

THE AGNES LOIS BULLEY TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

CHARITY COMMISSION REGISTRATION NUMBER: 505721

THE AGNES LOIS BULLEY TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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THE AGNES LOIS BULLEY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEE

The Trustee is the University of Liverpool, appointed under the Declaration of Trust dated 26 November 1948. The duties of the Trustee are delegated to the Officers of the University whose members during the year under review and up to the date of approval of the accounts were as follows:

| | |
|---------------------------|---|
| The Earl of Derby | President of the Council (resigned 31 July 2020) |
| Mrs C. Booth | President of Council (appointed 1 August 2020), Vice-President of Council (resigned 31 July 2020) |
| Dr P. Johnson | Vice-President of Council (appointed 1 August 2020) |
| Professor Dame Janet Beer | Vice-Chancellor |
| Professor G. Brown | Pro-Vice-Chancellor |
| Professor A. Hollander | Pro-Vice-Chancellor |
| *Ms N. Davies | Director of Finance |

Trustees are members of the University of Liverpool Council and their appointment term is coterminous with their appointment to Council.

*Senior staff of the University who are not Officers but who have been co-opted onto the Board of Trustees by the Officers.

REGISTERED ADDRESS

The registered address of the Trust is:-

The Foundation Building
765 Brownlow Hill
Liverpool
L69 7ZX

AUDITORS

KPMG LLP
1 Sovereign Square
Leeds
LS1 4DA

THE AGNES LOIS BULLEY TRUST

Trustees' annual report for the year ended 31 July 2020

Constitution

The Agnes Lois Bulley Trust was constituted under a Declaration of Trust dated 26 November 1948 and was registered as a charity on 1 January 1961 (Registration Number 505721).

Objectives

The objective of the Trust is to maintain and keep forever as a public park and flower garden, to be open for the enjoyment of the public at all reasonable times, the land known as Ness Gardens.

Public Benefit Statement

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

Administration

As Trustee, the University of Liverpool is charged with applying the annual income of the Trust to the maintenance of Ness Gardens as a public park and flower garden including greenhouses and other ancillary buildings. The management of the Charity's assets is undertaken by the University of Liverpool finance office.

Much work is undertaken at Ness Gardens by unpaid volunteers, many of whom are members of The Friends of Ness Gardens. This is a separate charity (registration number 511294) whose objective is to support and further the work of Ness Gardens.

The University of Liverpool, itself an Exempt Charity, is connected to the Trust as sole Trustee and by virtue of the fact that the Trust's affairs are administered by the University on its behalf.

Financial Summary

The net incoming resources for the year amounted to £168,325 (2019 £250,809). The Trust incurred expenses of £39,516 (2019 £38,777) for its management and administration. The Trust transferred to the University £168,331 (2019 £250,809) as a contribution to the cost of maintaining Ness Gardens.

Endowment Fund & Investment Policy

The Endowment Fund is a restricted fund under the terms of the trust deed and must be held permanently. Its purpose is to ensure a suitable income stream to finance the ongoing work of the charity. It is represented by a portfolio of investments, which are managed by investment managers who have been given discretionary power to acquire and dispose of investments within the policy set by the University of Liverpool.

It is the role of the Council of the University to set out the ethical platform on which the endowment asset investments are managed. The Council instructs its investment managers, through the Investments Committee, to invest University funds only with those companies who meet the criteria set for ethical investment. It is the role of the Investments Committee to maximise the potential returns on investments within such restrictions as established by Council. The net yield of the investments after management charges was 2.3% (2019: 3.4%).

The fund also holds the tangible fixed assets which consist of land and which must be held in perpetuity by a charity.

Risk Management & Governance

In the light of Corporate Governance guidance contained within the Charities Statement of Recommended Practice issued on 4 March 2005, the Trustees have considered the major strategic, business and operational risks to which the Charity is exposed. They believe that adequate measures are in place to minimise any potential impact on the Charity should any of the risks materialise.

THE AGNES LOIS BULLEY TRUST

Trustee report (continued) for the year ended 31 July 2020

Future Plans

The Trust plans to retain the current amount of endowed assets and to continue with its policy of transferring the income derived from these assets to the University of Liverpool as a contribution to the costs of maintaining Ness Gardens.

Going Concern

The activities of the charity are limited to remitting any excess of investment funds over the costs of administering those funds to the University however, the charity has no specific commitments and no committed costs. The Trustees have reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on those cash flow forecasts and consider that as a result of the charity's operating model explained above, there is no severe but plausible downside scenario which alters this conclusion. As a result, the Trustees consider it appropriate for the financial statements to be prepared on a going concern basis.

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the trust deed and rules of the charity and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements; and
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed [and the rules] of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.



N. Davies

By Order of the Trustee

6th April 2021

THE AGNES LOIS BULLEY TRUST

Independent auditor's report to the Trustees of the Agnes Lois Bulley Trust

Opinion

We have audited the financial statements of Agnes Lois Bulley Trust ("the charity") for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charity will continue in operation.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

THE AGNES LOIS BULLEY TRUST

Independent auditor's report to the Trustees of the Agnes Lois Bulley Trust (continued)

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 3, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Clare Partridge
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

7th April 2021

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

AGNES LOIS BULLEY TRUST

Statement of Financial Activities for the year to 31 July 2020

| | | Restricted Total Funds | Restricted Total Funds |
|--------------------------------------|-------|---------------------------|---------------------------|
| | Notes | 2020 £ | 2019 £ |
| Incoming and endowments from: | | | |
| Investments | 2 | 168,325 | 250,809 |
| | | ————— | ————— |
| Total income | | <u>168,325</u> | <u>250,809</u> |
| Expenditure on: | | | |
| Other – Management & Administration | 3 | (39,516) | (38,777) |
| Charitable activities | 4 | <u>(168,331)</u> | <u>(250,809)</u> |
| Total expenditure | | <u>(207,847)</u> | <u>(289,586)</u> |
| (Loss) / Gain on investments | 5 | <u>(108,402)</u> | <u>86,335</u> |
| Net (Expenditure) / Income | | <u>(147,924)</u> | <u>47,558</u> |
| Other recognised gains | | - | - |
| Net movement in funds | | <u>(147,924)</u> | <u>47,558</u> |
| | | 2020 £ | 2019 £ |
| Reconciliation of funds: | | | |
| Total funds brought forward | | 7,447,728 | 7,400,170 |
| Net movement in funds | | <u>(147,924)</u> | <u>47,558</u> |
| Total funds carried forward | | <u>7,299,804</u> | <u>7,447,728</u> |

THE AGNES LOIS BULLEY TRUST

Balance Sheet at 31 July 2019

| | Notes | 2020 | 2019 |
|----------------------------------|-------|------------------|------------------|
| | | £ | £ |
| Fixed Assets | | | |
| Tangible assets | | 1 | 1 |
| Investments | 5 | <u>7,299,803</u> | <u>7,447,727</u> |
| Net Assets | | <u>7,299,804</u> | <u>7,447,728</u> |
| The funds of the charity: | | | |
| Restricted Funds | | <u>7,299,804</u> | <u>7,447,728</u> |
| Total Funds | | <u>7,299,804</u> | <u>7,447,728</u> |

Approved by the Trustee and signed on its behalf by:



Nicola Davies
Director of Finance of the University of Liverpool

6th April 2021

The notes on pages 8 to 10 form part of these accounts.

THE AGNES LOIS BULLEY TRUST

Notes to the financial statements for the year ended 31 July 2020

1. Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and have been drawn up in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued by the Charity Commissioners for England and Wales in January 2015 and the Charities Act 2015. The format of the financial statements has been revised in accordance with the SORP. A summary of the principal accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared on the historical cost basis of accounting, with the exception of investments, which are shown at market value.

Incoming resources

All incoming resources are included in the Statement of Financial Activities on the earlier of receipt or entitlement.

Resources expended

Resources expended are accounted for on an accruals basis.

Realised and Unrealised 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 the sales proceeds and the original cost. Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value or cost if purchased during the year.

Tangible fixed assets

Land and buildings are carried at a nominal value of £1 to reflect the value at which the asset was transferred into the Trust. It is the intention of the trustee in the long term to retain the asset for the benefit of the Trust. In accordance with FRS102, the Trust has chosen not to revalue its assets.

Investments

Investments are managed on behalf of the Trust by the University of Liverpool. This enables the Fund to benefit by being part of a larger portfolio. The original cash endowment was used to purchase units in the University's Common Investment Fund Number 1. Investments are stated at their market value on 31 July 2020.

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 3.

The Trustees have reviewed the cash flow forecasts for a period of twelve months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the twelve month period, the charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements.

THE AGNES LOIS BULLEY TRUST

Notes to the financial statements (continued) for the year ended 31 July 2020

2. Investment Income

The investment income £168,325 (2019: £250,809) represents the income derived from the endowed assets which are held within the University's Common Investment Fund Number 1.

3. Resources Expended

Management and administration of the charity £39,516 (2019: £38,777) represents the trusts share of the administration costs incurred in managing the Common Investment Fund Number 1.

The audit fee for the year is £4,500 (2019: £1,000) and is payable by the trust.

4. Transfer to the University of Liverpool

The Trust transferred to the University £168,331 (2019: £250,809). The transfer is used by the University as a contribution to the costs of maintaining Ness Gardens.

5. Fixed Asset Investments

| | 2020 | 2019 |
|--|-------------------------|-------------------------|
| Investments managed by the University of Liverpool Common Investment Fund Number 1: | | |
| | £ | £ |
| Market value 1 August 2019 | 7,447,727 | 7,400,169 |
| (Loss) / gain on Investments | (108,402) | 86,335 |
| Management and administration fees | (39,516) | (38,777) |
| Net retained expenditure | (6) | - |
| Market Value 31 July 2020 | <u>7,299,803</u> | <u>7,447,727</u> |
| Historical cost as at 31 July 2020 | <u>75,000</u> | <u>75,000</u> |

The invested funds represent the permanent endowment made in 1948 by Agnes Lois Bulley. The University manages these funds on behalf of the Trust as part of its general endowed fund investments. All investments are managed within the UK and invested primarily in UK listed equities.

6. Trustee Expenses

No trustee received any remuneration from the charity during the year or travel expenses.

THE AGNES LOIS BULLEY TRUST

Notes to the financial statements (continued) for the year ended 31 July 2020

7. Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Charity is not registered for VAT and accordingly, all their expenditure is recorded inclusive of any VAT incurred.

8. Related Party Transactions

The costs of administering the trust are borne by the University of Liverpool which is registered at the Foundation Building, 765 Brownlow Hill, Liverpool, L69 7ZX and is the ultimate parent. The net income of the trust is transferred to the University of Liverpool to assist with the costs of maintaining and operating Ness Gardens.

