

**COMPANY REGISTRATION NUMBER : 00335344**  
**CHARITY REGISTRATION NUMBER: 227151**

**NEWBY TRUST LIMITED**  
**DIRECTORS' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**  
**5 APRIL 2017**

**NEWBY TRUST LIMITED**  
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**NEWBY TRUST LIMITED**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

**DIRECTORS**

Mrs A S Reed (retired on 12 November 2016)  
Mrs S A Charlton  
Mrs A L Foxell  
Mr R B Gooder  
Ms E Montgomery  
Mr N Callaghan  
Mr D Charlton  
Mr D Reed  
Dr S J Gooder

**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, 8 Finsbury Circus London EC2M 7AZ

**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 2017.

#### **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 secretary is the only key management personnel of the charity. The directors review her salary on a yearly basis.

There are also twenty four members (twenty three in 2016) of the company, all of whom are family members who are invited to become company members when they reach the age of 18. Members attend the AGM of the company each year.

## 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 objectives for the year were 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

#### OBJECTIVES (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 reviewed the administrative and income generation costs and were satisfied that the company is meeting its financial objectives in these areas.

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 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 £30,000 for University of Durham, £30,000 for Lancaster University, £8,000 for Future Talent, £8,000 for The Roundhouse, £10,000 for The Royal School of Needlework, £10,000 for West Dean, £3,150 for Wiltshire Music and £4,000 for Froxfield Primary School.

**NEWBY TRUST LIMITED**  
**DIRECTORS' REPORT - CONTINUED**

**ACTIVITIES (continued)**

**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 Penny Brohn Cancer Cure, £5,000 for Freedom from Torture and £32,000 for Motor Neurone Disease Association.

In addition, the special category for 2016-2017 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. 272 grants totalling £48,066 were made to support individuals. In relation to support for vulnerable and disadvantaged people, the directors approved grants of £15,000 for White City Theatre Project, £1,000 for Hope in the Valley Riding for the Disabled, £5,000 for Newby & Scalby Library, £2,500 for Circle Scotland, £5,000 for Dolphin Society, £10,000 for Chailey Heritage and £18,000 for Angel Community Canal Boat Trust.

**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 2016/17 the special category under the health heading was:

*Smaller charities providing counselling, support and vocational opportunities for people with mental health issues.*

£103,000 was spent on the special category and grants were made to:

Arts and Minds	£2,000
Blue Smile	£10,000
Calderdale Wellbeing	£8,000
Carrs Lane Counselling	£3,000
Cascade Theatre	£7,000
CASY	£7,000
The Cellar Trust	£8,000
Dandelion Time	£8,000

**NEWBY TRUST LIMITED**  
**DIRECTORS' REPORT - CONTINUED**

**4. Annual Special Category (continued)**

DFMH	£2,000
Maya Central	£5,000
Maytree	£10,000
Root and Branch	£5,000
Soundwell Music	£8,000
Sunderland Headlight	£5,000
Teens in Crisis	£5,000
Time to Talk	£5,000
Womankind	£5,000

In 2017/18 the special category will come under the Health heading and will be

*Smaller charities using sport or dance to encourage healthy and active lifestyles for disadvantaged young people.*

**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.

**ACHIEVEMENTS AND PERFORMANCE**

The directors aim to generate income of at least £300,000 for expenditure on grants. In 2016/17 a total of £371,962 was approved for grants in the year. £103,150 was awarded for education, £118,812 was awarded in the welfare category and £150,000 was spent on health including £103,000 in the special category.

The company continues to be heavily oversubscribed for its funds.



## **NEWBY TRUST LIMITED**

### **DIRECTORS' REPORT - CONTINUED**

#### **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. The directors agreed new educational objectives at the directors' meeting in March 2017 that will be adopted from next year.

#### **FINANCIAL REVIEW**

##### **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 directors have agreed that the funds available for grants in each financial year will be the amount of the previous year's surplus of unrestricted income over expenses as shown in the previous year's accounts. For the year ending 5 April 2017, the Directors met their grant making objective by making unrestricted fund grants of £371,962 against a target of £368,388, being the unrestricted fund balance at 5 April 2016.

The unrestricted fund income for the year ended 5 April 2017 was £476,313 and the expenses totalled £78,249 (£41,064 investment management fees, £21,231 salary and general expenses and £15,954 audit and accountancy fees). The unrestricted fund balance (after including the brought forward balance of £368,388, grants paid of £357,899 and a transfer in of £41,600 at the end of the year was £450,153. Under the grant making policy noted above, the amount available for making grants from the unrestricted fund in the year ended 5 April 2018 will be £450,000.

##### **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 MSCI/WMA Balanced Index. Portfolio movement for the year was 17.75% against the benchmark of 17.28%.

##### **Reserves**

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

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.

The company has free reserves, comprising the net assets of the unrestricted fund, of £450,153. 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 £400,000. Grant expenditure will be kept under review to ensure it is less than anticipated investment income.

## **NEWBY TRUST LIMITED**

### **DIRECTORS' REPORT - CONTINUED**

#### **DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The directors (who are also trustees of Newby Trust Limited 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
- 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.

**NEWBY TRUST LIMITED**  
**DIRECTORS' REPORT - CONTINUED**

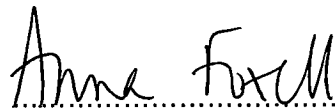
**AUDITORS**

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

  
.....  
**Mrs A L Foxell**  
**Director**

Approved by the Directors on 23 October..... 2017

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

We have audited the financial statements of Newby Trust Limited for the year ended 5 April 2017 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. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's 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**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

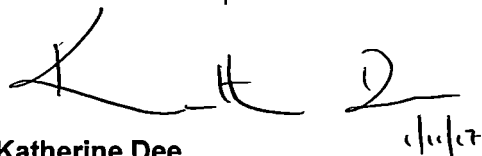
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report (which incorporates the strategic report and directors' report required by company law) for the financial year 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 and the Charities Act 2011 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exception in preparing the trustees report.

A handwritten signature in black ink, appearing to be 'K. Dee', followed by a date '11/17' written below it.

**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 2017**

	Notes	Restricted Funds £	Unrestricted Fund £	Endowment Fund £	Total 2017 £	Total 2016 £
<b>TOTAL INCOME</b>						
Investment income	4	7,269	476,163	-	483,432	454,941
Donation		-	150	-	150	-
		<u>7,269</u>	<u>476,313</u>	<u>-</u>	<u>483,582</u>	<u>454,941</u>
<b>EXPENDITURE</b>						
<b>Cost of raising funds:</b>						
Investment management costs	6	-	41,064	40,274	81,338	74,233
<b>Charitable activities:</b>	7					
Education		-	113,995	-	113,995	85,600
Health		-	165,494	-	165,494	38,048
Welfare		15,612	115,595	-	131,207	224,837
		<u>15,612</u>	<u>395,084</u>	<u>-</u>	<u>410,696</u>	<u>348,485</u>
<b>Cost of grant making</b>		<u>15,612</u>	<u>395,084</u>	<u>-</u>	<u>410,696</u>	<u>348,485</u>
<b>TOTAL EXPENDITURE</b>		<u>15,612</u>	<u>436,148</u>	<u>40,274</u>	<u>492,034</u>	<u>422,718</u>
<b>Net income / (expenditure) for the Year before gains and losses on Investments</b>		(8,343)	40,165	(40,274)	(8,452)	32,223
<b>Net gains/ (losses) on investment assets</b>	11/12	-	-	2,561,323	2,561,323	(921,711)
<b>Net income / (expenditure) Before transfers</b>		(8,343)	40,165	2,521,049	2,552,871	(889,488)
<b>Transfers</b>	10	(263,979)	41,600	222,379	-	-
<b>Net movement in funds</b>		<u>(272,322)</u>	<u>81,765</u>	<u>2,743,428</u>	<u>2,552,871</u>	<u>(889,488)</u>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>		<u>272,322</u>	<u>368,388</u>	<u>16,891,646</u>	<u>17,532,356</u>	<u>18,421,844</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>-</u>	<u>450,153</u>	<u>19,635,074</u>	<u>20,085,227</u>	<u>17,532,356</u>

All of the above results are derived from continuing activities with the exception of the Restricted Fund, which ended on 23 October 2016 (the date of death of the beneficiary). All gains and losses recognised in the year are included above. The surplus on the income and expenditure account for the year for Companies Act purposes comprises the net expenditure of (£8,452) plus the realised gains on investments £122,739 (note 12) and was £114,287 (2016: £232,768).

## NEWBY TRUST LIMITED

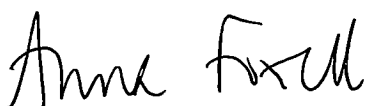
## BALANCE SHEET

AS AT 5 APRIL 2017

	Notes	Restricted Funds £	Unrestricted Fund £	Endowment Fund £	Total 2017 £	Total 2016 £
<b>FIXED ASSETS</b>						
Tangible assets	11	-	-	-	-	270,000
Investments	12	-	154,825	19,285,074	19,439,899	16,871,824
		-	154,825	19,285,074	19,439,899	17,141,824
<b>CURRENT ASSETS</b>						
Investment property held for sale		-	-	350,000	350,000	-
Debtors	13	-	76,154	-	76,154	77,061
Cash at bank and in hand		-	332,716	-	332,716	402,700
<b>TOTAL CURRENT ASSETS</b>		-	408,870	350,000	758,870	479,761
<b>LIABILITIES</b>						
Creditors falling due within one year	14	-	(102,542)	-	(102,542)	(89,229)
<b>NET CURRENT ASSETS</b>		-	306,328	350,000	656,328	390,532
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>						
Creditors falling due after More than one year		-	461,153 (11,000)	19,635,074 -	20,096,227 (11,000)	17,532,356 -
<b>NET ASSETS</b>		-	450,153	19,635,074	20,085,227	17,532,356
<b>THE FUNDS OF THE CHARITY</b>						
Endowment fund						
Expendable endowment		-	-	13,519,243	13,519,243	12,602,654
Revaluation reserve		-	-	6,115,831	6,115,831	4,288,992
Restricted income fund		-	-	-	-	272,322
Unrestricted income fund		-	450,153	-	450,153	368,388
		-	450,153	19,635,074	20,085,227	17,532,356

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the directors and authorised for issue on 23.10.17, and are signed on their behalf by:



Mrs A L Foxell

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2017**

**1. ACCOUNTING POLICIES**

**1.1 General information**

Newby Trust Limited is a company limited by guarantee incorporated in the United Kingdom under the Companies Act. The address of the registered office is Hill Farm, Froxfield, Nr Petersfield, Hampshire, GU32 1BQ. The objectives of the charity are set out on page 3.

**1.2 Basis of preparation**

The financial statements have been prepared in compliance 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 Section 1A) and the Companies Act 2006.

Newby Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The functional currency of Newby Trust Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

**1.3 Cash flow statement**

The company has taken advantage of the exemption in "Bulletin 1: Amendments to 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" from the requirement to produce a cash flow statement on the grounds that it is a small charity.

**1.4 Preparation of the accounts on a going concern basis**

The trustees consider that there are no material uncertainties about the trust's ability to continue as a going concern for at least twelve months from the date of approving the accounts. The trustees have considered the investment performance during the year and the level of current commitments. The most significant areas of uncertainty that affect the future carrying value of assets held by the Trust are the level of investment return and the performance of investment markets. The accounts have been prepared on a going concern basis.



**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2017**

**1.5 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 17.

**1.6 Income**

Income is recognised once the company has entitlement to the resources, it is probable that the resources will be received and the monetary value of the income can be measured with sufficient reliability.

**1.7 Expenditure**

Expenditure is recognised as soon as there is a legal or constructive obligation committing the company to the expenditure, it is probable that settlement will be required and the amount of the obligation can be reliably measured. 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.

**1.8 Irrecoverable VAT**

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

**1.9 Allocation of overhead and support costs**

Overhead and support costs have been allocated between the cost of raising funds and charitable activity 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.

**1.10 Costs of raising funds**

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

**1.11 Charitable activities**

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

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**1.12 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, as shown in note 9.

**1.13 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and valued at historic cost or deemed cost where an asset has been recognised at fair value under a transitional rule for FRS102.

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

**1.14 Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors

The investments are held to provide income for the charity. Information regarding the principal investment risks and performance can be found in the trustees report.

**1.15 Investment property held for sale**

The investment property previously held as a Fixed Asset has been reclassified as a current asset held for sale as it will be sold within the next 12 months. The investment property has been recognised at its market value, being the value it was sold for on 21 April 2017.

**1.16 Debtors**

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.17 Cash at bank and in hand**

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.

**1.18 Creditors and provisions**

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**1.19 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.

**1.20 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.

**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 2017 was 24 (2016: 23).

**3 RELATED PARTY TRANSACTIONS**

No remuneration was paid to the directors in the year (2016: nil).

No expenses were reimbursed to the directors in the year (2016: nil).

The company used to operate 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 was nil (2016: £1,014). The amount due to Mrs Reed at 5 April 2017 was nil (2016: £1,014).

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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4 INVESTMENT INCOME	----- 2017 -----			----- 2016 -----		
	UK £	Outside UK £	Total £	UK £	Outside UK £	Total £
Gross income receivable from listed investments	368,846	106,562	475,408	417,479	22,665	440,144
Gross income receivable from cash held as part of the investment portfolio	65	-	65	674	-	674
Gross income receivable from property	7,269	-	7,269	13,200	-	13,200
Gross interest receivable from monies on bank deposit	690	-	690	904	-	904
Gross interest receivable from HM Revenue on customs on tax refund	-	-	-	19	-	19
	<u>376,870</u>	<u>106,562</u>	<u>483,432</u>	<u>432,276</u>	<u>22,665</u>	<u>454,941</u>

The notional income due from the 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 other property expenses paid by the trustees (£6,794) that relate to the property.

**5 ALLOCATION OF GOVERNANCE AND SUPPORT COSTS**

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

Cost type	-----2017-----			
	Total Allocated £	Cost of raising funds £	Charitable activities £	2016 Total £
Salary (one employee only)	20,460	409	20,051	20,280
Rent and electricity	-	-	-	1,014
Depreciation	-	-	-	500
General expenses	3,110	62	3,048	1,994
Governance costs (note 9)	15,954	319	15,635	13,764
	<u>39,524</u>	<u>790</u>	<u>38,734</u>	<u>37,552</u>

There were no employees with emoluments above £60,000 and no National Insurance and pension costs.

The total employee benefits of key management personnel of the charity were £20,460 (2016: £20,280).

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2017**

**5 ALLOCATION OF GOVERNANCE AND SUPPORT COSTS (continued)**

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.

<b>Total costs</b>	<b>2017 £</b>	<b>2016 £</b>
Education	10,845	9,200
Health	15,494	4,048
Welfare	12,395	23,553
	<hr/>	<hr/>
<b>Total allocated</b>	<b>38,734</b>	<b>36,801</b>
	<hr/>	<hr/>

**6 ANALYSIS OF COST OF RAISING FUNDS**

	<b>2017 £</b>	<b>2016 £</b>
Investment management fees	80,548	73,482
Support costs	790	751
	<hr/>	<hr/>
	<b>81,338</b>	<b>74,233</b>
	<hr/>	<hr/>

**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.

<b>2017</b>	<b>Grant funded activity £</b>	<b>Support costs £</b>	<b>2017 Total £</b>
Education	103,150	10,845	113,995
Health	150,000	15,494	165,494
Welfare	118,812	12,395	131,207
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>371,962</b>	<b>38,734</b>	<b>410,696</b>
	<hr/>	<hr/>	<hr/>
<b>2016</b>	<b>Grant funded activity £</b>	<b>Support costs £</b>	<b>2016 Total £</b>
Education	76,400	9,200	85,600
Health	34,000	4,048	38,048
Welfare	201,284	23,553	224,837
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>311,684</b>	<b>36,801</b>	<b>348,485</b>
	<hr/>	<hr/>	<hr/>

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**8 ANALYSIS OF GRANTS**

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

<b>EDUCATION</b>	<b>£</b>
8 grants to institutions of over £1,000 each	103,150
<b>HEALTH</b>	
3 grants to institutions of over £1,000 each	47,000
Under the annual special category to fund smaller charities providing counselling, support and vocational opportunities for people with mental health issues:	
17 grants to institutions of over £1,000 each	103,000
	150,000
<b>WELFARE</b>	
7 grants to institutions of over £1,000 each	56,500
272 grants to institutions for individuals of which 50 grants were paid to the following 10 institutions, who received over £1,000 in total:	
Arch Initiatives (11)	1,650
Independence at home (1)	1,500
League of the helping hand (1)	1,000
Leicester charity link (1)	1,000
P3 (9)	1,590
Perennial ( Gardener's Royal Benevolent Society) (1)	1,000
REACT (1)	1,000
Roundabout (10)	1,800
Single Homeless Project (7)	1,090
Talking Money (8)	1,080
	12,710
and a further 222 grants were paid to 143 other institutions	36,393
	105,966
Less: refunds	(1,037)
	104,749
One grant from restricted funds	14,063
	118,812
Total grant payments	371,962

**NEWBY TRUST LIMITED**  
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<b>9 ANALYSIS OF GOVERNANCE COSTS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration: external audit	2,880	2,760
Professional fees: accountancy	13,074	11,004
	<hr/>	<hr/>
	15,954	13,764
	<hr/>	<hr/>

<b>10 TRANSFERS</b>	<b>Restricted Fund</b>	<b>Unrestricted Fund</b>	<b>Endowment Fund</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Transfer of restricted fund now beneficiary has died	(343,979)	41,600	302,379	-
	<hr/>	<hr/>	<hr/>	<hr/>
	(343,979)	41,600	302,379	-
	<hr/>	<hr/>	<hr/>	<hr/>

The restricted fund was created when properties were purchased for beneficiaries. The last remaining beneficiary died on 23 October 2016 and as such the restricted fund terminated. The amount of transfers from the unrestricted fund for the annual running costs of the property were reimbursed with the remaining funds being added to the Endowment fund.

<b>11 TANGIBLE FIXED ASSETS</b>	<b>Office Equipment</b>	<b>Leasehold Property</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 6 April 2016	3,615	270,000	273,615
Disposals in year	(2,115)	-	(2,115)
	<hr/>	<hr/>	<hr/>
At 5 April 2017	1,500	270,000	271,500
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 6 April 2016	3,615	-	3,615
Charge for the year	-	-	-
Disposals in year	(2,115)	-	(2,115)
	<hr/>	<hr/>	<hr/>
At 5 April 2017	1,500	-	1,500
Transfer to current assets as Asset held for sale		(270,000)	
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 5 April 2017	-	-	-
	<hr/>	<hr/>	<hr/>
At 5 April 2016	-	270,000	270,000
	<hr/>	<hr/>	<hr/>

The property has been revalued to its market value, being the price the property was sold for on 21 April 2017.

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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<b>12 INVESTMENTS</b>	<b>Unrestricted Fund UK Listed Securities £</b>	<b>Endowment Fund UK Listed Securities £</b>	<b>Overseas Listed Securities £</b>	<b>Total £</b>
Total investments at 5 April 2016	-	15,652,236	1,219,588	16,871,824
Less: Cash balance	-	(182,089)	-	(182,089)
Market value at 5 April 2016	-	15,470,147	1,219,588	16,689,735
Less: Unrealised appreciation	-	(3,997,164)	(291,828)	(4,288,992)
Cost at 5 April 2016	-	11,472,983	927,760	12,400,743
Add: Purchases at cost	-	2,545,344	558,121	3,103,465
Less: Disposals at cost	-	(2,639,903)	-	(2,639,903)
Cost at 5 April 2017	-	11,378,424	1,485,881	12,864,305
Add: Unrealised appreciation	-	5,679,390	436,441	6,115,831
Market value at 5 April 2017	-	17,057,814	1,922,322	18,980,136
Add: Cash balance	154,825	304,938	-	459,763
Total investments at 5 April 2017	154,825	17,362,752	1,922,322	19,439,899

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**

	<b>Endowment Fund £</b>	<b>Total Funds £</b>
Realised gain/(loss) for the year	122,739	122,739
Increase in unrealised gain at the year end	2,358,584	2,358,584
Net gain for the year	2,481,323	2,481,323
Brought forward losses/(profits) crystallised in the year	(654,484)	(654,484)
Net movement in unrealised gain	1,826,839	1,826,839
Unrealised gains at 6 April 2016	4,288,992	4,288,992
Unrealised gains at 5 April 2017	6,115,831	6,115,831



**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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	Unrestricted Fund	Unrestricted Fund
<b>13 DEBTORS</b>	<b>2017 £</b>	<b>2016 £</b>
Other debtors	15,443	21,912
Prepayments and accrued income	60,711	55,149
	<hr/> 76,154 <hr/>	<hr/> 77,061 <hr/>
<b>14 CREDITORS: Amounts falling due within one year</b>		
Grants payable:		
- Education	12,200	9,200
- Welfare	21,580	29,000
- Health	32,000	18,000
	<hr/> 65,780 <hr/>	<hr/> 56,200 <hr/>
Other creditors and accruals	36,762	33,029
	<hr/> 102,542 <hr/>	<hr/> 89,229 <hr/>
<b>CREDITORS: Amounts falling due after more than one year</b>		
Grants payable:		
- Welfare	11,000	-
	<hr/> 11,000 <hr/>	<hr/> - <hr/>
<b>15 MOVEMENT IN RECOGNISED GRANT COMMITMENTS</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Charitable commitments accrued</b>		
Charitable commitments recognised at the start of the year	56,200	1,205,248
New grant commitments charged to the SOFA in year (note 7)	377,893	311,684
Grants paid during the year	(357,313)	(1,460,732)
	<hr/> 76,780 <hr/>	<hr/> 56,200 <hr/>
Amount of grant commitments recognised at 5 April 2017		

**16 CONTINGENT LIABILITIES**

At the balance sheet date, there were no contingent liabilities (2016: Grants £60,000).

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2017**

**17 ANALYSIS OF CHARITABLE FUNDS**

Analysis of fund movements	Balance at 5 April 2016 £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund at 5 April 2017 £
Expendable endowment	16,891,646	-	(40,274)	222,379	2,561,323	19,635,074
Restricted fund	272,322	7,269	(15,612)	(263,979)	-	-
Unrestricted fund	368,388	476,313	(436,148)	41,600	-	450,153
	<u>17,532,356</u>	<u>483,582</u>	<u>(492,034)</u>	<u>-</u>	<u>2,561,323</u>	<u>20,085,227</u>

The nature and purposes of the funds are detailed in note 1.6

**COMPARATIVE OF CHARITABLE FUNDS**

Analysis of fund movements	Balance at 5 April 2015 £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund at 5 April 2016 £
Expendable endowment	17,850,098	-	(36,741)	-	(921,711)	16,891,646
Restricted fund	272,322	13,200	(18,528)	5,328	-	272,322
Unrestricted fund	299,424	441,741	(367,449)	(5,328)	-	368,388
	<u>18,421,844</u>	<u>454,941</u>	<u>(422,718)</u>	<u>-</u>	<u>(921,711)</u>	<u>17,532,356</u>

**18 TAXATION**

The company is exempt from tax of income and gains falling within Section 505 of the Tax Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**19 FINANCIAL INSTRUMENTS**

The company is exposed to interest rate risk on its bank balances and current asset investments. There is also exposure to price risk on the investment portfolio held as there is a risk that the value of the investments could fall. The liquidity risk for the charity is reduced by holding highly liquid current asset investments. The company manages its risks by appointing an investment manager.

**NEWBY TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2017**

**20 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	Restricted Funds £	Unrestricted Fund £	Endowment Fund £	Total 2016 £
<b>TOTAL INCOME</b>				
Investment income	13,200	441,741	-	454,941
	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURE</b>				
<b>Cost of raising funds:</b>				
Investment management costs	-	37,492	36,741	74,233
 <b>Charitable activities:</b>				
Education	-	85,600	-	85,600
Health	-	38,048	-	38,048
Welfare	18,528	206,309	-	224,837
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Cost of grant making</b>	18,528	329,957	-	348,485
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>	18,528	367,449	36,741	422,718
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income / (expenditure) for the Year before gains and losses on Investments</b>	(5,328)	74,292	(36,741)	32,223
 <b>Net gains/ (losses) on investment assets</b>	-	-	(921,711)	(921,711)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income / (expenditure) Before transfers</b>	(5,328)	74,292	(958,452)	(889,488)
<b>Transfers</b>	5,328	(5,328)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>	-	68,964	(958,452)	(889,488)
 <b>Total funds brought forward</b>	272,322	299,424	17,850,098	18,421,844
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>	272,322	368,388	16,891,646	17,532,356
	<hr/>	<hr/>	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2017**

**21 COMPARATIVE BALANCE SHEET**

	Notes	Restricted Funds £	Unrestricted Fund £	Endowment Fund £	Total 2016 £
<b>FIXED ASSETS</b>					
Tangible assets	11	270,000	-	-	270,000
Investments	12	-	-	16,871,824	16,871,824
		<u>270,000</u>	<u>-</u>	<u>16,871,824</u>	<u>17,141,824</u>
<b>CURRENT ASSETS</b>					
Debtors	13	-	77,061	-	77,061
Cash at bank and in hand		<u>2,322</u>	<u>380,556</u>	<u>19,822</u>	<u>402,700</u>
<b>TOTAL CURRENT ASSETS</b>		<u>2,322</u>	<u>457,617</u>	<u>19,822</u>	<u>479,761</u>
<b>LIABILITIES</b>					
Creditors falling due within one year	14	-	(89,229)	-	(89,229)
<b>NET CURRENT ASSETS</b>		<u>2,322</u>	<u>368,388</u>	<u>19,822</u>	<u>390,532</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>272,322</u>	<u>368,388</u>	<u>16,891,646</u>	<u>17,532,356</u>
<b>NET ASSETS</b>		<u>272,322</u>	<u>368,388</u>	<u>16,891,646</u>	<u>17,532,356</u>
<b>THE FUNDS OF THE CHARITY</b>					
Endowment fund					
Expendable endowment		-	-	12,602,654	12,602,654
Revaluation reserve		-	-	4,288,992	4,288,992
Restricted income fund		272,322	-	-	272,322
Unrestricted income fund		-	368,388	-	368,388
		<u>272,322</u>	<u>368,388</u>	<u>16,891,646</u>	<u>17,532,356</u>