

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 August 2020
for
The Stanford Trust
(A Company Limited by Guarantee)

Nielsens
Chartered Accountants
& Registered Auditors
The Gatehouse
453 Cranbrook Road
Ilford
Essex
IG2 6EW

The Stanford Trust

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for the Year Ended 31 August 2020

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The Stanford Trust

Report of the Trustees **for the Year Ended 31 August 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Objectives

The object for which The Stanford Trust ('the Trust') was established, as defined by the Memorandum of Association, dated 21 May 1993, is the advancement and support of education by making donations to support colleges of further education or universities including, in particular, Stanford University, provided that the donations shall be made for the purposes of the colleges and universities which are purposes being charitable under the law of England and Wales.

Aims

The Trust aims to advance education through the provision of funding to Stanford University to support scholarships and other charitable activities.

Objectives and strategies

- To distribute income in the most effective way possible and to monitor the impact of grants made.
- To increase the amount of income raised by the Trust.

Activities and public benefit

Income of £2,300,745 (2019 - £2,833,262) was raised during the year and £2,299,400 (2019 - £2,799,749) applied to the charitable purposes of the Trust. The Trust distributed grants to Stanford University to support its scholarship programmes and other educational activities, and the the Committee considers that its objectives have been adequately met during the year by making these funds available to Stanford University. The Committee confirms that it has regard to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities; and that they are of benefit to the wider public.

Grantmaking

Grants are made by the Trust to achieve its objects of advancing education through funding made available to higher education institutions and ultimately for public benefit. Grants are not made until these have been scrutinised and agreed by the Committee. The Trust concentrates on providing funding to Stanford University, and offers funding for focussed purposes, including the provision of scholarships for students at Stanford University.

Future plans

Through an enhanced fundraising policy, the Trust hopes to increase the level of funds raised over the next few years.

Financial position & review

The Trust is operated as a grant making charity and the Committee's policy is to distribute the income received in each financial year, and as such minimum reserves of no more than £5,000 are held. The Committee takes the view that as a grant making charity with no employees and minimal overheads there is limited need for the Trust to hold reserves. The Trust receives the bulk of its income as donations from individuals, many of whom are alumni of Stanford University. In the current year £2,299,400 has been donated by way of grants to Stanford University in order to advance the objects of the Trust. At the end of the year, The Trust had a surplus on reserves of £30,283 (2019: surplus £35,938).

The Stanford Trust

Report of the Trustees **for the Year Ended 31 August 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Legal Status

The Stanford Trust ('the Trust') is controlled by its governing document, deed of trust, and constitutes a company limited by guarantee, as defined by the Companies Act 1985, having been incorporated on 11 June 1993 (Co.No. 2826331) and it is registered as a charity (Registered Charity No. 1022726). The Trust is administered by a committee, whose members are its directors for the purpose of company law and its charity trustees for the purposes of charity law. The committee members are the trustees in office during the year as mentioned in the information section.

Recruitment and induction of Committee Members

The Leland Stanford Junior University ("Stanford University"), as sole member of the Trust, appoints the members of the committee of the Trust at its Annual General Meeting. At each Annual General Meeting a third of the committee retires by rotation and may be re-appointed by Stanford University to serve for a further term of office. New committee members are requested to review the Charity Commission's guidance 'CC3: 'The Essential Trustee: what you need to know' and are expected to be conversant with their responsibilities. They are also given a copy of the Memorandum and Articles of the Trust.

Decision making

Under the Articles of Association of the Trust, dated 21 May 1993, the Committee manages the activities of The Stanford Trust and is empowered to exercise all the powers of the Trust in pursuance of its objects. The Trust is a small organisation and has no employees, but it does have an administrator that works for the Trust on an ad hoc basis. The Committee takes all the decisions on the allocation of funding.

Related parties

The directors regard Stanford University to be the company's ultimate controlling party. Stanford University, is also the main beneficiary of the charity's grants and it bears the cost of the company's audit and accountancy fees and makes, contributions towards the company's bank charges from time to time. These contributions are shown as donated services of £2,750 (2019 - £2,550).

Risk management

The Committee considers that, as charity trustees of a grant-making charitable company which does not give advance funding commitments, their exposure to operational risks is minimal. The Committee members have reviewed the major risks faced by the Trust and are satisfied that steps have been taken to mitigate those risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02826331 (England and Wales)

Registered Charity number

1022726

Registered office

19 Norcott Road
London
N16 7EJ

Trustees

J Good
B H Pearson
E Jonsson

Company Secretary

J Good

The Stanford Trust

Report of the Trustees **for the Year Ended 31 August 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Nielsens
Chartered Accountants
& Registered Auditors
The Gatehouse
453 Cranbrook Road
Ilford
Essex
IG2 6EW

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Stanford Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 trustees are aware:

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

AUDITORS

The auditors, Nielsens, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 1 April 2021 and signed on its behalf by:

J Good - Trustee

**Report of the Independent Auditors to the Trustees of
The Stanford Trust**

Opinion

We have audited the financial statements of The Stanford Trust (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of
The Stanford Trust

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Nielsens

Nielsens
Chartered Accountants
& Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
The Gatehouse
453 Cranbrook Road
Ilford
Essex
IG2 6EW

1 April 2021

The Stanford Trust

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2020

	Notes	31.8.20 Unrestricted fund £	31.8.19 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	2,300,742	2,833,262
EXPENDITURE ON			
Charitable activities	3		
Grants to educational institutions		2,299,400	2,799,749
Other		6,997	4,777
Total		<u>2,306,397</u>	<u>2,804,526</u>
NET INCOME/(EXPENDITURE)		(5,655)	28,736
RECONCILIATION OF FUNDS			
Total funds brought forward		35,938	7,202
TOTAL FUNDS CARRIED FORWARD		<u><u>30,283</u></u>	<u><u>35,938</u></u>

The notes form part of these financial statements

The Stanford Trust

Balance Sheet
31 August 2020

	Notes	31.8.20 Unrestricted fund £	31.8.19 Total funds £
CURRENT ASSETS			
Debtors	8	-	22,184
Cash at bank		30,283	13,754
		<u>30,283</u>	<u>35,938</u>
NET CURRENT ASSETS		<u>30,283</u>	<u>35,938</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		30,283	35,938
NET ASSETS		<u>30,283</u>	<u>35,938</u>
FUNDS			
Unrestricted funds		<u>30,283</u>	<u>35,938</u>
TOTAL FUNDS		<u>30,283</u>	<u>35,938</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 1 April 2021 and were signed on its behalf by:

J Good - Trustee

The Stanford Trust

Cash Flow Statement
for the Year Ended 31 August 2020

	Notes	31.8.20 £	31.8.19 £
Cash flows from operating activities			
Cash generated from operations	1	(5,655)	28,736
Tax paid		22,184	(17,328)
		<hr/>	<hr/>
Net cash provided by operating activities		16,529	11,408
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		16,529	11,408
Cash and cash equivalents at the beginning of the reporting period		13,754	2,346
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		30,283	13,754
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

The Stanford Trust

Notes to the Cash Flow Statement
for the Year Ended 31 August 2020

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.20	31.8.19
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(5,655)	28,736
Adjustments for:		
Net cash (used in)/provided by operations	<u>(5,655)</u>	<u>28,736</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19	Cash flow	At 31.8.20
	£	£	£
Net cash			
Cash at bank	13,754	16,529	30,283
	<u>13,754</u>	<u>16,529</u>	<u>30,283</u>
Total	<u>13,754</u>	<u>16,529</u>	<u>30,283</u>

The Stanford Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. DONATIONS AND LEGACIES

	31.8.20	31.8.19
	£	£
Donations	2,270,683	2,808,228
Gift aid	27,309	22,484
Donated services and facilities	2,750	2,550
	<u>2,300,742</u>	<u>2,833,262</u>

The Stanford Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

3. CHARITABLE ACTIVITIES COSTS

		Grant funding of activities (see note 4) £
Grants to educational institutions		2,299,400

4. GRANTS PAYABLE

	31.8.20 £	31.8.19 £
Grants to educational institutions	2,299,400	2,799,749

5. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Other resources expended	4,447	2,550	6,997

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.20 £	31.8.19 £
Audit fees	1,300	1,300
Other non-audit services	1,250	1,250

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.20 £	31.8.19 £
Tax	-	22,184

The Stanford Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

9. RELATED PARTY DISCLOSURES & ULTIMATE CONTROLLING PARTY

The directors regard Stanford University to be the company's ultimate controlling party. Stanford University, is also the main beneficiary of the company's grants and it bears the cost of the company's audit and accountancy fees and makes contributions towards the company's bank charges from time to time. These contributions are shown as donated services of £2,750 (2019 - £2,550).

The Stanford Trust

Detailed Statement of Financial Activities
for the Year Ended 31 August 2020

	31.8.20 £	31.8.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,270,683	2,808,228
Gift aid	27,309	22,484
Donated services and facilities	2,750	2,550
	<hr/>	<hr/>
	2,300,742	2,833,262
Total incoming resources	2,300,742	2,833,262
 EXPENDITURE		
Charitable activities		
Grants to institutions	2,299,400	2,799,749
Support costs		
Finance		
Bank charges	699	520
Exchange rate differences	3,748	1,707
	<hr/>	<hr/>
	4,447	2,227
Governance costs		
Auditors' remuneration	1,300	1,300
Auditors' remuneration for non audit work	1,250	1,250
	<hr/>	<hr/>
	2,550	2,550
Total resources expended	<hr/>	<hr/>
	2,306,397	2,804,526
Net (expenditure)/income	<hr/>	<hr/>
	(5,655)	28,736
	<hr/> <hr/>	<hr/> <hr/>

This page does not form part of the statutory financial statements