



**The Barrow Cadbury Trust**  
(A company limited by guarantee)

**Annual report and consolidated financial statements  
for the year ended 31 March 2013**

Charity Registration Number	1115476
Company Registration Number (England and Wales)	5836950

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**Reference and administrative details for the year ended 31<sup>st</sup> March 2013**

<b>Trustees</b>	Helen Rachel Cadbury (Chair from 1 <sup>st</sup> April 2013) Erica Rachel Cadbury Nicola Jayne Cadbury Ruth Margaret Cadbury (Chair until 1 <sup>st</sup> April 2013) Timothy Basil Compton (resigned 22 <sup>nd</sup> June 2012) Gordon Scotland Mitchell Tamsin Amalia Rupplechter Henry George Southall Serle Anna Catherine Southall
<b>Co-optees</b>	Carol Harrison – Investment Management Committee
<b>Chief Executive</b>	Sara Llewelin
<b>Company Secretary</b>	Mark O’Kelly
<b>Principal office</b>	Kean House, 6 Kean Street, London WC2B 4AS
Telephone	0207 632 9060
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Website	<a href="http://www.barrowcadbury.org.uk">www.barrowcadbury.org.uk</a>
<b>Company registration number</b>	5836950
<b>Charity registration number</b>	1115476
<b>Statutory auditors</b>	Sayer Vincent 8 Angel Gate, City Road, London EC1V 2SJ
<b>Bankers</b>	HSBC Bank plc 94 Kensington High Street, London W8 4SJ
<b>Investment managers</b>	Sarasin & Partners LLP 5th Floor Juxon House, 100 St Paul's Churchyard London EC4M 8BU
<b>Solicitors</b>	Russell-Cooke 2 Putney Hill, Putney, London SW15 6AB

**The Barrow Cadbury Trust (a company limited by guarantee)  
Trustees' report for the year ended 31<sup>st</sup> March 2013**

The Trustees present their statutory report together with the accounts of the Barrow Cadbury Trust (the Trust) for the year ended 31 March 2013. The accounts consolidate the financial statements of the Trust and its subsidiary undertaking, the Barrow Cadbury Fund (the Fund). Comparatives are for the year ended 31 March 2012.

The reference and administrative information on page 2 forms part of this report.

The accounts have been prepared in accordance with the accounting policies set out on pages 27 and 28 and comply with the charity's memorandum and articles of association, applicable laws and the requirements of Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005.

**Structure**

The Trust was incorporated as a charitable company limited by guarantee on 5 June 2006, and is governed by a Memorandum and Articles of Association. The Trust is also a registered charity. The Trust was dormant until 31 July 2006. On 1 August 2006, the Trustees of the unincorporated separate charity the Barrow Cadbury Trust (registered charity number: 226331) transferred the assets, subject to their liabilities, and activities of that charity to this Trust.

The Trust is the sole member of the Barrow Cadbury Fund (the Fund), a non-charitable company limited by guarantee. Decisions regarding investments, grant making and other charitable work (including matters referred to later in this Trustees' report) are made by the Trustees and Directors taking the Trust and the Fund together.

The Memorandum and Articles of Association of both the Trust and Fund were last comprehensively reviewed in 2008/09 and amended in order to take account of new requirements under company law and best practice.

**Trustees**

Until 2009, all of the Trustees were direct descendents of Barrow and Geraldine Cadbury. Two non-family members were appointed in 2009. Family Trustees are recruited through the family and efforts are made to establish familiarity with the work of the Trust among younger family members at an early stage. Non-family Trustees are recruited and are selected to enhance the skill base of the Board. Induction is provided for new Trustees on Trust strategy and good governance. The Trustee register of interests is updated annually and is available for public inspection. There is continuing emphasis on improving capabilities in governance, investment and financial management and communications. There is an annual Trustee skills audit, Trustees are appraised annually by the Chair on their performance and contribution to the Trust and, where additional training requirements are identified, appropriate training is provided. Workshops are arranged for Trustees on relevant matters, some with all staff, some with the Executive Team and some for Trustees only.

**Chief Executive**

The day-to-day management is delegated to the Chief Executive of the Trust, Sara Llewelin.

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**Governance**

During the year, the Board and Executive Team undertook a review of the workings of recent governance changes implemented in the previous year. As a consequence further changes were agreed (to be implemented from April 2013). New arrangements are more streamlined. The Board has strengthened its role in strategy setting and in the oversight of impact, whilst stepping back from operational management. A core governance pack is in place for Trustees. This governance pack also serves as an induction pack for new Trustees, incorporating all key documents and is reviewed and updated annually.

**Risk management**

At least once a year, the Trustees review the major risks facing the Trust and Fund and ensure that any necessary mitigating actions are put in place. The Trustees are satisfied that appropriate measures and effective systems are in place to mitigate those risks. A comprehensive risk analysis was undertaken during the year and an updated full risk strategy reviewed by trustees in April 2013. Each quarter the Board monitors the identified 'headline' risks. Specifically, matters which received close attention during the year were a) ensuring our public profile is politically non-partisan and b) identifying and mitigating potential risks deriving from social media and media exposure.

**Strategic and operational planning**

During the year planning workshops were held, with Trustees and staff working together to produce a new Strategic Plan for 2013/2016 and Operational Plan for 2013/2014. It was decided by the Board to continue to spend more than the anticipated investment income during the three years ahead. At the current time of austerity we are committed to our current level of spend but keep this under regular review so as to balance the needs of the present with the needs of the future.

The process of strategic review was thorough. Specifically, trustees considered the budget level for the upcoming period (as above) and then considered our vision, mission, values, cross cutting principles, methods of working and "what kind of trust we want to be". We recommitted to our vision, mission, values and cross-cutting principles, strengthened our articulation of our models and methods of working (as catalytic and seeking structural change) and committed ourselves to further work on impact measurement, theories of change and promoting equalities. We then updated and refreshed our programmes of work following extensive consultation with sector and other leaders and with many of our funded partners and other issue-specific experts.

**Public benefit**

The Trustees have had regard to the Charity Commission's guidance on public benefit and also to guidance from the Association of Charitable Foundations. Trustees are confident the Trust operates for public benefit and discussed the matter fully at a Board meeting during the year.

The Trust's mission is to promote social justice through grant making, research, social investment, influencing public opinion and policy and supporting local communities. The benefits arising from the Trust's work include:

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- assistance to people, especially young adults and women, who are within or at risk of falling into the criminal justice system;
- assistance to refugees, asylum seekers and undocumented migrants; and to the communities which receive them;
- assistance to people living in poverty, particularly - but not exclusively - in the West Midlands, where the Trust has its historic roots;
- the promotion of philanthropy and of social investment.

This assistance is provided indirectly by the Trust funding voluntary organisations, social investment vehicles, think tanks and community groups to work directly with or to secure better conditions for beneficiaries.

**Our Model**

The Trust describes its approach as 'Funder Plus' and catalytic. We aim to bridge the divide between local communities and policymakers. Our strapline is the eighteenth century Quaker imperative to 'speak truth to power' and to this end we aim to bring the voices of marginalised and disadvantaged people to be heard in the 'corridors of power'. The Trust works with think tanks, campaigning organisations and the media to increase informed public dialogue about some of the difficult issues of our age. The Trust provides opportunities for grantees to influence policy makers and also for them to come together and share learning. The Trust also funds research which aims to influence public policy and practice in order to secure better conditions for beneficiaries. These benefits are described in more detail in the next section of this report.

Guidance for prospective applicants on whom is eligible to apply and our grant procedures are available on our website [www.barrowcadbury.org.uk](http://www.barrowcadbury.org.uk)

**Objectives and Activities, Achievements and Performance**

In January 2013 Trustees approved a new three year Strategic Plan for the Trust (2013-16). This outlines our vision, mission, values, cross-cutting themes, models of working and strategic objectives.

**Vision:**

The Trust's vision is of a peaceful, equitable society, free from discrimination and based on the principle of social justice for all.

**Mission:**

The Trust's mission is to promote social justice through grant making, research, influencing public opinion and policy and supporting local communities.

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**Values:** The values which underpin the work of the Trust are as follows:

<b>Promotion of social justice</b>	the Trust aims to put fairness and equality at the heart of all its work.
<b>Empowerment</b>	the Trust seeks to uphold and extend the rights of marginalised groups, to reflect the grassroots experience of local communities and to support them in making their voices heard.
<b>Partnership</b>	the Trust works in partnership with other grant makers and with stakeholders at international, national, regional and local levels.
<b>Local focus</b>	the Trust values its historic relationship with Birmingham and the Black Country.
<b>Relationship with funded groups</b>	the Trust aims to be an approachable, fair and responsive grant maker.
<b>Valuing learning</b>	the Trust aims to be a learning organisation open to the exchange of information and ideas, with its work grounded in a solid evidence base.
<b>Innovation and independence</b>	as an independent grant maker, the Trust is alive to emerging needs and new ideas and ways of working and is willing to take risks in pursuit of social justice.
<b>Quaker ethos</b>	while there is no requirement for Trustees and staff to be Quakers - and most are not - the Trust values its historical roots within Quaker ways of working and tradition of social and penal reform.

**Cross-cutting themes:**

The Trust has a particular interest in the following themes across its work:

- supporting the independence and diversity of the voluntary sector
- addressing gender-based disadvantage
- addressing disadvantage based on race and ethnicity
- funding groups, projects and programmes in Birmingham and the Black Country.

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**Strategic Objectives:**

The Trust's four strategic objectives for 2010/13 were:

**Strategic Objective 1**

To support people who are within or at risk of entering the criminal justice system to improve their life chances, with a particular focus on young adults.

**Strategic Objective 2**

To help ensure that migration is managed in a way that is equitable and socially just and that the voices of both migrants and receiving communities are heard in the public debate.

**Strategic Objective 3**

To support effective approaches to combating poverty and inequality and assist in building inclusive communities.

**Strategic Objective 4**

To ensure that the organisation is fit for purpose to deliver its Strategic Plan, to support Trustees in their stewardship of the Trust and to support staff to work efficiently and effectively.

**Operational Objectives 2012/13:**

The Operational Plan for 2012/13 identified 23 operational objectives for the year across the four Strategic Objectives, against which Trustees were given quarterly progress monitoring reports.

**Activities**

The Trust works to achieve its objectives through grant making, outreach, commissioning research, facilitating alliances and partnerships and adding value to grants through capacity building and learning support. The model of the Trust's work is designed to enable the voices and perspectives of marginalised and disadvantaged people to be heard in the public policy arena.

**New programme approvals in 2012/13**

The following table includes the total value of programme approvals in 2012/13 for each of the three programme areas and the two other associated funding streams.

	£
Criminal Justice	951,370
Migration	1,192,702
Poverty and Inclusion	961,390
Cross-Cutting Themes	345,600
Promoting Philanthropy	129,140
Other	3,104
<b>TOTAL</b>	<b>3,583,305</b>

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**Key achievements 2012/13:**

**Strategic Objective 1 – Criminal Justice**

Over the course of 2012-2013 The Trust has achieved the following to further this objective:

- Convened the Transition to Adulthood (T2A) Alliance, comprising twelve key organisations plus the Barrow Cadbury Trust working to evidence best practice and secure policy change for a more effective approach for young adults throughout the criminal justice process;
- Launched the 'Pathways from Crime' report, detailing for the first time the concept of the T2A Pathway, a framework of 10 points in the criminal justice process where a young adult specific intervention can be made;
- Held specialist meetings to disseminate the work of the T2A Alliance with key criminal justice agencies, including the Probation Chiefs' Association, the Magistrates' Association, the Sentencing Council, the Crown Prosecution Service and HM Inspectorate of Prisons;
- Engaged newly elected Police and Crime Commissioners to take account of the specific needs of young adults, and people with complex needs;
- Published the 'Going for Gold' report with Clinks, and developed an innovation fund to support new probation areas to develop a T2A approach at a bronze, silver and gold standard;
- Developed further the T2A work programme on maturity. Lack of maturity continues to be a factor required by the Sentencing Council for sentencers to take into account in sentencing for adult offences. A new development in 2013 was the inclusion of maturity as a factor for consideration by the Crown Prosecution Service in its Public Interest Test, as part of the new Code of Conduct for the CPS;
- Commissioned the University of Birmingham to develop a practice guide for probation practitioners to support the identification and assessment of maturity in pre-sentence reports. This was successfully trialled by London Probation Trust and Staffordshire and West Midlands Probation Trust;
- Worked closely with the Youth Justice Board, which produced a Youth to Adult Transitions Framework, setting out the management process for transfers of 18 year olds between youth and adult justice services;
- Funded Prison Reform Trust to provide the secretariat for the All Party Parliamentary Group (APPG) on Penal Affairs. Engaged the Group with a T2A report on brain injury and criminal justice, at which the Children's Commissioner spoke;
- On behalf of T2A, submitted oral evidence to the Justice Select Committee's review on youth justice in the House of Commons;
- Provided a briefing with the Justice Minister, Jeremy Wright MP (Conservative), at the Ministry of Justice, and provided support for the young adult team in the Ministry of Justice to visit T2A pilots;
- Informed the Labour Party's shadow justice team by providing visits to the T2A pilots;
- Supported grassroots organisations in the West Midlands which have delivered a variety of services to young people involved in the criminal justice system, including a project to support mental health issues and homelessness;
- Continued involvement in the Corston Independent Coalition and its Women's Diversionary Fund;

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- Co-hosted a meeting of the Penal Affairs Issue Based Network of the Association of Charitable Foundations with Lord Keith Bradley on the subject of mental health and criminal justice;
- Hosted a visit from the Guangdong Justice Department to learn about the Barrow Cadbury Trust's criminal justice programme and the UK's approach to juvenile justice in general;
- Sponsored a number of national awards recognising outstanding practice or performance in the criminal justice system: Butler Trust best practice award and the Koester Trust for two annual 'Scholarship Awards', which provide mentoring and support for an award-winning artist in a women's prison; and
- Held fringe events at all three party conferences, attended by senior parliamentarians and party members, on the subject of Policing Young Adults, particularly aimed at engaging with candidates for the Police and Crime Commissioner elections.

<b>Criminal Justice</b>	<b>£</b>
Projects and campaigns	492,480
Research and partnerships	147,890
T2A pilot projects	311,000
<b>Total</b>	<b>951,370</b>

**Strategic Objective 2 – Migration in Europe**

Over the course of 2012-2013 The Trust has achieved the following to further this objective:

- Continued to fund campaigning organisations seeking fairness both for migrants and for established residents. Examples include Kalayaan, Migrants' Rights Network, Article 1, Asylum Aid and Hope not Hate.
- Promoted the inclusion of a wider range of voices in the policy and public debate through, for example, support to groups such as Migrant Voice and Women for Refugee Women.
- A number of groups working in Birmingham and the Black Country with newly arrived migrants, asylum seekers and refugee have been supported to identify emerging issues and assist vulnerable groups. These include: The Asylum Support & Immigration Resource Team (ASIRT); the Refugee and Migrant Centre; Piers Road New Communities Centre; Ileys Community Association and Restore. Through its support to Piers Road the Trust supports the bid for Birmingham to be recognised as a City of Sanctuary.
- Continued to have a strong focus on research and policy work, both to influence the policy environment and wider public discourse on migration. The Trust works with a wide range of think tanks, including the Institute for Public Policy Research (IPPR) and Policy Network, as well as research institutions.
- Funded a report on undocumented migrant children and their families which was launched in the House of Lords. *No Way Out, No Way In: Irregular migrant children and families in the UK* was launched by at Oxford University's Centre on Migration, Policy and Society (COMPAS). It highlights how frequently changing regulations may adversely impact children's access to healthcare, education, police protection and other public services.
- Partnered the Migration Policy Institute's Transatlantic Council on Migration. The Trust co-hosted an event with the Council and Oxford University on the future of cohesion and integration policy. The event launched a report entitled '*Building a British Model of Integration in an Era of Immigration: Policy Lessons for Government*'.

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- Contributed towards a raising awareness among policy-makers, politicians and the media that public attitudes are more nuanced in the UK than is often presented, through projects such as the Transatlantic Trends: Immigration survey, which is an internationally comparative poll on public attitudes to immigration and integration across Europe and in the US. In June 2012, the Trust and the German Marshall Fund of the United States organised an event to launch a report by Dr Rob Ford (University of Manchester) analyzing the UK data from the last four waves of the Transatlantic Trends: Immigration survey.
- Contributed further to the development of the Migration Observatory at Oxford, the UK's authoritative independent data source on migration in the UK and a credible commentator on existing data and research.
- Chaired the European Foundation Centre's active group on diversity, migration and integration (DMI), concentrating on the rise of populism across Europe.
- Participated in the Cities of Migration project, a global partnership to provide web based materials showcasing good integration practice around the world and strengthened its use in the UK.
- Contributed to the European Programme for Integration and Migration (EPIM), a pooled fund of European foundations. A new grants round was launched and is clustered around three themes: asylum; undocumented migrants and the integration of vulnerable migrants. Ten projects are being funded and capacity and network building support is also being provided.
- Continued to work in partnership with foundations and other stakeholders on work to broaden and deepen the public and media debate on migration and integration.
- Contributed to and participated in a three day learning trip to Washington DC and Virginia to meet groups and community organisers working with migrants and refugees in the US. It brought together grantees and foundations and was organised with the support of the US-based Charles Stewart Mott Foundation.
- The Trust supported Carlos Saavedra, a leading activist for immigrant rights in the US who was formerly an undocumented migrant himself to visit the UK. The speaker tour was organised by Hope not Hate.
- Continued support for the All-Party Parliamentary Group on Migration, which has held meetings in Parliament on a range of immigration-related issues throughout the year, involving MPs and Lords from all main political parties.
- Continued support to British Future, an independent, non-partisan think tank seeking to involve people in an open conversation, which addresses people's hopes and fears about identity and integration, migration and opportunity.

<b>Migration</b>	<b>£</b>
Projects and campaigns	888,090
Research and partnerships	304,612
<b>Total</b>	<b>1,192,702</b>

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**Strategic Objective 3 – Poverty and Inclusion**

The programme was structured around three interlocking themes:

- Sustainable and just economics. Funding to think-tanks to both provide space for the creation of new ideas (ippr's New Era Economics programme) and practical solutions to persistent problems (the Work Foundation's Bottom 10 Million project).
- Community-led solutions and policy influencing at the local level. Action research projects exploring "Big Society" and localism themes, co-production and community development (Urban Forum's project looking at how the new community rights under the Localism and Decentralisation Bill can be used by a community in Dudley and the Chamberlain Forum's collaborative enquiry into five community-based approaches to tackling poverty and increasing inclusion), and the new Small Change initiative for supporting micro projects; enabling of disadvantaged groups to influence policy. Women's voice projects (Saheli Women's project and Women Active in Today's Society), projects to increase involvement in civic society (Operation Black Vote and Birmingham LGBT).
- Financial inclusion. Policy work and practical projects to increase financial inclusion (Smith Institute monograph on personal debt, and discussions currently under way exploring how the Trust can support the Birmingham Credit Unions can become more sustainable).

Over the course of 2012-2013 The Trust has achieved the following to further this objective:

- Developed relationships with stakeholders both at the national and local (Birmingham and the Black Country) levels.
- Increased our understanding of Birmingham and developed links with key players with whom we can work. The Trust's Head of Programmes has been part of the Bishop of Birmingham's Social Inclusion process, which made recommendations on how to reduce inequality in the city.
- Continued to support a group of credit unions in Birmingham to build skills and work together to develop capacity and opportunities for collaboration.
- Continued to promote the 'Small Change' grants programme to catalyse mutual aid at grass-roots level in Birmingham and the Black Country. Several new projects have been supported over the course of 2012-13.
- When sensible, the Trust encourages policy and research partners to base some of their work on Birmingham case studies and draw on the lived experience of people in Birmingham and the Black Country. In the last year, grants have been provided to the Child Poverty Action Group and Gingerbread respectively, to explore impacts of welfare reform and Universal credit and local strategies to these. Both of these began to develop case study work in Birmingham.
- Delivered a 'Community Resilience' event in Birmingham at which learning from innovative practical and research work being supported by the Trust in Birmingham and the Black Country was shared with local stakeholders from the voluntary and public sector. Presenters included the new economics foundation, Centre for Local Economic Strategies and the Chamberlain Forum.
- Supported, along with several other funders, the creation of the Low Commission, an independent Commission chaired by Lord Colin Low. The Commission is seeking to explore the impact of legal aid cuts on the provision of social welfare law and vulnerable communities and suggest a sustainable strategy for future advice and provision across England and Wales.

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- Sponsored Demos events at the three party conferences, focussing on the impact of the austerity measures and financial crisis on women.
- Maintained a strong focus on equalities within the programme through grants to the Fawcett Society and Birmingham LGBT. Grants to Operation Black Vote and UK Feminista enabled them to deliver local programmes of activities drawn from national learning within Birmingham and the Black Country.
- Funded a variety of projects focussing on building inclusion and the ability of communities to influence decision-making and services, particularly at a time when the latter have been cut. Several new grants provided to groups in Birmingham enabled communities to work together to develop projects and services that address unmet needs.
- Supported several pieces of work which are exploring how local economic structures can be used to benefit communities through local supply chains and procurement.
- Continued to support work such as that of the High Pay Centre and the third phase of ippr's new era economics that contribute to new thinking or the development and dissemination of ideas around socially just economics.
- Sponsored the 'Move Your Money' Campaign, encouraging people to move their assets to ethical and socially useful institutions.

<b>Poverty &amp; Inclusion</b>	<b>£</b>
Projects and campaigns	656,862
Research and partnerships	304,528
<b>Total</b>	<b>961,390</b>

**Cross-Cutting Themes and Promoting Philanthropy**

In addition to our three main programmes we earmarked a modest budget for related areas of work: Firstly, we top-sliced some funding for work which cuts across our programmes but which trustees consider key to our mission.

- We gave a substantial grant towards the core costs of the Third Sector Research Centre (TSRC), which the Trust has supported, alongside the Economic and Social Research Council, since its establishment in 2008. TSRC was set up as the first academic centre for the study of the voluntary sector and over the past five years has established itself as an authoritative voice and source of expertise on all matters relating to organised and informal civic society. In continuing their support for TSRC, Trustees have reaffirmed the importance of building up a body of rigorous academic research when impartial and reliable evidence into the voluntary sector has never been more important.
- Continuing the capacity-building theme, we contributed to Inspiring Impact, a major project led by New Philanthropy Capital which seeks to improve and embed impact measurement within the voluntary sector. The Trust both gave a grant and participated in the development of a guide to good practice for funders.

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- We continued our commitment to supporting human rights and equalities, contributing to the pooled fund of the Thomas Paine Initiative, a collaboration between funders in the UK that aims increase public support for and awareness of human rights. We also awarded grants to UK Feminista and Imaan (a small organization supporting LGBT Muslims) and funded Voice4Change to bring together leaders of the BME infrastructure sector in a retreat that provided time and space for them to consider how best to work together in the current challenging climate.

Secondly, we earmarked some funding to support the promotion of philanthropy.

- We supported new forms of giving and investing: our grant enabled the Pennies Foundation to lay foundations for partnerships with high street companies that will raise substantial sums for Birmingham charities in coming years, while Social Finance is being funded to scope the potential for an advisory service for foundations and high net worth individuals wishing to explore social investment.
- Combining our interest in gender equalities with our interests in developing philanthropy, the Trust supported Mama Cash, a Dutch foundation, to undertake research with European foundations (including the UK) into their attitudes towards funding women's projects.
- We are supporting the infrastructure of the fundraising sector through a grant to the Institute of Fundraisers for research into diversity within the sector. Findings from the research will be used to inform the Institute's continuing professional development programme and to enable it to better understand strengths and gaps within the fundraising workforce.

<b>Philanthropy, Cross-Cutting and other</b>	<b>£</b>
Projects and campaigns	277,344
Research and partnerships	200,500
<b>Total</b>	<b>477,844</b>

**Strategic Objective 4 – Organisational Development**

Over the course of 2012-2013 The Trust has achieved the following to further this objective:

- Produced two editions of the Barrow Cadbury Trust Newsletter (Summer and Winter).
- Held successful fringe events at all three major party conferences relating to all three of our programmes.
- Completed a further governance review and new arrangements in place from April 2013.
- Reviewed HR policies to take into account legal changes and best practice.
- Managed staff performance through objective setting and appraisals.
- Created a strong team ethos through regular team meetings and time spent off site in review and planning.
- Completed staff survey with results indicating a settled and productive team.
- Reviewed and amended investment policy and strategy, in particular socially responsible element. Commitment to developing social investment portfolio strengthened.
- Strengthened risk, anti-bribery, conflicts of interest, hospitality and anti-fraud policies and practice.
- Auditors and investment manager presented to the Board.
- Strengthened evaluation and impact framework.

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- Improved impact reporting on all the Trust's programmes.
- Continued knowledge sharing with other organisations through various speaking and networking events.
- Completed the History of the Trust book and published in March.
- Brought communications function in house.
- Achieved significant press coverage related to all three programmes, social investment, family philanthropy and History of the Trust.
- Made more use of website and social media (e.g. twitter).
- Continued active membership of Woburn Place Collaborative, the network of social justice foundations and Ariadne, the network of human rights funders.
- Recruitment of in house archivist to work on the Trust's archives for 18 months.

**Learning and development**

The Trust aims to learn from everything it does, develop its people so they are equipped to pursue its mission and share learning in a two-way process with our funded and other partners. During the year trustees had issue-specific workshops relating to all our programmes and visited some of our funded projects in Birmingham. We are in the iterative process of developing a more sophisticated approach to evaluating our work and achievements and are committed to helping our partners do the same. We actively encourage staff to play an active role in civic life and to stretch themselves into new areas of learning.

During the year we funded or undertook a number of additional learning activities:

**Internal:**

- Offered a range of learning opportunities at Trustee meetings including external speakers and facilitated strategy sessions.
- Visits by trustees to partners in Birmingham and elsewhere.
- Kept trustees abreast of the work of the Trust between Board meetings through weekly updates and early view of all publications in which the Trust is involved.
- Kept trustees informed of governance and other relevant issues via the trustee intranet and regular circulation of relevant publications (e.g. Trust and Foundation News and Governance Magazine).
- Ensured individual learning plans were in place for all staff.
- Embedded all staff reporting on the impact of their learning both in 1:1 and team sessions.
- Held a learning day for all the staff team on disability equality and gender lensing our work.
- Gave opportunities to 'back office' staff to visit funded projects, attend programme-related events and meet counterparts in other trusts.

**External:**

- Participated in the Advisory and Steering Groups of the Third Sector Research Centre
- Participated in the Social Investment Group of trusts and foundations venturing into social investment.
- Participated in the Early Action Task Force convened by Community Links.
- Contributed to a bursary scheme to enable delegates from Eastern Europe to participate in philanthropy events.

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- Brought networks of funded partners together to learn from each other on all our funded programmes.
- Continued to convene learning networks across our programmes, notably chairing EFC's Diversity, Migration and Integration Interest Group (DMIIG).
- Hosted seminars to disseminate, promote and discuss various research publications supported with our funding (e.g. Transatlantic Trends, T2A publications and community resilience research).

**Sharing our broader resources**

We believe we should get good mission value from all our resources. In particular we have made considerable progress in the year on getting better mission-related value from our well appointed central London offices. Previously under-utilised desk space is now occupied by partner think tanks British Future and the Centre for Justice Innovation as 'gifts in kind'. Both these organisations are undertaking work very closely aligned to our own. Not only do we get better mission value for the rent we pay but we also create added value through synergy and intellectual exchange.

Our meeting space is now used by a range of our partners for Board meetings, training, away days and other meetings where an accessible central London venue is useful. Examples include: Move your Money, Third Sector Research Centre, Charity Bank, Revolving Doors, Association of Charitable Foundations, the Criminal Justice Brain Injury Interest Group, Thomas Paine Initiative and the Detention Forum.

Our meeting rooms have been booked out for 1,500 hours over the last year, of which almost half of the hours were our own use. This is an underestimate, as not all bookings were captured and not all internal use was formally booked.

During the year our Head of Finance and Administration successfully negotiated a much better financial deal on our Kean Street offices for the coming five year period.

**Communications**

The Trust's work involves a considerable amount of communications work. This year, we brought our communications function in-house, where previously we were employing a specialist agency. Considerable work has been done on promoting the T2A evidence base, gaining media coverage for many of the campaigns and reports we have supported and giving communications advice and support to grant holders. Plans to improve our website and social media presence are also well underway. Where useful for pursuing our mission, we use the Barrow Cadbury Trust brand but our approach is always to 'privilege the message over the messenger'.

**The Barrow Cadbury Trust (a company limited by guarantee)  
Trustees' report for the year ended 31<sup>st</sup> March 2013**

**Financial review**

The income for the group was £3,012,000 (2012 - £2,656,000) and total resources expended were £5,294,000 (2012 - £4,528,000), resulting in net outgoing resources of £2,282,000 (2012 - £1,872,000). As in previous years there are net outgoing resources. This is in line with the strategic decision by the Trustees to spend counter-cyclically, with expenditure exceeding income, in the near short term. The Trustees keep the long term effect of this under review and have not ruled out the possibility of spending down at some future point.

There were investment gains of £8,228,000 (2012 – loss of £2,793,000), resulting in an overall increase in funds for the period of £5,946,000 (2012 – decrease of £4,640,000). Net assets at the 31<sup>st</sup> March 2013 were £77,960,000, an 8.3% increase from the opening balance of £72,014,000.

The total spend for the group on Social Justice and Grant-making during the period was £4,875,000 (2012 - £4,128,000).

As the group's funds are held as expendable endowment, the Trustees do not operate a reserves policy, but manage the balance between short and long term financial objectives through their grant making and investment policies. Designated funds represent funds committed to social investments. There are some restricted funds which we have received from other organisations for specific pieces of work.

**Investment policy and performance**

The investments of the Trust and Fund have been managed since 2008 by Sarasin & Partners in accordance with the terms and conditions of a formal asset management agreement. This is overseen by the Investment Management Committee, a sub-group of the Trustee Board, which meets regularly to monitor the performance.

During 2012/13, Sarasin & Partners achieved a total return (i.e. both investment income and capital growth) of 15% on the investment portfolio. In order to ameliorate the risk of currency fluctuations there are forward currency transactions amounting to approximately 50% of the value of the investments held in foreign currency.

The investment policy is to protect and enhance the real value of the capital and income of the investment portfolio in the long term, as far as this is possible subject to:

- Avoiding investing in companies whose activities conflict with the ethos and values of the Trust.
- Investing in programme related enterprises which aim to produce social as well as financial returns, but may produce lower financial returns for the associated risk.
- Strategic decisions to spend capital as well as income in order to achieve the strategic objectives.

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The Trust and Fund avoid investments in companies which are associated with human rights violations or engage in activities that cause social harm. Specifically the Trust and Fund avoid investments in companies which are materially involved in the production or sale of armaments, tobacco, alcohol, gambling or pornography. The Trust and Fund will not hold any government bonds in countries with high military expenditure.

The Trust also aims to actively engage with the investee companies where possible, both through voting through the investment managers to ensure responsible corporate governance and working with networks of other investors to engage directly with the investee companies.

The Investment Management Committee review the investments regularly to ensure that the ethical criteria are adhered to, and Sarasin & Partners produce a regular sustainability report which compares the investment portfolio against selected ethical and sustainability benchmarks.

**Social Investment**

In 2010 we decided to use part of the endowment to invest in programme related investments in charities and social enterprises, aiming to achieve both a social and a financial return with the funds. We committed to six new investments during 2012/13 with a value of over £1 million with the aim of building a varied portfolio which will both further our programme aims and develop the social investment market. In each case, systems are in place for capturing social impact.

Programme related investment	Commitment £	Value of investments £		
		At 1/4/12	Additions during year	At 31/3/13
Peterborough Social Impact Bond	100,000	26,603	20,889	47,492
Social Justice & Human Rights Centre Ltd	500,000	430,000	70,000	500,000
Ethex	50,000	25,000	5,000	30,000
Bristol Together	200,000	-	200,000	200,000
Big Issue Invest Social Enterprise Investment Fund	240,385	-	240,385	240,385
Energise Innovation Ltd	144,000	-	93,600	93,600
T&T Innovation Ltd	56,000	-	35,000	35,000
Children Support Services Ltd	200,000	-	19,355	19,355
Golden Lane Housing	250,000	-	-	-
<b>Total</b>	<b>1,740,385</b>	<b>481,603</b>	<b>684,229</b>	<b>1,165,832</b>

Furthermore, as a relatively modest investor, we are committed to developing and stimulating the social investment marketplace. We are prepared to do this through a variety of means including direct investment, grant funding and intellectual capital (for example by using our brand and media exposure).

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**Plans for future periods**

The coming year will see the implementation of the first year of the Strategic Plan 2013-16. An Operational Plan for the year 2013-14 is in place, the outline objectives of which are shown below. For the upcoming period we have 5 Strategic Objectives:

**Strategic Objective 1: Criminal Justice**

To support people who are within or at risk of entering the criminal justice system to improve their life chances, with a particular focus on young adults.

**Strategic Objective 2: Migration**

To help ensure that migration is managed in a way that is equitable and socially just and that the voices of both migrants and receiving communities are heard in the public debate.

**Strategic Objective 3: Resources and Resilience**

To support effective approaches to combating poverty and inequality and assist in building inclusive communities.

**Strategic Objective 4: Investments and Social Investments**

To use all the Trust's assets for the advancement of social justice, including by means of a social investment portfolio and assistance to develop the social development market place.

**Strategic Objective 5: Fit for Purpose Organisation**

To ensure that the organisation is fit for purpose to deliver its Strategic Plan, to support Trustees in their stewardship of the Trust and to support staff to work efficiently and effectively.

We will continue to ring-fence funds for cross-cutting work and the promotion of philanthropy. Specifically, we will strengthen the equalities dimension of all our work and support key sector leaders in these difficult times.

**Strategic Objective 1 Criminal Justice: In 2013-14 we will:**

- Convene the T2A Alliance and maintain its remit for parliamentary engagement and public affairs work.
- Create and evaluate a 'T2A Pathway' approach to support the growth of an evidence base.
- Develop the 'maturity' workstream to promote developmental maturity rather than chronological age as a useful approach in the criminal justice system.
- Focus on racial and gender justice in T2A work, specifically on the disproportionability of BME people in the criminal justice system.
- Develop a portfolio of innovative grassroots projects in Birmingham and the Black Country to feed into the T2A programme.
- Collaborate with others to demonstrate and promote the Corston agenda for girls and young women.
- Engage parliamentarians and policy-makers by means such as the All-Party Parliamentary Group on Penal Affairs.
- Support infrastructure bodies and alliances to provide a strengthened voice for their members.
- Support recognition of best practice through awards schemes.

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- Ensure user voices are heard at a national and local level to inform policy decisions.

**Strategic Objective 2 Migration: In 2013-14 we will:**

- Identify and fund work to promote integration, tolerance and counter xenophobia and racism.
- Continue to develop work to promote a more constructive and nuanced public debate on migration and integration.
- Continue active input to Changing Minds and British Future projects to open a constructive public dialogue on Britishness, identity and integration.
- Identify the impacts of migration on disadvantaged communities and support effective responses to them.
- Fund and support capacity building of relevant campaign groups, networks and projects at a local, national or international level.
- Support for grassroots organisations addressing unmet needs primarily in Birmingham and the Black Country.
- Support regional, national, European and international groups and networks to lobby for long term policy change that ensures that migration policy is socially just and equitable.
- Support research and initiatives that promote a constructive evidence-base on migration.

**Strategic Objective 3 Resources and Resilience: In 2013-14 we will:**

- Continue to support research that will lead to new or transformative ways of thinking.
- Fund work seeking to understand and increase financial inclusion in communities in Birmingham and the Black Country.
- Fund research in Birmingham and the Black Country that explores resilience and/or community-led change.
- Assist and enable grassroots projects in Birmingham and the Black Country which support community-led change on a range of social issues and to ensure learning is shared.
- Continue the Small Change Initiative to create sustainable self help initiatives.
- Support research leading to new or a better understanding of austerity measures on particular equality groups.
- Fund grassroots work in Birmingham and the Black Country seeking to empower and give a voice to disadvantaged equality groups.
- Continue to develop relationships in Birmingham through networks, intermediary bodies and initiatives.
- Develop relationships between grassroots activity in Birmingham and national/local policy work.
- Initiate and support projects in Birmingham that strengthen VCS networks and encourages learning.

**Strategic Objective 4 Social Investments: In 2013-14 we will:**

Having decided to invest up to 5% of our endowment in social investments, we will continue to build a portfolio containing the following:

- a variety of investment products;
- investments delivering sustainable and measurable social benefits;

**The Barrow Cadbury Trust (a company limited by guarantee)  
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- investments which help develop the social investment market for the mainstream; and
- some investments in Birmingham and the Black Country.

We will continue to advocate for the development of the social investment market place and may use modest amounts of grant finance for feasibility studies, product development and the development of a secondary market. We will engage with investment readiness programmes to identify investable projects.

- Develop social investment portfolio with a mixture of products and social outcomes in line with our policy.
- Invest in products which support the development of the social investment market.
- Support the development of philanthropy and the social investment markets especially new products or new areas of the market.

**Strategic Objective 5 Fit for Purpose Organisation: In 2013-14 we will: :**

- Ensure the Board has a range of relevant skills and experience to fulfil its function.
- Ensure trustees are supported in complying with their legal duties.
- Improve trustee access to relevant information and training.
- Employ performance management frameworks to structure, support and account for staff workloads and performance.
- Improve and develop the effective administration of the Trust.
- Continue to embed a learning and development culture in the organisation.
- Build a strong team and sense of group identity.
- Improve the understanding of the Trust's assets, finances and financial system across the Trust.
- Ensure the best value is obtained for the use of financial resources.
- Continue to develop a monitoring and evaluation approach to effectively review the Trust's work.
- Pursue an external communications strategy to maximise the impact of our work in the public policy arena.
- Consider all aspect of the Trust's activities from an ethical standpoint.
- Continue to develop an understanding of the Quaker ethos.
- Employ all the Trust's assets (premises, intellectual property, brand) to pursue our mission.

**Investment: In 2013-14 we will:**

- Ensure the management of the investment portfolio is of a high standard and produces the required returns.
- Monitor long term projections of the endowment ensuring trustees are able to make informed decisions.
- Ensure investments held do not contravene the Trust's ethical policy through negative screening and discussions with investment manager.
- Actively engage with investee companies.

**The Barrow Cadbury Trust (a company limited by guarantee)  
Trustees' report for the year ended 31<sup>st</sup> March 2013**

**Strengthening the voluntary and community sector**

In 2013/14 we will continue to spend more than our income given the difficult financial context in which the sector is operating. We aim to strengthen the capacity of our funded partners where we can and will continue to use our convening power and act as an 'honest broker' in the sector. We will continue our dialogue with key infrastructure organisations in order both to learn from them and to support them as they develop their strategic thinking. Specifically we will support key infrastructure leaders, especially in Birmingham, as we recognise what an exceptionally demanding time they are experiencing.

**Cross cutting work**

Because our programmes have a considerable degree of focus, we can sometimes find ourselves wanting to fund something we see as core to our vision and mission but does not closely fit the criteria of one funding programme. For this reason we will continue to set aside some budget for work which cuts across programmes but which we see as essential. This will include work on human rights, gender and other equalities issues as well as supporting and enabling key leaders and networks to function productively

**Funder collaboration**

Working collaboratively with other trusts and foundations enables us to represent our views on charity law and philanthropy to government. To this end we will be active members of the Association of Charitable Funders and the European Foundation Centre in the year ahead. In order to deepen our understanding and improve our practice, we will collaborate with other funders on social investment, evaluation, pooled funds the right of charities to campaign and advocate and a range of matters related to our programmes.

Finally on behalf of all the trustees I would like to thank Ruth Cadbury who stood down as Chair on 1st April 2013 after seven years in the post. Under Ruth's consensual but firm leadership we have reformed governance structures and further developed our strategic model, continuing to develop our work and support our partners in these difficult times. We are all pleased that Ruth will continue to serve as a trustee.

**The Barrow Cadbury Trust (a company limited by guarantee)  
Trustees' report for the year ended 31<sup>st</sup> March 2013**

**Statement of Trustees' responsibilities**

The trustees (who are also directors of The Barrow Cadbury Trust for the purposes of company law) are responsible for preparing the trustees' 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 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 operation.

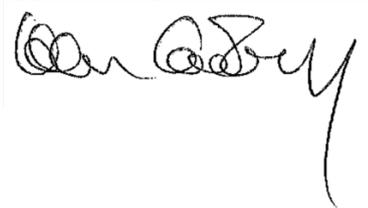
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group 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.

The trustees 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.

Approved by the Trustees and signed on their behalf by:



**Helen Cadbury**  
**Chair**  
13<sup>th</sup> July 2013

## **The Barrow Cadbury Trust (a company limited by guarantee)**

### **Independent Auditors' report for the year ended 31<sup>st</sup> March 2013**

#### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF THE BARROW CADBURY TRUST**

We have audited the financial statements of Barrow Cadbury Trust for the year ended 31<sup>st</sup> March 2013 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets and the related notes. 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 company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' report, 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. 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 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' report to identify material inconsistencies with the audited financial statements. 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 group's and the parent charitable company's affairs as at 31 March 2013 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;

**The Barrow Cadbury Trust (a company limited by guarantee)**

**Independent Auditors' report for the year ended 31<sup>st</sup> March 2013**

- 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 and the Charities Act 2011.

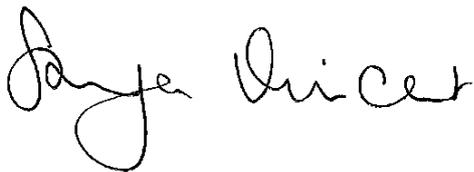
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' report 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 we require for our audit.



*Catherine L Sayer (Senior statutory auditor)*

*for and on behalf of Sayer Vincent, Statutory Auditors*

*Sayer Vincent, 8 Angel Gate, City Road, LONDON EC1V 2SJ*

*Sayer Vincent is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

*19<sup>th</sup> July 2013*

**The Barrow Cadbury Trust (a company limited by guarantee)**  
**Consolidated statement of financial activities for the year ended 31<sup>st</sup> March 2013**  
**(incorporating an income and expenditure account)**

	Note	Unrestricted funds 2013 £'000	Restricted funds 2013 £'000	Endowment funds 2013 £'000	Total funds 2013 £'000	Total funds 2012 £'000
<b>Incoming resources</b>						
Incoming resources from generated funds						
Investment income	2	2,581	-	-	2,581	2,577
Other income	3	-	431	-	431	79
Total incoming resources		<u>2,581</u>	<u>431</u>	<u>-</u>	<u>3,012</u>	<u>2,656</u>
<b>Resources expended</b>						
Cost of generating funds						
Investment managers' costs		<u>340</u>	<u>-</u>	<u>-</u>	<u>340</u>	<u>330</u>
Charitable activities						
Social justice and grant making						
Criminal justice		1,239	25	-	1,264	1,381
Migration		1,402	129	-	1,531	1,286
Poverty and inclusion		1,297	-	-	1,297	1,237
Philanthropy & other		649	-	-	649	170
Voluntary sector – use of premises		134	-	-	134	54
	6	<u>4,721</u>	<u>154</u>	<u>-</u>	<u>4,875</u>	<u>4,128</u>
Governance costs	7	79	-	-	79	70
Total resources expended		<u>5,140</u>	<u>154</u>	<u>-</u>	<u>5,294</u>	<u>4,528</u>
Net (outgoing)/incoming resources before transfers		(2,559)	277	-	(2,282)	(1,872)
Transfers						
Transfers between funds		<u>2,597</u>	<u>-</u>	<u>(2,597)</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources before investment gains and losses		38	277	(2,597)	(2,282)	(1,872)
Investment gains/(losses)		1,006	-	7,222	8,228	(2,793)
Stamp duty refund in respect of earlier periods		-	-	-	-	25
Net movement in funds		<u>1,044</u>	<u>277</u>	<u>4,625</u>	<u>5,946</u>	<u>(4,640)</u>
Fund balances brought forward		8,505	-	63,509	72,014	76,654
Fund balances carried forward		<u>9,549</u>	<u>277</u>	<u>68,134</u>	<u>77,960</u>	<u>72,014</u>

All recognised gains and losses in the current and prior year are included in the statement of financial activities.

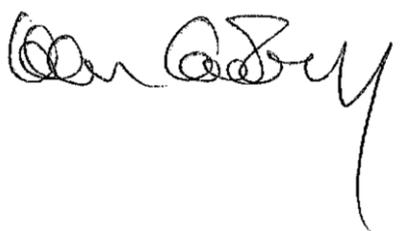
**The Barrow Cadbury Trust (a company limited by guarantee)**

Company number: 5836950

**Balance sheet at 31<sup>st</sup> March 2013**

	Notes	Group		Charity	
		2013 £'000	2012 £'000	2013 £'000	2012 £'000
<b>Fixed Assets</b>					
Tangible assets	11	42	51	42	51
Investments	12	78,927	71,879	69,277	63,163
Programme related investments	13	1,166	482	1,111	482
		<u>80,135</u>	<u>72,412</u>	<u>70,430</u>	<u>63,696</u>
<b>Current assets</b>					
Debtors due within one year	14	458	493	547	650
Short term deposits		56	309	56	309
Cash at bank and in hand		398	748	363	724
		<u>912</u>	<u>1,550</u>	<u>966</u>	<u>1,683</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	(2,496)	(1,613)	(2,394)	(1,559)
Net current (liabilities)/assets		<u>(1,584)</u>	<u>(63)</u>	<u>(1,428)</u>	<u>124</u>
Total assets less current liabilities		78,551	72,349	69,002	63,820
Creditors: amounts falling due after more than one year	16	(591)	(335)	(591)	(311)
<b>Net assets</b>		<u>77,960</u>	<u>72,014</u>	<u>68,411</u>	<u>63,509</u>
<b>The funds of the charity</b>					
Expendable endowment funds		66,449	62,834	66,449	62,834
Designated funds		1,685	675	1,685	675
Restricted funds		277	-	277	-
Funds retained within a non-charity subsidiary (The Barrow Cadbury Fund)	20				
Profit and loss account		8,129	7,854	-	-
Revaluation reserve		1,420	651	-	-
Total charity funds	17	<u>77,960</u>	<u>72,014</u>	<u>68,411</u>	<u>63,509</u>

The financial statements were approved by the Trustees on 13<sup>th</sup> July 2013 and signed on their behalf by:



Helen Cadbury  
Chair

**The Barrow Cadbury Trust (a company limited by guarantee)**  
**Notes to the accounts for the year ended 31<sup>st</sup> March 2013**

**1. Accounting policies**

(a) Basis of preparation

The accounts have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the requirements of the Companies Act 2006 and the Charities Act 1993 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

The statement of financial activities and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, the Barrow Cadbury Fund. The results of the subsidiary are consolidated on a line by line basis. Further details of the subsidiary are given in note 20.

In accordance with the Companies Act 2006 the parent company is exempt from the requirement to produce its own profit and loss account. The total incoming resources for the parent charitable company for the year were £2,785,000 (2012 - £2,547,000) and the surplus for the parent charitable company, including investment gains, was £4,902,000 (2012 - deficit of £4,235,000).

(b) Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Interest is fully accrued at the balance sheet date. Dividends are recognised when they are declared.

(c) Resources expended and the basis of apportioning costs.

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- i) The costs of generating funds include the fees paid to investment managers in connection with the management of the charity's listed investments.
- ii) Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions.
- iii) Direct staff costs allocated to the main programmes.
- iv) Support costs represent indirect charitable expenditure on staff costs and office overheads in order to carry out the grant making activities of the charity. Expenditure is allocated to the main programmes based on the time spent by employees in processing and monitoring grants.
- v) Governance costs comprise the costs incurred which are directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements.

(d) Tangible fixed assets

Tangible fixed assets with a cost of greater than £1,000 are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

Leasehold improvements - Straight line over the life of the lease

Fixtures and fittings - 33% per annum based on cost

Computer and similar equipment - 33% per annum based on cost

**The Barrow Cadbury Trust (a company limited by guarantee)**  
**Notes to the accounts for the year ended 31<sup>st</sup> March 2013**

(e) Fixed asset investments

Investments are included in the accounts at their market value as at the balance sheet date.

Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the period in which they arise.

Programme related investments are valued at cost less any impairments.

(f) Fund accounting

Expendable endowment funds comprise the Trust's capital fund, the income from which, together with capital sums approved by the trustees, may be applied for any purpose within the charity's objects. Each year a transfer is made from the endowment to unrestricted funds to cover the excess of expenditure over income.

Designated funds represent amounts that have been earmarked to fund specific activities that contribute to the achievement of the charity's objectives.

Restricted funds represent funds received from other organisations for specific projects.

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

(g) Cash flow

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

(h) Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

(i) Pension scheme

The Trust operates a money purchase pension scheme for eligible employees. Contributions are charged to the statement of financial activities in the year in which they are payable.

**The Barrow Cadbury Trust (a company limited by guarantee)**  
**Notes to the accounts for the year ended 31<sup>st</sup> March 2013**

**2. Investment income and interest receivable**

	<b>2013</b>	<b>2012</b>
	£ '000	£ '000
Income from listed investments	2,563	2,553
Interest receivable	2	24
Income from social investments	16	-
Total	<u>2,581</u>	<u>2,577</u>

**3. Other income**

Other income represents grants and donations from other charitable foundations for specific activities.

**4. Net outgoing resources for the year**

Net outgoing resources for the year is stated after charging:	<b>2013</b>	<b>2012</b>
	£ '000	£ '000
Auditors' remuneration		
Group – for audit	12	12
(of which the charity amounts to)	11	9
Group – for other services	2	3
Depreciation of tangible fixed assets	14	16
Rentals payable under operating leases	166	229
Trustee professional indemnity insurance	1	1
Trustee meeting and travelling expenses	<u>19</u>	<u>13</u>

**5. Grants payable by the charity**

The number of grants approved during the year were as follows:

Programme	<b>2013</b>	<b>2012</b>
	<b>Number</b>	<b>Number</b>
Criminal justice	29	29
Migration	30	26
Poverty and inclusion	65	40
Other	26	11
Total	<u>150</u>	<u>106</u>

All of the grants made by the Trust were for institutions, none were for individuals. Further details about the individual programmes are included in the Trustees' report and on the Trust's website

[www.barrowcadbury.org.uk](http://www.barrowcadbury.org.uk).

**The Barrow Cadbury Trust (a company limited by guarantee)**  
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**6. Social justice and grant making**

	<b>Criminal Justice</b>	<b>Migration</b>	<b>Poverty &amp; inclusion</b>	<b>Philan- thropy &amp; other</b>	<b>Voluntary sector – use of premises</b>	<b>Total 2013</b>	<b>Total 2012</b>
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Direct costs</u>							
Projects & campaigns	803	888	657	278	-	2,626	2,196
Research & partnerships	148	305	304	201	-	958	871
Direct staff and property costs	155	145	154	91	105	650	368
	<u>1,106</u>	<u>1,338</u>	<u>1,115</u>	<u>570</u>	<u>105</u>	<u>4,234</u>	<u>3,435</u>
<u>Support costs</u>							
Management & administrative staff costs	81	98	93	40	15	327	313
Property costs	44	54	51	22	8	179	214
Other support costs	33	41	38	17	6	135	166
2013	<u>1,264</u>	<u>1,531</u>	<u>1,297</u>	<u>649</u>	<u>134</u>	<u>4,875</u>	<u>4,128</u>
2012	<u>1,381</u>	<u>1,286</u>	<u>1,237</u>	<u>170</u>	<u>54</u>	<u>4,128</u>	

**7. Governance costs**

<b>For the group</b>	<b>2013</b>	<b>2012</b>
	£ '000	£ '000
Staff costs	39	36
Auditors' remuneration		
For audit services	15	14
For other services	1	4
Trustee meeting and travelling expenses	19	13
Trustee training costs	-	1
Legal and professional costs	5	2
Total	<u>79</u>	<u>70</u>

**8. Staff numbers and costs**

Staff costs during the year were:

	<b>2013</b>	<b>2012</b>
	£ '000	£ '000
Wages and salaries	619	540
Social security costs	72	63
Other pension costs	55	49
Total	<u>746</u>	<u>652</u>

The average number of employees during the year, on a full time equivalent basis, was:

	<b>2013</b>	<b>2012</b>
Social justice and grant making	8.5	7.0
Support	4.0	3.5
Governance	0.5	0.5
Total	<u>13.0</u>	<u>11.0</u>

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The number of employees whose emoluments for the year were above £60,000 fell within the following ranges:

	<b>2013</b>	<b>2012</b>
£60,000 - £70,000	-	2
£70,001 - £80,000	2	-
£90,001 - £100,000	1	1

Employer pension contributions for the above staff totalled £24,152 (2012 - £22,300)

**9. Trustee remuneration and costs**

None of the trustees received any remuneration for their services during the year (2011 - £nil).

During the year travel expenses amounting to £7,964 (2012 - £5,699) were reimbursed to, or paid on behalf of, 8 trustees (2012 - 9).

**10. Taxation**

Barrow Cadbury Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities as it falls within the various exemptions available to registered charities.

**11. Tangible fixed assets**

**For charity and group**

	<b>Leasehold improvements</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Computer equipment</b>	<b>Total</b>
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 <sup>st</sup> April 2012	65	80	40	185
Additions	-	-	5	5
Disposals	-	-	(23)	(23)
At 31 <sup>st</sup> March 2013	<u>65</u>	<u>80</u>	<u>22</u>	<u>167</u>
<b>Depreciation</b>				
At 1 <sup>st</sup> April 2012	28	79	27	134
Charge for year	6	1	7	14
Disposals	-	-	(23)	(23)
At 31 <sup>st</sup> March 2013	<u>34</u>	<u>80</u>	<u>11</u>	<u>125</u>
<b>Net book values</b>				
At 31 <sup>st</sup> March 2013	<u>31</u>	<u>-</u>	<u>11</u>	<u>42</u>
At 1 <sup>st</sup> April 2012	<u>37</u>	<u>1</u>	<u>13</u>	<u>51</u>

**The Barrow Cadbury Trust (a company limited by guarantee)**  
**Notes to the accounts for the year ended 31<sup>st</sup> March 2013**

**12. Investments**

	Group		Charity	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
<b>Investments at market value</b>				
Market value at 1 <sup>st</sup> April 2011	70,992	75,123	62,429	66,324
Additions at cost	23,585	31,383	20,724	27,493
Disposal proceeds	(25,657)	(33,515)	(22,572)	(29,602)
Net investment gains/(losses)	8,615	(1,999)	7,567	(1,786)
Market value at 31 <sup>st</sup> March 2012	77,535	70,992	68,148	62,429
Cash held by investment managers	1,392	887	1,129	734
	<u>78,927</u>	<u>71,879</u>	<u>69,277</u>	<u>63,163</u>
Cost of investments	<u>65,433</u>	<u>64,698</u>	<u>57,467</u>	<u>56,786</u>
<b>Investments comprise the following:</b>				
Fixed interest	10,163	9,036	8,969	7,973
UK equities	24,358	22,495	21,390	19,792
Global equities	34,268	31,473	30,105	27,668
Property	6,182	5,066	5,447	4,441
Alternative assets	2,478	2,905	2,161	2,540
Forward exchange contracts	86	17	76	15
Liquid assets	1,392	887	1,129	734
	<u>78,927</u>	<u>71,879</u>	<u>69,277</u>	<u>63,163</u>

Included in the investment valuation are forward exchange contracts entered into to ameliorate the risk of any currency fluctuations.

No single investment comprised more than 5% of the total investment portfolio.

**13. Programme related investments**

	Group		Charity	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
<b>Investments at cost</b>				
Cost at 1 <sup>st</sup> April 2012	482	18	482	18
Additions at cost	684	464	629	464
Cost at 31 <sup>st</sup> March 2013	<u>1,166</u>	<u>482</u>	<u>1,111</u>	<u>482</u>
<b>Investments comprise the following:</b>				
Equities	357	277	357	277
Debt	569	205	514	205
Limited partnership	240	-	240	-
Total	<u>1,166</u>	<u>482</u>	<u>1,111</u>	<u>482</u>

The Trustees have agreed specific programme related investments of £1,740,385. Of this £1,165,832 has been invested, leaving £577,553 still to be paid.

The programme related investments are listed in the annual report attached to these accounts.

**The Barrow Cadbury Trust (a company limited by guarantee)**  
**Notes to the accounts for the year ended 31<sup>st</sup> March 2013**

**14. Debtors**

	Group		Charity	
	2013	2012	2013	2012
Due within one year	£'000	£'000	£'000	£'000
Dividends and interest receivable	369	400	328	356
Prepayments	80	83	80	83
Amount due from the Barrow Cadbury Fund	-	-	130	201
Other debtors	9	10	9	10
	<u>458</u>	<u>493</u>	<u>547</u>	<u>650</u>

**15. Creditors: amounts falling due within one year**

	Group		Charity	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Trade creditors	89	69	89	67
Grants payable	2,191	1,395	2,106	1,361
Social security and other taxes	20	18	20	18
Accruals	189	129	172	111
Other creditors	7	2	7	2
	<u>2,496</u>	<u>1,613</u>	<u>2,394</u>	<u>1,559</u>

**16. Creditors: amounts falling due after more than one year**

	Group		Charity	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Grants payable	<u>591</u>	<u>335</u>	<u>591</u>	<u>311</u>

**17. Analysis of charitable funds**

	At 1 April	Gains, losses	At 31 March
	2012	& transfers	2013
	£'000	£'000	£'000
Restricted funds	-	277	277
Endowment funds	62,834	3,535	66,369
Designated funds	675	1,010	1,685
Total funds of the parent charity	<u>63,509</u>	<u>4,822</u>	<u>68,331</u>
Funds retained within a non-charity subsidiary (The Barrow Cadbury Fund)			
Profit & Loss account	7,854	355	8,209
Revaluation reserve	651	769	1,420
Total funds of the group	<u>72,014</u>	<u>5,946</u>	<u>77,960</u>

Designated funds represent amounts committed to social investments (see note 13).

Restricted funds represent amounts received from other organisations for specific projects.

**The Barrow Cadbury Trust (a company limited by guarantee)**  
**Notes to the accounts for the year ended 31<sup>st</sup> March 2013**

**18. Analysis of net assets between funds**

Fund balances at 31<sup>st</sup> March 2013 are represented by:

	Unrestricted funds £'000	Endowment funds £'000	Designated funds £'000	Restricted funds £'000	Total £'000
Tangible assets	-	42	-	-	42
Investments	9,650	68,295	574	408	78,927
Programme related investments	55	-	1,111	-	1,166
Current assets	76	836	-	-	912
Current liabilities	(152)	(2,213)	-	(131)	(2,496)
Creditors greater than one year	-	(591)	-	-	(591)
Net assets	<u>9,629</u>	<u>66,369</u>	<u>1,685</u>	<u>277</u>	<u>77,960</u>

The designated funds represent funds committed to programme related investments (see note 13).

**19. Commitments**

Grants are fully accrued for once they have been approved and the grantee informed. As noted in note 13 there are commitments relating to programme related investments of £577,553 (2012 - £193,397).

Annual commitments under non-cancellable operating leases at 31<sup>st</sup> March 2013 were as follows:

	2013 £'000	2012 £'000
Rental commitments which expire within one year	-	208
Rental commitments which expire in one to five years	<u>177</u>	<u>-</u>

**20. Subsidiary company**

The Barrow Cadbury Trust is the parent company of the Barrow Cadbury Fund, a company registered in England and Wales, registered company number 503137. This company is engaged in the making of benevolent and other grants and the funding of special initiatives to further social justice objectives where it meets the directors' priorities. A summary of the financial results of the company is shown below.

	2013 £'000	2012 £'000
Income from fixed asset investments	307	305
Gains/(losses) on sale of investments	237	(227)
Refund of stamp duty paid in previous periods	-	25
	<u>544</u>	<u>103</u>
Grants and special initiatives	(115)	(152)
Administrative expenses	(74)	(73)
Donation to the Barrow Cadbury Trust	(80)	(196)
Surplus/(deficit) on ordinary activities before taxation	<u>275</u>	<u>(318)</u>
Statement of total recognised gains and losses		
Surplus/(deficit) on ordinary activities before taxation	275	(318)
Unrealised gains/(losses) on investments	769	(87)
	<u>1,044</u>	<u>(405)</u>
Net funds at 31 <sup>st</sup> March 2013	<u>9,549</u>	<u>8,505</u>

**The Barrow Cadbury Trust (a company limited by guarantee)**  
**Notes to the accounts for the year ended 31<sup>st</sup> March 2013**

**21. Related party transactions**

The Barrow Cadbury Trust and the Barrow Cadbury Fund are administered from the same registered office. The Barrow Cadbury Trust incurs most administrative expenses and is reimbursed by the Barrow Cadbury Fund for its appropriate share of these costs. In addition the Barrow Cadbury Fund made a donation of £80,000 to the Barrow Cadbury Trust during the year.

Following investments made in three social investments, trustees and staff have been appointed to the Board of these investments. Anna Southall, a trustee, is on the Board of Bristol Together. Staff members are on the Boards of the Social Justice and Human Rights Centre Ltd and Energise Innovation Ltd. None of these appointments are remunerated.

Other than those transactions stated above there were no related party transactions during the year.