ltd for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

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

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and

NEWBY TRUST LIMITED
DIRECTORS' REPORT - CONTINUED

- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

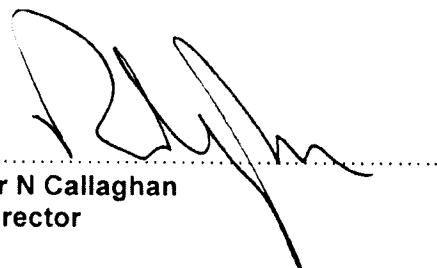
AUDITORS

A resolution will be proposed at the annual general meeting that Begbies be re-appointed as auditors to the company for the ensuing year.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the board


.....
Mr N Callaghan
Director

Approved by the Directors on 22 October 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWBY TRUST LIMITED

We have audited the financial statements of Newby Trust Limited for the period ended 5 April 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in our 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The trustees' (who are also the directors of Newby Trust Limited for the purposes of company law) responsibilities for the preparation of the Directors' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion the charity has not kept proper accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors' remuneration specified by law are not made.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charitable company is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charitable company's risk management and control procedures.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view of the state of affairs of the charitable company as at 5 April 2015 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended.
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report is consistent with the financial statements.

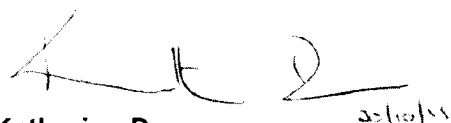
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion;

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



Katherine Dee
Senior Statutory Auditor

For and on behalf of Begbies
Chartered Accountants
& Statutory Auditors

9 Bonhill Street
London
EC2A 4DJ

NEWBY TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)

FOR THE YEAR ENDED 5 APRIL 2015

	Notes	Restricted Funds £	Unrestricted Fund £	Endowment Fund £	Total 2015 £	Total 2014 £
TOTAL INCOMING RESOURCES						
From generated funds:						
Investment income	4	13,200	496,455	-	509,655	453,532
RESOURCES EXPENDED						
Cost of generating funds:						
Investment management costs	6	-	39,548	39,172	78,720	75,322
Charitable activities:	7					
Education		-	1,222,755	-	1,222,755	224,901
Health		-	150,173	-	150,173	11,614
Welfare		17,382	71,358	-	88,740	71,948
Cost of grant making		17,382	1,444,286	-	1,461,668	308,463
Governance costs	9	-	18,100	-	18,100	17,282
TOTAL RESOURCES EXPENDED		17,382	1,501,934	39,172	1,558,488	401,067
NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS		(4,182)	(1,005,479)	(39,172)	(1,048,833)	52,465
TRANSFERS	10	4,182	925,818	(930,000)	-	-
NET (EXPENDITURE)/INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		-	(79,661)	(969,172)	(1,048,833)	52,465
Realised and unrealised gains/ (losses) on investment assets	12	-	-	1,168,166	1,168,166	1,071,110
NET MOVEMENT IN FUNDS IN YEAR		-	(79,661)	198,994	119,333	1,123,575
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		272,322	379,085	17,651,104	18,302,511	17,178,936
TOTAL FUNDS CARRIED FORWARD		272,322	299,424	17,850,098	18,421,844	18,302,511

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The deficit on the income and expenditure account for the year for Companies Act purposes comprises the realised gain on investments £65,311 (note 12) less the net outgoing resources £1,048,833 and was £983,522 (2014: surplus £279,744).

NEWBY TRUST LIMITED

BALANCE SHEET

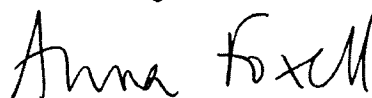
AS AT 5 APRIL 2015

	Notes	Restricted Funds £	Unrestricted Fund £	Endowment Fund £	Total 2015 £	Total 2014 £
FIXED ASSETS						
Tangible assets	11	-	500	-	500	1,000
Investments	12	270,000	-	17,856,367	18,126,367	17,926,619
		<u>270,000</u>	<u>500</u>	<u>17,856,367</u>	<u>18,126,867</u>	<u>17,927,619</u>
CURRENT ASSETS						
Debtors	13	-	108,012	-	108,012	90,487
Cash at bank and in hand		2,322	1,421,017	4,024	1,427,363	430,578
TOTAL CURRENT ASSETS		<u>2,322</u>	<u>1,529,029</u>	<u>4,024</u>	<u>1,535,375</u>	<u>521,065</u>
LIABILITIES						
Creditors falling due within one year	14	-	(1,230,105)	(10,293)	(1,240,398)	(141,173)
NET CURRENT ASSETS		<u>2,322</u>	<u>298,924</u>	<u>(6,269)</u>	<u>294,977</u>	<u>379,892</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		272,322	299,424	17,850,098	18,421,844	18,307,511
Creditors falling due after more than one year	15	-	-	-	-	(5,000)
NET ASSETS		<u>272,322</u>	<u>299,424</u>	<u>17,850,098</u>	<u>18,421,844</u>	<u>18,302,511</u>
THE FUNDS OF THE CHARITY						
Endowment fund						
Expendable endowment		-	-	17,850,098	17,850,098	17,651,104
Restricted income fund		272,322	-	-	272,322	272,322
Unrestricted income fund		-	299,424	-	299,424	379,085
		<u>272,322</u>	<u>299,424</u>	<u>17,850,098</u>	<u>18,421,844</u>	<u>18,302,511</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors and authorised for issue on 22.10.15, and are signed on their behalf by:

Mrs A L Foxell



COMPANY REGISTRATION NUMBER : 00335344

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006.

1.2 Funds structure

The expendable endowment fund represents the donated capital of the company and is invested to produce the income comprising the unrestricted fund, from which the grants in furtherance of the company's objects are paid.

The restricted fund was established by a gift, to be used to provide rent free accommodation for a named individual as long as personal circumstances required.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose of furtherance of the charitable objects.

Further details of each fund are disclosed in note 18.

1.3 Incoming resources

All incoming resources are recognised once the company has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

1.4 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the company to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

1.5 Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

1.6 Allocation of overhead and support costs

Overhead and support costs have been allocated between the cost of generating funds, charitable activity and governance on the basis of the time spent on each of these areas by the company secretary. Overhead and support costs relating to charitable activities have been apportioned based on the value of individual grant awards made. The allocation of overhead and support costs is analysed in note 5.

1.7 Costs of generating funds

The costs of generating funds consist of investment management and a proportion of overhead and support costs, as shown in note 6.

1.8 Charitable activities

Costs of charitable activities include grants made and an apportionment of overhead and support costs, as shown in note 7.

1.9 Governance costs

Governance costs comprise all costs involving the public accountability of the company and its compliance with regulation and good practice. These costs include costs related to statutory audit and professional fees together with an apportionment of overhead and support costs, as shown in note 9.

1.10 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and valued at historic cost.

Depreciation is charged on office equipment, which is written off on a straight-line basis over its estimated useful life of three years.

1.11 Fixed asset investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

1.13 Contingent liabilities

In accordance with the SORP, a contingent liability is disclosed for those grants which do not represent liabilities, where the possible obligation which arises from past events will only be confirmed by the occurrence of one or more uncertain future events not wholly within the directors' control.

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

1.14 Cash Flow statement

The company is a small company as defined by statutory instrument SI 2014 No. 393 of The Companies Act 2006 (Amendment) (Accounts and Reports) Regulations 2014. It has therefore taken advantage of the exemption conferred by Financial Reporting Standard Number 1 (Revised 1996) not to prepare a cash flow statement.

2 LIABILITY OF THE MEMBERS

Members of the company guarantee to contribute an amount not exceeding £10 to the assets of the company in the event of a winding up. The total number of such guarantees at 5 April 2015 was 21 (2014: 18).

3 RELATED PARTY TRANSACTIONS

No remuneration was paid to the directors in the year (2014: nil).

No expenses were reimbursed by the company in the year (2014: nil).

The company operates from an office rented from one of the directors, Mrs A S Reed. The rent and electricity costs payable to Mrs Reed in the year amounted to £1,039 (2014: £1,041). The amount due to Mrs Reed at 5 April 2015 was £1,039 (2014: £1,041).

4 INVESTMENT INCOME

	----- 2015 -----			----- 2014 -----		
	UK	Outside	Total	UK	Outside	Total
	£	UK	£	£	UK	£
Gross income receivable from listed investments	449,919	45,549	495,468	408,982	29,491	438,473
Gross income receivable from cash held as part of the investment portfolio	66	-	66	87	-	87
Gross income receivable from investment property	13,200	-	13,200	13,200	-	13,200
Gross interest receivable from monies on bank deposit	921	-	921	1,772	-	1,772
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	464,106	45,549	509,655	424,041	29,491	453,532
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The notional investment income due from the investment property has been included (with corresponding grants payable at note 8) to reflect the provision of rent free accommodation.

The grant payable at note 8 includes the service charges paid by the trustees (£4,032) that relate to the property.

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

5 ALLOCATION OF SUPPORT COSTS AND OVERHEADS

The breakdown of support costs and how these were allocated on the basis of staff time, is shown in the table below.

Cost type	2015				2014 Total £
	Total Allocated £	Cost of generating funds £	Charitable activities £	Governance costs £	
Salary (one employee only)	14,557	291	11,646	2,620	14,484
Social security costs	-	-	-	-	1,026
Rent and electricity	1,039	21	831	187	1,041
Depreciation	500	10	400	90	500
General expenses	2,661	53	2,129	479	2,129
Total	18,757	375	15,006	3,376	19,180

There were no employees with emoluments above £60,000.

The total support cost attributable to charitable activities is then apportioned pro rata to the value of grants awarded as shown in the table below.

Total costs	2015 £	2014 £
Education	12,605	11,201
Health	1,501	614
Welfare	900	3,529
Total allocated	15,006	15,344

6 ANALYSIS OF COST OF GENERATING FUNDS	2015 £	2014 £
Investment management fees	78,345	74,938
Support costs	375	384
	78,720	75,322

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

7 ANALYSIS OF CHARITABLE EXPENDITURE

The charity undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities and made one grant for an individual from the restricted fund.

	Grant funded activity £	Support costs £	2015 Total £	2014 Total £
Education	1,210,150	12,605	1,222,755	224,901
Health	148,672	1,501	150,173	11,614
Welfare	87,840	900	88,740	71,948
Total	1,446,662	15,006	1,461,668	308,463

8 ANALYSIS OF GRANTS

Recipients and amounts of major grants over £1,000 are given in the Directors' Report.

EDUCATION	£
10 grants of over £1,000 each	1,315,750
Less: Refunds of grants made in prior years	(105,600)
	<hr/> 1,210,150
HEALTH	
3 grants of over £1,000 each	16,000
Under the annual special category to fund equipment and activities in hospitals, homes, hospices and day care centres:	
19 grants of over £1,000 each	132,672
	<hr/> 148,672
WELFARE	
5 grants to institutions of over £1,000 each	25,500
296 grants to institutions for individuals	
of which 77 grants were paid to the following 8 institutions, who received over £1,000 in total:	
Bromford Housing Group (11)	1,620
Caer Las Cymru (7)	1,180
Durham City Homes (12)	2,242

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

8 ANALYSIS OF GRANTS (continued)		£
WELFARE (continued)		
First Housing Aid and Support (9)		1,360
Gwalia Care and Support (10)		1,735
Home Group (9)		1,105
The Matthew Trust (8)		1,115
Westward Support (11)		1,540
		<hr/>
		11,897
and a further 219 grants were paid to 138 other institutions		33,381
		<hr/>
		70,778
Less: refunds		(170)
		<hr/>
		70,608
One grant from restricted funds		17,232
		<hr/>
		87,840
		<hr/>
Total grant payments		1,446,662
		<hr/> <hr/>
9 ANALYSIS OF GOVERNANCE COSTS	2015	2014
	£	£
Auditor's remuneration: external audit	2,880	2,760
Professional fees: accountancy	11,844	11,070
Support costs	3,376	3,452
	<hr/>	<hr/>
	18,100	17,282
	<hr/> <hr/>	<hr/> <hr/>

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

10 TRANSFERS

	Restricted Fund £	Unrestricted Fund £	Endowment Fund £	Total 2015 £
Transfer of annual running costs	4,182	(4,182)	-	-
Transfer to pay grant	-	930,000	(930,000)	-
	4,182	925,818	(930,000)	-

11 TANGIBLE FIXED ASSETS

	Total £
Office equipment	
Cost	
At 6 April 2014	3,615
Additions	-
Disposals	-
	<hr/>
At 5 April 2015	3,615
	<hr/>
Depreciation	
At 6 April 2014	2,615
Charge for the year	500
Elimination on disposal	-
	<hr/>
At 5 April 2015	3,115
	<hr/>
Net book value	
At 5 April 2015	500
	<hr/>
At 5 April 2014	1,000
	<hr/>

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

12 INVESTMENTS

	UK Investment Property £	UK Listed Securities £	UK Total £	Overseas Listed Securities £	Total £
Total investments at 5 April 2014			16,771,696	1,154,923	17,926,619
Less: Cash balance			(513,192)	-	(513,192)
Market value at 5 April 2014	270,000	15,988,504	16,258,504	1,154,923	17,413,427
Less: Unrealised appreciation	(135,338)	(5,796,646)	(5,931,984)	(391,674)	(6,323,658)
Cost at 5 April 2014	134,662	10,191,858	10,326,520	763,249	11,089,769
Add: Purchases at cost	-	3,421,412	3,421,412	-	3,421,412
Less: Disposals at cost	-	(2,175,525)	(2,175,525)	(102,227)	(2,277,752)
Cost at 5 April 2015	134,662	11,437,745	11,572,407	661,022	12,233,429
Add: Unrealised appreciation	135,338	5,445,981	5,581,319	268,150	5,849,469
Market value at 5 April 2015	270,000	16,883,726	17,153,726	929,172	18,082,898
Add: Cash balance			43,469	-	43,469
Total investments at 5 April 2015			17,197,195	929,172	18,126,367

The directors consider that there were no material individual investment holdings in the year that require disclosure.

Reconciliation of movements in unrealised gains on investment assets

	Restricted Fund £	Unrestricted Fund £	Endowment Fund £	Total Funds £
Realised gain/(loss) for the year	-	-	65,311	65,311
Increase in unrealised gain at the year end	-	-	1,102,855	1,102,855
Net gain for the year	-	-	1,168,166	1,168,166
Brought forward losses/(profits) crystallised in the year	-	-	(1,642,355)	(1,642,355)
Net movement in unrealised gain	-	-	(474,189)	(474,189)
Unrealised gains at 6 April 2014	135,338	-	6,188,320	6,323,658
Unrealised gains at 5 April 2015	135,338	-	5,714,131	5,849,469

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

12 INVESTMENTS (continued)

Valuation of investment property

The UK investment property, purchased in the year ended 5 April 2001 was revalued in the autumn of 2010, in accordance with the policy to revalue every five years.

The directors did not wish to incur undue costs and therefore approached an estate agent local to the property to request a written estimate of the current market value. The mid selling price range quoted by the estate agent has been incorporated as the market value in the financial statements.

The next review will take place in the year ended 5 April 2016.

13 DEBTORS	2015 £	2014 £
Other debtors	28,614	8,216
Prepayments and accrued income	79,398	82,271
	<hr/>	<hr/>
	108,012	90,487
	<hr/>	<hr/>
14 CREDITORS: Amounts falling due within one year		
Grants payable:		
- Education	1,205,000	10,000
- Welfare	248	-
	<hr/>	<hr/>
	1,205,248	10,000
Other creditors and accruals	35,150	131,173
	<hr/>	<hr/>
	1,240,398	141,173
	<hr/>	<hr/>
15 CREDITORS: Amounts falling due after more than one year		
Grant payable		
- Education	-	5,000
	<hr/>	<hr/>

NEWBY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015

16 MOVEMENT IN RECOGNISED GRANT COMMITMENTS	2015 £	2014 £
Charitable commitments accrued		
Charitable commitments recognised at the start of the year	15,000	67,000
New grant commitments charged to the SOFA in year (note 7)	1,446,662	293,119
Grants paid during the year	(256,414)	(345,119)
	<hr/>	<hr/>
Amount of grant commitments recognised at 5 April 2015	1,205,248	15,000
	<hr/>	<hr/>

17 CONTINGENT LIABILITIES

At the balance sheet date, the company had indicated that subject to a final review on certain conditions being met, it was likely that grants of £60,000 would be made (2014: £60,000). The directors intend to make grants of £30,000 each to the Faculty of Arts and Social Sciences at Lancaster University and to the Faculty of Arts and Humanities at Durham University for postgraduate education. However, the directors require more information and clarification as to the funding before final approval will be given.

18 ANALYSIS OF CHARITABLE FUNDS

Analysis of fund movements	Balance at 5 April 2014 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Fund at 5 April 2015 £
Expendable endowment	17,651,104	-	(39,172)	(930,000)	1,168,166	17,850,098
Restricted fund	272,322	13,200	(17,382)	4,182	-	272,322
Unrestricted fund	379,085	496,455	(1,501,934)	925,818	-	299,424
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	18,302,511	509,655	(1,558,488)	-	1,168,166	18,421,844
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The nature and purposes of the funds are detailed in note 1.2

A transfer of £930,000 was made from the Expendable Endowment Fund to the Unrestricted Fund to allow the company to pay the "JRF Endowment" comprising £600,000 each to Newnham & Clare Colleges, Cambridge University.

19 TAXATION

The company is a registered charity and no provision is considered necessary for taxation.