

THE MERLIN TRUST

REPORT AND ACCOUNTS

5TH APRIL 2021

AZETS

Accountants

THE MERLIN TRUST

REPORT AND ACCOUNTS - 5TH APRIL 2021

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THE MERLIN TRUST

REPORT OF THE TRUSTEES - YEAR ENDED 5TH APRIL 2021

The trustees present their annual report and accounts of the charity for the year ended 5th April 2021. The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The Trust was established in 1990, following the death of Sir David Scott in 1986, and in memory of his son, Merlin.

When Sir David retired from the Foreign Office in 1947, he created a two acre garden in Northamptonshire, in which he planted rare trees, shrubs and hardy plants from many parts of the world. He did this in memory of his only son, Merlin, an outstanding naturalist, who was killed in North Africa during the Second World War whilst still an undergraduate at Oxford.

The Trust furthers its charitable purposes for the public benefit through its grant making policy which aims to give financial assistance to keen young horticulturists, and those new to horticulture, enabling them to further their knowledge of plants in the wild, or in gardens and thereby helping them to acquire skills, academic qualifications or practical experience. This study could take any of the following forms - photography, painting, written observations, seed collecting or help with conservation projects, especially involving garden plants.

Grant making policy

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in setting the grant making policy.

The Trust invites applications for funding for suitable projects which may include visiting gardens in different parts of this country or abroad or travelling to see wild plants in their native habitats. Any suitable project, large or small, will be carefully considered. The Trust also aims to fund one or two places on an Alpine Garden Society trip and provide a grant for one person to spend two or three weeks working in the world renowned Schachen Alpine Garden. All grants are awarded at the discretion of the Trustees.

Applicants are preferably between the ages of 18 and 35, or any person within the first five years of a new career in horticulture with a genuine keenness on plants, gardens or gardening. The applicants should be able to show that their proposed project will help them in their careers.

Details of how to apply for grants are normally available on the Trust's website www.merlin-trust.org.uk. We reported last year that, due to the coronavirus pandemic and the curtailment of all non-essential travel, applications for all Merlin Trust travel grants would be suspended. We had hoped to open applications in January 2021. After careful consideration, it has been decided to delay the opening of applications for travel grants further due to uncertainty regarding the pandemic. The intention is to open applications for UK-only travel on 1st September 2021 for travel from October. This will be subject to change should there be new concerns regarding transmission rates, new virus variants etc. Further details and updates will be provided on our website.

ACHIEVEMENTS AND PERFORMANCE

The trustees decided to cancel certain grant awards made in the previous year, for travel in 2020, after it became clear that the continuing impact of the Covid-19 pandemic meant that travel would not be possible for the foreseeable future. No grants were awarded in the year ended 5th April 2021. Last year 41 grants were awarded to individual applicants.

Further details of grant making costs and incoming resources from grant cancellations are provided in notes 4 to 6 to the accounts.

THE MERLIN TRUST

REPORT OF THE TRUSTEES - YEAR ENDED 5TH APRIL 2021

ACHIEVEMENTS AND PERFORMANCE (Cont)

The Trust was established by trust deed dated 22 January 1990. In the 30 years since that date, over 800 grants have been awarded to keen horticulturists. Each applicant is required to submit a written report within three months of their return, with as many photographs as possible of the plants studied. Many of those submitted are quite outstanding and beautifully illustrated.

These reports, which provide a valuable source of information and inspiration to other horticulturists, are kept at the Lindley Library, Royal Horticultural Society, 80 Vincent Square, London, SW1P 2PE. Copies are held at the Royal Geographical Society (with the Institute of British Geographers), 1 Kensington Gore, London, SW7 2AR. Past reports are also available as downloads from our web site.

Christopher Brickell CBE, VMH, Chairman of the Merlin Trust until June 2006, retired as Director General of the Royal Horticultural Society in 1993 after 35 years of work for the RHS, in this country and abroad. To commemorate his great achievements, and particularly his work for young gardeners, the Trustees award a prize for the best report received during the year.

In recognition of the valuable contribution made to the Trust by the Founder, the late Miss Valerie Finnis VMH, and to reflect her special interest in photography, the Trustees make a further award for the report with the best photographs.

Due to the suspension of grant applications in April 2020, no prizes will be awarded in 2020/2021. Qualifying reports will be rolled over to the next available prize year. Last year, prizes of £1,000 were awarded.

Although the Covid-19 outbreak has resulted in a temporary suspension of grant awards, we hope that in the short-term, we will be able to launch a number of UK study award opportunities, alongside the study travel grant, providing a wider remit for horticulturists to explore horticultural practice, gardens and the native flora of the UK.

During the year, we celebrated the first ever Merlin Trust Day on 31st October 2020. Merlin Trust Day, to be held on 31st October each year, has been created to celebrate Merlins – past and present – and let future Merlins know that the Merlin Trust can support their early career through grants for travel, internships and work experience around the world. We will use our social media platforms to celebrate in the run up to the day and on the day.

It is with great sadness that we report that trustee and former Secretary of the Trust, Fiona Crumley, passed away in January 2021. She will be greatly missed by all at The Merlin Trust.

FINANCIAL REVIEW

Total income increased from £28,368 in 2020 to £38,118. Incoming resources include £15,273, comprising grants returned and grant obligations cancelled in respect of travel planned for 2020, which could not proceed due to pandemic-related travel restrictions.

Expenditure decreased from £54,779 to £13,210. In April 2020, applications for travel grants were suspended due to uncertainty regarding the pandemic and the curtailment of non-essential travel. As a result, the cost of the Trust's grant making activity decreased from £47,324 in 2020 to £6,097 in the current year. Further details are provided in notes 5 and 6 to the accounts.

Net income before investment gains and losses amounted to £24,908 (2020: net expenditure £26,411).

In late February 2020, the coronavirus pandemic triggered a fall in financial market prices resulting in an unrealised loss of £111,244 on the Trust's listed investment portfolio. The market recovered during the current year and, as a result, an unrealised gain of £146,117 has been recognized in the accounts.

After taking account of realised gains on investment sales in the year of £23,393 (2020: £6,718), net income for the year was £194,418 (2020: net expenditure £130,937).

THE MERLIN TRUST

REPORT OF THE TRUSTEES - YEAR ENDED 5TH APRIL 2021

INVESTMENT POLICY

The Trust Deed gives broad powers of investment to the discretion of the Trustees, and the investments held by the Trust have been acquired in accordance with those powers.

The Trustees have appointed stockbrokers to undertake discretionary management of the investment portfolio. During 2014 the Trustees defined and approved a "Statement of Investment Policy" for the guidance of the investment. The Trustees have designated funds which are invested on the stock market to produce an annual income stream for the purpose of meeting grant payments and, in a favourable economic climate, by means of capital growth in the longer term, to ensure that the Trust can continue to operate for the foreseeable future.

RISK REVIEW

The Trustees consider that the principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making. The investment risk is mitigated by the use of expert investment managers, having a diversified portfolio and benchmarking to monitor performance.

The operational risk is reduced by the close involvement of the Trustees in reviewing grant applications using their expertise in the relevant fields to make sound judgements.

RESERVES POLICY

At 5th April 2021 total funds amounted to £857,379. Of this, £803,852 represents funds earmarked for long-term investment. Subject to the investment risks identified in the notes to the accounts, this policy produces a reasonably predictable level of income and helps to maintain long-term continuity in the level of support the charity can offer its beneficiaries.

The trustees propose that the level of free reserves not invested should be at level of between £35,000 and £40,000. At this level, the trustees consider that in the event of a significant decrease in normal income, in the short-term, they would be able to continue to meet annual grant commitments and the running costs of the charity, whilst considering how income would be replaced or activities changed.

At 5th April 2021, free reserves not invested, and excluding tangible assets, were £53,527. This is more than target level, but, as reported above, applications for grants have been temporarily suspended. Reserves are expected to return to target level once the Trust can again accept grant applications. The reserves policy will be reviewed on a regular basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The governing instrument is the Trust Deed dated 22nd January 1990. The Trust is a registered charity number 803441.

In accordance with the Trust Deed there must be at least three Trustees. The Trustees may at their discretion make rules governing the appointment, retirement or removal of Trustees.

The Trustees have developed a policy of recruiting their number from diverse horticultural organisations and backgrounds. Their objective is to ensure that collectively they have the wide range of skills and experience necessary to contribute to the management and development of the Trust. To fulfill their aim to represent a wide geographical spread of organisations and individuals and encourage regular replacement of Trustees, potential candidates are nominated by existing Trustees and their appointment is discussed to confirm universal approval.

The day to day running of the Trust is delegated to the Secretary. The Trustees review all grant applications in detail with decisions of amounts to be paid to successful applicants being taken jointly. The Trustees meet regularly to discuss and review Trust business.

THE MERLIN TRUST**REPORT OF THE TRUSTEES - YEAR ENDED 5TH APRIL 2021****STRUCTURE, GOVERNANCE AND MANAGEMENT (Cont)****Reference and administrative information**

TRUSTEES

Fiona Crumley (Deceased 20th January 2021)
Jim Jermyn
Jonathan Miller
Sally Petitt (Chair)
Paul Cook
Kit Strange
David Knott

SECRETARY

Rebecca Slack
Email: info@merlin-trust.org.uk

PRINCIPAL ADDRESS

c/o Head of Horticulture
Cambridge University Botanic Garden
1 Brookside
Cambridge
CB2 1JE

INDEPENDENT EXAMINERS

Azets Audit Services
Thorpe House, 93 Headlands, Kettering,
Northants, NN15 6BL

BANKERS

Lloyds Bank PLC
3 – 4 Market Street, Kettering,
Northants, NN16 OAH

SOLICITORS

Hewitsons
Elgin House
Billing Road
Northants, NN1 5AU

STOCKBROKERS

Brewin Dolphin,
Time Central, Gallowgate,
Newcastle-Upon-Tyne, NE1 4SR

Approved by the trustees on 13th September 2021
and signed on their behalf by:-

S PETITT
CHAIR

THE MERLIN TRUST**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MERLIN TRUST**

I report to the trustees on my examination of the accounts of The Merlin Trust for the year ended 5th April 2021 which are set out on pages 6 to 15.

Responsibilities and basis of report

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

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn. I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A P ARMER
Chartered Accountant
Azets Audit Services
Thorpe House
93 Headlands
KETTERING NN15 6BL

Date: 21st September 2021

THE MERLIN TRUST**STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 5TH APRIL 2021**

	<u>NOTES</u>	<u>2021</u>	<u>2020</u>
Income and endowments from			
Donations and legacies	2	4,399	5,100
Other trading activities		336	179
Investments	3	18,110	23,089
Other income	4	15,273	-
		<hr/>	<hr/>
Total income		38,118	28,368
		<hr/> <hr/>	<hr/> <hr/>
Expenditure on			
Raising funds			
Investment management expenses		7,113	7,455
Charitable activities			
Cost of grant making	5 & 6	6,097	47,324
		<hr/>	<hr/>
Total expenditure		13,210	54,779
		<hr/> <hr/>	<hr/> <hr/>
Net income/(expenditure) before gains and losses on investments		24,908	(26,411)
Net gains/(losses) on investments		169,510	(104,526)
		<hr/>	<hr/>
Net income/(expenditure) and net movement in funds		194,418	(130,937)
Reconciliation of funds			
Total funds brought forward		662,961	793,898
		<hr/>	<hr/>
Total funds carried forward	11	£857,379	£662,961
		<hr/> <hr/>	<hr/> <hr/>

Notes on pages 8 to 15 form part of these accounts.

THE MERLIN TRUST**BALANCE SHEET AS AT 5TH APRIL 2021**

	<u>NOTES</u>	<u>2021</u>	<u>2020</u>
Fixed assets			
Tangible assets	7	1	1
Investments	8	804,179	641,631
		<hr/>	<hr/>
		804,180	641,632
Current assets			
Debtors	9	1,541	2,078
Cash at bank and in hand		62,950	36,876
		<hr/>	<hr/>
		64,491	38,954
		<hr/>	<hr/>
Liabilities			
Creditors: amounts falling due within one year	10	11,292	17,625
		<hr/>	<hr/>
Net current assets		53,199	21,329
		<hr/>	<hr/>
Total assets less current liabilities/net assets		£857,379	£662,961
		<hr/> <hr/>	<hr/> <hr/>
The funds of the charity			
Unrestricted funds:			
Designated fund	11	803,852	641,492
General fund	11	53,527	21,469
		<hr/>	<hr/>
	12	£857,379	£662,961
		<hr/> <hr/>	<hr/> <hr/>

The accounts were approved by the Trustees on 13th September 2021

)	
S PETITT)	
)	
)	TRUSTEES
)	
J MILLER)	

Notes on pages 8 to 15 form part of these accounts.

THE MERLIN TRUST**NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****1. ACCOUNTING POLICIES****a) Basis of preparation**

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The Trust constitutes a public benefit entity as defined by FRS102. The presentation currency of the accounts is the Pound Sterling (£). The Trust's accounts present information about it as an individual undertaking.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. At the end of the reporting period, the most significant areas of uncertainty that affect the carrying value of fixed asset investments held by the Trust, as disclosed in note 8, are the level of investment return and the performance of investment markets.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

b) Income recognition

All incoming resources are recognised when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Donations are recognised when the trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. For legacies, recognition is on a case by case basis but generally is the earlier of the charity being notified of an impending distribution or the legacy being received.

THE MERLIN TRUST**NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****1. ACCOUNTING POLICIES (Cont)****c) Expenditure recognition**

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the trust. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

d) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

e) Charitable activities

Costs of charitable activities include grants made, governance costs and support costs.

f) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

g) Tangible fixed assets

All tangible fixed assets purchased for use by the charity are capitalised at cost and depreciated at the following annual rates in order to reduce each asset to its estimated residual value at the end of its period of use:-

Computer and similar equipment	-	33 1/3% of cost
Other office furniture and equipment	-	20% of cost

h) 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.

i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

THE MERLIN TRUST**NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****1. ACCOUNTING POLICIES (Cont)****j) Fund structure**

The principles of fund accounting will be adopted in these accounts as follows:-

- restricted funds are those to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the funds, together with a fair allocation of overheads and support costs.
- unrestricted funds are donations and other incoming resources received for expenditure on the general objectives of the charity.
- designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

At 5th April 2021 all funds were unrestricted. Details of the designated funds are disclosed in note 11.

k) 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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	<u>2021</u>	<u>2020</u>
Peter Wilson	1,000	1,000
Tim Brotzman	2,578	4,000
The Heather Society	821	-
Other donations	-	100
	<hr/>	<hr/>
	£4,399	£5,100
	<hr/>	<hr/>

3. INVESTMENT INCOME

	<u>2021</u>	<u>2020</u>
Bank interest	9	18
Dividends and similar income from listed investments	18,101	23,071
	<hr/>	<hr/>
	£18,110	£23,089
	<hr/>	<hr/>

4. OTHER INCOME

	<u>2021</u>	<u>2020</u>
Grant awards cancelled	£15,273	£ -
	<hr/>	<hr/>

The trustees decided to cancel certain grant awards made in the previous year, for travel in 2020, after it became clear that the continuing impact of the Covid-19 pandemic meant that travel would not be possible for the foreseeable future. The incoming resources represent the return of travel grants paid by the Trust in the year ended 5th April 2020 and the cancellation of unpaid grant commitments.

THE MERLIN TRUST**NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****5. ANALYSIS OF CHARITABLE EXPENDITURE****GRANTS AND PRIZES**

Although costs were incurred in connection with the administration of the Trust's grant making activity, no grants or prizes were awarded in the year. During the year ended 5th April 2020, 41 grants and 2 prizes were awarded to individuals. Details of the costs incurred are as follows:

	<u>2021</u>	<u>2020</u>
Total grants and prizes	-	40,517
Support and governance costs	6,097	6,807
	<hr/>	<hr/>
Total cost of grant making activity	£6,097	£47,324
	<hr/>	<hr/>

6. SUPPORT AND GOVERNANCE COSTS

The total support costs in 2021 and 2020 were attributable to grant making activities. A breakdown of the costs is shown below.

	<u>2021</u>	<u>2020</u>
Support costs		
Secretarial support	3,000	3,000
Publicity and website costs	187	227
Stationery, postage, software, travel and other costs	186	789
	<hr/>	<hr/>
Total	3,373	4,016
	<hr/>	<hr/>
Governance costs		
Independent examiner's remuneration		
Independent examiner's fee	384	372
Accountancy and other services	2,340	2,196
Trustees' expenses	-	223
	<hr/>	<hr/>
	2,724	2,791
	<hr/>	<hr/>
Total support and governance	£6,097	£6,807
	<hr/> <hr/>	<hr/> <hr/>

THE MERLIN TRUST**NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****7. TANGIBLE FIXED ASSETS**

	<u>Equipment, fixtures & fittings</u>
COST	
At 6th April 2020 and at 5th April 2021	£ 1,282
	=====
ACCUMULATED DEPRECIATION	
At 6th April 2020 and at 5th April 2021	£ 1,281
	=====
NET BOOK VALUE	
At 5th April 2021	£ 1
	=====
At 5th April 2020	£ 1
	=====

The fixed assets are all used for direct charitable purposes.

8. FIXED ASSET INVESTMENTS

	<u>Listed Investments</u>	<u>Cash Deposit</u>	<u>2021 Total</u>	<u>2020 Total</u>
Market value at 6th April 2020	605,310	36,321	641,631	753,575
Additions at cost	165,500	-	165,500	232,028
Disposals at carrying value	(134,206)	(14,863)	(149,069)	(232,728)
Unrealised gain/(loss) on revaluation	146,117	-	146,117	(111,244)
	-----	-----	-----	-----
Market value at 5th April 2021	£782,721	£21,458	£804,179	£641,631
	=====	=====	=====	=====

THE MERLIN TRUST**NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****8. FIXED ASSET INVESTMENTS continued**

All investments are carried at their fair value. The charity invests in UK equities and professionally managed collective investment funds, which in turn invest in UK and international equities and corporate and government bonds. Equity investments and investments within the funds are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the price at which shares and units in funds were bought and sold at the 5th April 2021. All investment assets are held within the UK.

The significance of fixed asset investments to the ongoing financial sustainability of the Trust is considered in the financial review section of the Report of the Trustees.

The main risk to the Trust from its fixed asset investments lies in the combination of uncertain investment markets and volatility in yield. The Trust is in part reliant on dividend yield to finance its work and its collective investment funds include significant holdings in international companies and bonds denominated in US Dollars and other foreign currencies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

Liquidity risk is anticipated to be low. The Trust's investments are traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for diversification of holdings that are quoted on a recognised stock exchange. The Trust does not make significant investments in derivatives and similar complex financial instruments.

9. DEBTORS

	<u>2021</u>	<u>2020</u>
Other debtors	£1,541	£2,078
	=====	=====

10. ANALYSIS OF CREDITORS FALLING DUE WITHIN ONE YEAR

	<u>2021</u>	<u>2020</u>
Grants and prizes	7,000	11,000
Accruals and deferred income	4,292	6,625
	=====	=====
	£11,292	£17,625
	=====	=====

THE MERLIN TRUST**NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****11. ANALYSIS OF CHARITABLE FUNDS****Analysis of fund movements**

	<u>At 6th April 2020</u>	<u>Income</u>	<u>Expenditure</u>	<u>Investment Gains</u>	<u>Transfers</u>	<u>At 5th April 2021</u>
Designated fund	641,492	18,095	(7,113)	169,510	(18,132)	803,852
General fund	21,469	20,023	(6,097)	-	18,132	53,527
	<hr/> £662,961	£38,118	(£13,210)	£169,510	£ -	£ 857,379 <hr/>

Analysis of fund movements - previous year

	<u>At 6th April 2019</u>	<u>Income</u>	<u>Expenditure</u>	<u>Investment Losses</u>	<u>Transfers</u>	<u>At 5th April 2020</u>
Designated fund	753,785	23,071	(7,455)	(104,526)	(23,383)	641,492
General fund	40,113	5,297	(47,324)	-	23,383	21,469
	<hr/> £793,898	£28,368	(£54,779)	(£104,526)	£ -	£662,961 <hr/>

The designated fund for investment is of a capital nature to produce an annual income stream for the purpose of meeting grant payments and, by means of capital growth (in the long term) to ensure that the Trust can continue to operate for the foreseeable future.

THE MERLIN TRUST**NOTES TO THE ACCOUNTS - YEAR ENDED 5TH APRIL 2021****12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<u>Designated Fund</u>	<u>General Fund</u>	<u>Total</u>
Tangible fixed assets	-	1	1
Investments	804,179	-	804,179
Current assets	1,541	62,950	64,491
Current liabilities	(1,868)	(9,424)	(11,292)
	<hr/>	<hr/>	<hr/>
	£803,852	£53,527	£857,379
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Analysis of net assets between funds – previous year

	<u>Designated Fund</u>	<u>General Fund</u>	<u>Total</u>
Tangible fixed assets	-	1	1
Investments	641,631	-	641,631
Current assets	1,578	37,376	38,954
Current liabilities	(1,717)	(15,908)	(17,625)
	<hr/>	<hr/>	<hr/>
	£641,492	£21,469	£662,961
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

13. RELATED PARTY TRANSACTIONS

Trustees are not remunerated for their services as trustees.

There were no transactions with trustees or related parties in the year ended 5th April 2021. During the year ended 5th April 2020, travel costs of £223 were reimbursed to 2 trustees.