



The Barrow Cadbury Trust
(A company limited by guarantee)

**Annual report and consolidated financial statements
for the year ended 31 March 2014**

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

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Reference and administrative details for the year ended 31st March 2014

Trustees	Helen Rachel Cadbury (Chair) Erica Rachel Cadbury Nicola Jayne Cadbury Ruth Margaret Cadbury Gordon Scotland Mitchell Tamsin Amalia Rupprechter Henry George Southall Serle John Edward Southall Serle (appointed 25 January 2014) Steven Murray Skakel (appointed 25 January 2014) Anna Catherine Southall OBE
Co-optees	Carol Harrison – Investment Management Committee
Chief Executive	Sara Llewelin
Company Secretary	Mark O’Kelly
Principal office	Kean House, 6 Kean Street, London WC2B 4AS
Telephone	0207 632 9060
Facsimile	0207 632 9061
Website	www.barrowcadbury.org.uk
Company registration number	5836950
Charity registration number	1115476
Statutory auditors	Sayer Vincent LLP 8 Angel Gate, City Road, London EC1V 2SJ
Bankers	HSBC Bank plc 94 Kensington High Street, London W8 4SJ
Investment managers	Sarasin & Partners LLP 5th Floor Juxon House, 100 St Paul's Churchyard London EC4M 8BU
Solicitors	Russell-Cooke 2 Putney Hill, Putney, London SW15 6AB

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31st March 2014**

The Trustees present their statutory report together with the accounts of the Barrow Cadbury Trust (the Trust) for the year ended 31 March 2014. 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 2013.

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 30 and 31 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 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 and graded 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.

Governance

During the year, the Board and Executive Team undertook a further review of the workings of

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governance changes implemented in the previous year. 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.

In 2014/15 we will: Consider the future trusteeship issues in respect of succession and recruitment regarding both family and non-family trustees.

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 2014. Each quarter the Board monitors the identified 'headline' risks. Specifically, matters which received close attention during the year were a) ensuring our activities and public profile is politically non-partisan and b) grading and managing any board and staff conflicts of interest.

In 2014/15 we will: Review our risk appetite and specifically consider our organisational resilience.

Strategic and operational planning

During the year Trustees and staff reviewed the first year of operation of the Strategic Plan for 2013/2016 and put in place an Operational Plan for 2014/2015. It should be noted that the Board continues to spend more than the anticipated investment income during this three year period. 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.

In 2014/15 we will: Consider our spending plans for the 2016-19 period in order to start the iterative strategic planning for that period in the following year **and** further consider the issues of medium and longer term spending.

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 includesocial and economic improvement for people, especially:

- young adults and women, who are within or at risk of falling into the criminal justice system;
- refugees, asylum seekers and undocumented migrants; and the communities which receive

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them;

- people living in poverty, particularly - but not exclusively - in the Birmingham and the Black Country, where the Trust has its historic roots; and the promotion of philanthropy and of social investment.

This assistance is provided indirectly by the Trust funding voluntary organisations, campaigns, social investment vehicles, think tanks and community groups to work directly with or to secure better social and economic improvements for end 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 strap line 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 bring about structural change. These areas of work are described in more detail in the next section of this report.

Guidance for prospective applicants on whom is eligible to apply and our procedures and methods of working are available on our website 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:

Promotion of social justice	The Trust aims to put fairness and equality at the heart of all its work.
Empowerment	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.
Partnership	The Trust works in partnership with other grant makers and with stakeholders at international, national, regional and local levels.
Local focus	The Trust values its historic relationship with Birmingham and the Black Country.
Relationship with funded groups	The Trust aims to be an approachable, fair and responsive grant maker.
Valuing learning	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.
Innovation and independence	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.
Quaker ethos	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 five strategic objectives for 2013/16 are:

Strategic Objective 1

To build evidence of effective interventions, primarily for young adults and women, at all stages of the criminal justice process, and seek implementation at a national and local level in policy and practice.

Strategic Objective 2

To promote support for an immigration system that is fair to both migrants and established residents and a constructive, evidence-based policy and public debate on migration and integration.

Strategic Objective 3

To support effective approaches to reducing economic and social injustice and assist in building resilient communities.

Strategic Objective 4

To use all of 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

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 2013/14:

The Operational Plan for 2013/14 identified 23 operational objectives for the year across the five 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 leadership 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 2013/14

The following table includes the total value of programme approvals in 2013/14 for each of the three programme areas and the two other associated funding streams.

	£
Criminal Justice	858,449
Migration	923,438
Resources & resilience	849,705
Philanthropy & other	511,803
TOTAL	3,143,395

Key achievements 2013/14:

Strategic Objective 1 – Criminal Justice

To build evidence of effective interventions, primarily for young adults and women, at all stages of the criminal justice process, and seek implementation at a national and local level in policy and practice.

Over the course of 2013-2014 The Trust has achieved the following to further this objective:

- The selection of the six new projects that will represent the T2A (Transition to Adulthood) Pathway framework. Each project is operating at one of the stages of the criminal justice process, and as a collective will demonstrate a 'whole pathway' approach to effective interventions for young adults.
- The mainstreaming of the previous T2A pilots has made good progress. The Birmingham T2A pilot approach has been rolled out through Staffordshire and West Midlands Probation Trust (to a further 8 probation areas). Youth Support Services have developed their service with West Mercia probation, and are securing the T2A approach amid the changes to their probation service. St Giles Trust has secured continuation funding from several London boroughs to continue its work on the SOS project, now operational in 13 London boroughs.
- Funded a series of publications in support of the T2A programme, which between them covered nearly the whole spectrum of the criminal justice process, from police, to prosecution, to sentencing, to prison. These were:
 - Young Minds (December 2013) 'Same Old Experiences of Young Offenders with Mental Health Needs'.
 - Revolving Doors Agency (November 2013) 'First Generation: One Year On, How police and crime commissioners are shaping local responses to young adults'.
 - Rob Allen for T2A (October 2013) 'Young Adults in Custody: The Way Forward'
 - Criminal Justice Alliance (August 2013) 'Prosecuting Young Adults: The potential for taking account of maturity at the charge and prosecution stage of the criminal justice system'.
 - University of Birmingham for T2A (May 2013) 'Restorative Justice for Young Adults: Factoring in Maturity and Facilitating Desistance'.
- Through its convening of the T2A Alliance, the Trust has contributed responses to a range of government consultations . These include consultations on:
 - Young adults in custody
 - Stop-and-search practices by the police
 - The future of the Youth Justice Board
- Supported events at all three main political party conferences in partnership with Business in the Community and Working Links, focused on routes to employment for young people with criminal convictions.
- Developed a portfolio of projects in Birmingham and the Black Country delivering local approaches to young adults in contact with the criminal justice system.
- Continued to support work on brain injury and criminal justice following the impact of the T2A publication 'Repairing Shattered Lives' in 2012.
- Growing an evidence base in relation to Black, Asian and Minority Ethnic (BAME) young adults with specific projects underway to examine the T2A Pathway in relation to race.

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The T2A Alliance has a new member, Black Training and Enterprise Group (BTEG) which will undertake specific projects for T2A in 2014.

- Sitting on Baroness Lola Young's independent review of the over-representation of young adult Black, Asian and Muslim men in the criminal justice system, which has increased year on year in the last five years.
- Reviewing T2A's work to date in relation to gender, and will produce a briefing paper shortly.
- Involvement in the Corston Independent Funders' Coalition to establish a new approach for 2014 and beyond. The group plans to expand its membership beyond funders to campaigners and academics, and to shift its focus away from the acute end of the criminal justice system to points of earlier intervention.
- Working with a number of other funders to develop a collaborative strategy on how to help address sexual exploitation by groups and gangs.
- Funded a cluster of projects that will shine a light on parts of the criminal justice system that are rarely exposed.
 - Inquest is undertaking a case review of the deaths of young adults in custody.
 - The Howard League for Penal Reform's Commission on Sex in Prisons is at the half way stage in its evidence gathering. Its first report, on consensual sex in prisons, was widely covered in the press and prompted much useful discussion and debate. Its next report will be on coercive sex in prisons.
- Funding the provision of the secretariat to the All Party Parliamentary Group (APPG) on Penal Affairs provided by the Prison Reform Trust.
- Continuing to support The Koestler Trust to showcase the art of prisoners and secure psychiatric patients at its annual exhibition.

Criminal Justice	£
Projects and campaigns	371,809
Research and partnerships	186,640
Transition to Adulthood pathway	300,000
Total	858,449

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Strategic Objective 2 – Migration

To promote support for an immigration system that is fair to both migrants and established residents and a constructive, evidence-based policy and public debate on migration and integration.

Over the course of 2013-2014 The Trust has achieved the following to further this objective:

- Supporting communities and empowering vulnerable groups in order to promote the fair treatment of asylum seekers, refugees and migrants.
- Assisted the growth of City of Sanctuary movement in Birmingham, led by two of the Trust's grantees, Restore and the Piers Road New Communities Centre Association.
- Supported local initiatives such as the Centre for Equality and Diversity whose work contributes to the local fall in reported racial harassment and Refugee and Migrant Centre which continues to play an important strategic role in Wolverhampton and the Black Country.
- Activity to challenge the unjust treatment of vulnerable asylum seekers, refugees and migrants:
 - Detention Action and the coalition of NGOs that comprise the Detention Forum have campaigned on various aspects of immigration detention.
 - Detention Action and others recently won a reprieve for detained migrants and refused asylum seekers.
 - Kalayaan has been gathering evidence on the conditions of its migrant domestic workers in the light of more restrictive visa arrangements.
 - Asylum Aid continuing work to support women asylum seekers and ensure that UK's asylum system is gender sensitive and that pregnant asylum seekers and those with young children are treated fairly and humanely.
 - The UK Lesbian and Gay Immigration Group (UKLGIG) focuses on asylum seekers and has recently targeted judges to raise their awareness about how to assess a claim from an asylum seeker who may have faced persecution because of his or her sexual orientation.
- Broadening and deepening the public debate on migration and integration and ensure that it draws on shared values as well as evidence.
 - Migrant Voice has been building its national network as well as its regional networks in Birmingham and Glasgow.
 - Women for Refugee Women has been working to campaign for the rights of and empower women asylum seekers, particularly those fleeing gender persecution.
 - Continued to focus on changing the dynamic of the public debate on migration through grantmaking and convening work and through the active role played in the Changing Minds collaborative.
 - The Migration Observatory at Oxford University continues to play a critical role in informing the debate about migration with accessible, targeted briefings and media interventions.
 - In its second full year of operation, British Future has established a high profile in the media as a source of authoritative research and commentary on migration, integration, opportunity and identity.
 - Partnering in the Cities of Migration project to share promising integration practice globally.

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- The APPG on Migration launched a cross-party inquiry into the impact of the new rules.
- Working with European networks.
 - Chairing the Diversity, Migration and Integration Thematic Network of funders within the European Foundation Centre (EFC).
 - Participated in the pan European pooled fund European Programme on Integration and Migration (EPIM) as a member of its Steering Committee. The third phase of EPIM was launched during the autumn of 2012, when ten major grants were awarded to a range of non-governmental organizations (NGOs) working on migration, integration and asylum in Europe.
- Informing public policy and promoting workable and fair policies in relation to immigration and integration.
 - Policy Network published the conclusions of its project on populism in a publication entitled Democratic Stress, the Populist Signal and Extremist Threat.
 - The Institute for Public Policy Research (IPPR) held a well attended event entitled: "Between Evidence and Public Opinion: Charting a new course for migration policy and politics".
 - The Migration Policy Institute's Transatlantic Council on Migration (TCM) continues to engage with the British Government on migration policy, particularly in relation to the Government's ongoing review of how European Union legislation affects the UK.
 - National Institute for Economic and Social Research (NIESR) published research on the long term relationship between migration and productivity.
 - Published the fourth Transatlantic Trends survey. Previously a standalone survey on immigration and integration, this year the immigration chapter was successfully incorporated into a wider more established survey.

Migration	£
Projects and campaigns	568,880
Research and partnerships	354,558
Total	923,438

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Strategic Objective 3 – Resources and Resilience

To support effective approaches to reducing economic and social injustice and assist in building resilient communities.

Over the course of 2013/14 the Trust has achieved the following to further this objective:

- Exploring and supporting effective approaches to building sustainable and socially just economic systems.
 - The Fairbanking Foundation's work on banking products that help customers to manage their money.
 - Research on the redistribution of high pay by the High Pay Centre.
 - The growth in and causes of personal debt by the Centre for Social Justice.
 - The Community Investment Coalition and the Centre for Responsible Credit have both lobbied extensively on caps to payday loan interest rates, which the Government has agreed to implement in 2015.
 - ShareAction's work on shareholder activism has grown in momentum and influence.
 - Birmingham & Solihull Social Economy Consortium (BSSEC) and Localise West Midlands continue to stimulate discussions on sustainable procurement and local supply chains within West Midlands and beyond. In the case of BSSEC, final amendments are being made to a Social Value Framework which will underpin Birmingham City Council's Service Redesign and Commissioning Toolkit.
 - Members of the Early Action Taskforce have had a number of meetings with officials from the Treasury and the DWP to recommend budget transfers and mapping the impact of existing spending on early intervention.
 - Move Your Money UK's ethical scorecard, launched to coincide with the changes in switching regulation in September 2013, was well received by the public and media.
- Supporting research and grassroots work which seeks to better understand the links between equalities areas (race, gender and disability) and financial exclusion and disempowered communities.
 - A small body of research work focused specifically on gender has developed through support to the Fawcett Society and Gingerbread.
 - Gender and disability and their links to poverty and debt have been also explored as part of a wider body of work by the Smith Institute.
 - Civil Exchange's 'Big Society Audit 2013' reported on volunteering trends and equalities issues.
 - Operation Black Vote's work in Birmingham is directly addressing minority communities.
 - Grassroots work being supported under the voice and influence cluster, including Saheli Women's Group, the Community Resource Information Service and EDAS Foundation, is taking place within BME communities facing multiple barriers including disproportionate debt, fuel poverty, unemployment and sanctions.
 - A new advice network, the Gateway to Birmingham Advice Services, which is led Birmingham Citizens Advice Bureau has been established in the last few months, seeking to deliver a more integrated and cost effective advice network within the city.
- Supporting work that encourages a more segmented understanding of the factors affecting financial exclusion and community disempowerment and seeks to widen the

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debate around such issues.

- Several pieces of research are being supported which are deepening understanding around debt and the reason people fall into a debt spiral, including that by the Centre for Social Justice.
- Low pay and the lack of access to credit are just two issues that have emerged, the former of which is being explored in more detail by the Resolution Foundation in its work on the minimum wage.
- Gingerbread and the Fabian Society have also explored micro jobs and underemployment which often correlates with financially excluded and disempowered communities.
- Work by the Centre for Responsible Credit on local welfare provision seeks to better understand why particular individuals find themselves in need of emergency financial support. Early evidence from the voluntary and community sector suggests that the rising cost of fuel is a major issue.
- Child Poverty Action Group continues to provide a strong voice on the realities of living on benefits.
- Using learning from projects supporting community-led change to influence policy and practice at a local and national level.
 - We prioritise research work which includes the voices of those who are financially excluded or disempowered within their analysis and dissemination such as work by Gingerbread highlighting the challenges for single parents on low incomes and by the Child Poverty Action Group in its work on local authority strategies to child poverty.
- Creating opportunities for a range of stakeholders to convene around shared issues and use existing relationships to strengthen joint campaigns.
 - The Low Commission has gathered evidence from a range of stakeholders on the early impacts of legal aid cuts and possibilities for alternative provision.
 - BSSEC's work on social value has brought together local authority representatives from commissioning departments across Birmingham City Council and is arranging a roundtable to bring together a small number of representatives from other local authorities in England to assist in embedding social value within their procurement.
 - Together with others we made a submission to the Ministry of Justice on the Judicial Review reforms and also signed up to a joint submission by the Equality and Diversity Forum.
- Disseminating learning from community-led projects to influence policy and prevent people becoming more excluded and vulnerable to the effects of austerity measures.
 - In July 2013 the Trust in partnership with the LankellyChase Foundation, City Bridge Trust and new economics foundation (nef), hosted a Community Resilience event in London to share grassroots learning on asset based community development from London and Birmingham. Around two thirds of London local authorities were represented.
 - We and grantees fed learning into the Bishop of Birmingham's Social Inclusion Process. The Head of Programmes also chairs the Citizens Engagement Reference Group set up by Birmingham City Council to draw on knowledge and expertise outside of the Council.
- Support grassroots projects in Birmingham and the Black Country that are seeking to

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understand and remove barriers to financial inclusion in poor and/or marginalized communities.

- Ongoing credit union strengthening project will draw to a close early in 2014. Despite the closure of CommuniSave the two smaller Credit Unions involved in the project have benefitted significantly from tailored support from Citysave Credit Union.
- Bulk buying and money management are being explored by Langley Parochial Church Council and St Margaret's Community Trust and several other projects collect intelligence on debt through their wider activities.
- All of this is fed to research partners and adds to the broader body of knowledge on financial exclusion.
- Supporting effective and sustainable approaches to building community-led social change at a local level, in particular in poor and/or marginalised communities.
 - Continue to support community led mutual aid and enterprise projects through the Small Change programme in Birmingham.
 - This work has been ongoing over the year and clusters are beginning to emerge around particular mutual aid themes such as time banking. The Small Change programme has not experienced high demand, but is contributing incrementally to the development of a mutual aid culture within the city.
 - Supporting organizations including Our Place Kings Norton, Karis Neighbourhood Scheme, EDAS Foundation and Birmingham Settlement to work with communities to address social issues such as isolation, unemployment, welfare sanctions, domestic violence, lack of ability to influence, debt, poor housing and dirty neighbourhoods.
- Strengthening civil society in Birmingham.
 - Creating opportunities such as the "Birmingham Community Resilience Workshop" at which best practice in grassroots and policy work can be shared across sectors.
- Supporting leadership in the third sector in Birmingham.
 - We have brokered a relationship with Common Purpose and secured ten place for individuals in its Birmingham and Black Country networks on the West Midlands Meridian Leadership programme.
 - Provided consultancy support to Women Acting in Today's Society (WAITS) to enable it to address financial challenges.
 - Provided Refugee and Migrant Centre (RMC) with advice on evaluation.

Resources and Resilience	£
Projects and campaigns	572,379
Research and partnerships	277,326
Total	849,705

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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.

- In line with our commitment to promoting human rights and equalities, we continued our involvement in the Thomas Paine Initiative, a pooled fund for increasing awareness of human rights in the UK and renewed our support for the Parliamentary Human Rights Trust (APPG). We also maintained our support of the Third Sector Research Centre, with a funding extension for a further five years and the Equality and Diversity Forum for a further two.

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

- During the year we commissioned philanthropy academic Diana Leat to undertake a research study of foundations as generators of new organizations. This was a joint project with the Calouste Gulbenkian and Paul Hamlyn Foundations. We supported Rosa Fund's mapping of funding for women and girls' work, contributed to the Commission on Civil Society and Democratic Engagement and gave the Association of Charitable Foundations policy function a financial boost.

Philanthropy, Cross-Cutting and other	£
Projects and campaigns	317,595
Research and partnerships	194,208
Total	511,803

Strategic Objective 4: Using all the Trust's assets

Over the course of 2013-2014 The Trust has achieved the following to further this objective:

Objective 1: To fund the work of the Trust in current and long term.

- The investment portfolio, currently valued at £80 million, is managed by Sarasin and Partners.
- The investment performance is monitored through quarterly reports and regular meetings with the investment manager.
- The Investment Management Committee has been strengthened by the attendance of Jan Pethick, who has a background in investment.

Objective 2: To take a responsible approach to investing, considering environmental, social and governance issues.

- Sarasin & Partners screen investments for negative exclusions.
- Sarasin & Partners vote on behalf of the Trust and Fund on environmental, social and governance issues.
- The Trust is a founder member of the Charity Responsible Investment Network which is facilitated by ShareAction. Through this vehicle we are increasing our shareholder activism.

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- We investigated the potential transfer of bank accounts of the Trust to a more ethical bank and decided to move to Triodos Bank.

Objective 3: To develop the social investment market

New social investments agreed in 2013-14 were:

- £250,000 in Golden Lane Housing 2018 4% bond. This is one of the first charity bonds that is available for smaller investors (minimum £2,000 investment). We have since sold £42,500 of the bonds through Ethex to bring new social investors into the market and to encourage trading on Ethex.
- £205,000 in Midlands Together 2018 4%. This social enterprise creates jobs and training for ex-offenders in the Midlands.
- £250,000 in Social Venture Fund II. The Social Enterprise fund is pan-European which allows replication of successful social enterprises in different countries.
- £250,000 in PRISM, a fund promoted by Sarasin & Partners and Bridges Ventures aiming to bring in new investors.
- £200,000 in Resonance Community Share Underwriting Fund. This will support community share issues.
- Staff and trustees of the Trust are involved on the Boards of four of the existing social investments.
- Staff are playing an active part in social investment development:
 - Regular attendance and participation at the Social Impact Investors Group
 - Hosting a visit of French Foundations interested in social investments.
 - Speaking at the launch of the New Philanthropy Capital report on social investment.
 - Teaching at the European Foundation Centre Learning Lab on social investment in Milan.
 - Presenting at the Organisation for Economic Co-operation and Development workshop on Development Impact Bonds in Paris.
 - Speaking on social investments at the Association of Charitable Foundations conference.

Objective 4: To use the premises, convening power and intellectual capital of the Trust to advance our vision and mission.

- British Future and the Centre for Justice Innovation have occupied a dozen desks in our offices over the course of 2013-14 free of charge. The work of both these new organizations is closely aligned with our own and the Trust played a key role in creating British Future. The estimated share of rent and other costs is £131,000.
- The Trust's meeting rooms were used by a variety of our partners and other sector colleagues throughout the year, again without charge, creating more 'mission value' from our central London venue. The meeting rooms were used for partnership meetings in which the Barrow Cadbury Trust was involved for an average of 95 hours per month and by external organizations for their own use on average of 33 hours per month. The estimated share of rent and other costs is £18,000.
- The Trust uses its convening power to bring together organisations and people for briefings, roundtables, learning events, cultural exchange and the spread of new practice. Examples in the year include a roundtable of funders to explore work with women and girls for ROSA, and an updating briefing and roundtable on migrant children's educational achievements for Charles Clarke.
- The Trust's staff and trustees see the intellectual capital of the Trust as a resource for

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promoting our mission. We therefore accept a large number of invitations to speak at or chair events in our areas of expertise. During the year these have included: social investment, ethical investment, voluntary sector archives, sustainable cities, equalities issues, community resilience, strategic and family philanthropy, third sector research, payment by results, migration, impact measurement and VCS infrastructure. Senior staff also serve on a significant number of Boards and working groups relevant to our mission.

- During the year, the Trust's archivist has made considerable progress and our sizeable archive is really taking shape. This has the potential to be a valuable resource for several key audiences i.e social historians, Birmingham's VCS and people interested in philanthropy.

Strategic Objective 5 – Fit for Purpose Organisation

Over the course of 2013-2014 The Trust has achieved the following to further this objective:

Objective 1: To ensure that the Board is appropriately resourced to govern the Trust effectively and deliver the organisation's objectives.

- Successfully redesigned board meetings in line with task group recommendations.
- New Chair had an induction programme.
- Two new trustees identified for appointment in January 2014, one with the Birmingham specific expertise identified as desirable.
- An investment industry specialist has been co-opted onto the Investment Management Committee.
- Trustees have had learning opportunities at each board meeting, with external speakers and visits to funded partners.
- Annual legal health check undertaken and relevant actions taken.
- Strategic and operational risk registers have been revised in the light of current perceived risks.
- Trustees kept 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.

Objective 2: To support and develop staff to ensure they are equipped and motivated to deliver the strategy and fulfill their potential.

- Review of HR policies completed and updated to take into account recent legal changes and best practice.
- Performance management framework in place and annual reviews completed for all staff.
- Strong team ethos through regular team meetings and two day off site team building event and several team 'learning outings' including to the British Library's Propaganda exhibition.
- Individual learning plans in place for all staff.
- 'Back office' staff have visited funded projects, attended programme-related events and met counterparts in other trusts.

Objective 3: To maintain appropriate financial management and investment management arrangements for appropriate and well-informed decision making.

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31st March 2014**

- Investment Management Committee strengthened and given delegated authority for social investment decisions up to £250,000.
- Two half-day financial understanding training sessions delivered to the programme team by the Executive Team covering accounts, budgets and cash flows.

Objective 4: To evaluate and report on performance of the Trust's work to inform future strategy.

- Emphasis of board meetings has moved considerably to strategy and impact.
- Implementation of the revised evaluation and impact strategy.
- Participation in 'Inspiring Impact', specifically the strand of work on funders' practice.

Objective 5: To promote the work of the Trust and its funded partners in order to create a more socially just society.

- Significant press coverage achieved, particularly around T2A, British Future, economic justice, Transatlantic Trends.
- Involvement at all three major party political conferences with a variety of partners and impacts.
- Revamped the website and increased use of social media.
- Continued to contribute significantly to the policy and VCS infrastructure life of Birmingham (especially the Head of Programmes).

Objective 6: To apply the Trust's ethical values to everything it does in order to better achieve our mission.

- Participated in the charity sector's response to the Anti-Lobbying Bill and acted as 'banker' for the Commission which was set up to challenge it.
- Improved our internal reporting on waste reduction recycling and energy saving.
- Achieved London Living Wage Accreditation.

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

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31st March 2014**

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 learning sessions for staff on race equality, social media and finance management.
- 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 Impact Investment Group of trusts and foundations venturing into social investment.
- Participated in the Early Action Task Force convened by Community Links and established an early action funders alliance.
- Contributed to a bursary scheme to enable delegates from Eastern Europe to participate in philanthropy events.
- 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 European Foundation Centre'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).

Financial review

The income for the group was £2,791,000 (2013 - £3,012,000) and total resources expended were £4,856,000 (2013 - £5,294,000), resulting in net outgoing resources of £2,065,000 (2013 - £2,282,000). The slight fall in income and expenditure from 2013 is partly due to the decreased throughput of restricted funds and, on the expenditure, timing differences between the awarding of grants and notification to grantees.

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.

There were investment gains of £4,288,000 (2013 – £8,228,000), resulting in an overall increase in funds for the period of £2,223,000 (2013 – £5,946,000). Net assets at the 31st March 2014 were £80,183,000, a 2.9% increase from the opening balance of £77,960,000.

The total spend for the group on Social Justice and Grant-making during the period was £4,414,000 (2013 - £4,875,000).

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

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31st March 2014**

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 2013/14, Sarasin & Partners achieved a total return (i.e. both investment income and capital growth) of 9.0% 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.

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, both directly and through its investment managers, to try and improve company practice. We recognise that working with other investors will increase the impact of such engagement and is pleased to be part of the Charity Responsible Investment Network, facilitated by Share Action, and the Church Investors Group.

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

Since 2010 we have used part of the endowment to invest in programme related investments in charities and social enterprises, aiming to achieve both a social impact and a financial return with the funds. We committed to four new investments during 2013/14 with a value of £905,000 with the aim of building a varied portfolio which will both further our programme aims

The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31st March 2014

and develop the social investment market. In each case, systems are in place for capturing social impact.

Programme related investment	Committed £	Value of investments £				
		Balance at 1/4/13	Additions	Disposals	Provision	Balance at 31/3/14
Peterborough Social Impact Bond	100,000	47,492	16,682			64,174
Social Justice & Human Rights Centre Ltd	700,000	500,000	200,000			700,000
Ethex	50,000	30,000	20,000		(50,000)	-
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	50,400			144,000
T&T Innovation Ltd	56,000	35,000	21,000			56,000
Children Support Services Ltd	200,000	19,355	84,516			103,871
Golden Lane Housing	207,500	-	250,000	(42,500)		207,500
Midlands Together	205,000	-	205,000			205,000
Social Venture Fund	250,000	-	7,229			7,229
PRISM Fund	250,000	-	-			-
Community Share Underwriting Fund	200,000	-	-			-
Total	2,802,885	1,165,832	854,827	(42,500)	(50,000)	1,928,159

The trustees felt it prudent to make a provision for the investment in Ethex due to the uncertainty about the recoverability of the loan in the medium term, though the Trust remains committed to supporting Ethex in its work and believes the organisation will be financially viable in the long term.

Plans for future periods

The coming year will see the implementation of the second year of the Strategic Plan 2013-16. An Operational Plan for the year 2014-15 is in place, the outline objectives of which are shown below against the Trust's five Strategic Objectives.

Strategic Objective 1: Criminal Justice

To build evidence of effective interventions, primarily for young adults and women, at all stages of the criminal justice process, and seek implementation at a national and local level in policy and practice.

Strategic Objective 2: Migration

To promote support for an immigration system that is fair to both migrants and established residents and a constructive, evidence-based policy and public debate on migration and integration.

Strategic Objective 3: Resources and Resilience

To support effective approaches to reducing economic and social justice and assist in building resilient communities.

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31st March 2014**

Strategic Objective 4: Using all the Trust's Assets

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 2014-15 we will:

- Build evidence of effective interventions for young adults at all stages of the criminal justice process, and seek implementation at a national and local level in policy and practice.
- Convene the Transition to Adulthood (T2A) Alliance
- Support the delivery of the T2A partnership.
- Give focus to racial and gender justice in T2A's work.
- Promote the T2A proposition.
- Engage parliamentarians and policy-makers.
- Highlight practice in relation to the criminal justice system's most marginalised groups.
- Ensure user voices are heard at a national and local level to inform policy decisions.

Strategic Objective 2 Migration: In 2014-15 we will:

- Support grassroots organisations addressing unmet needs.
- Fund and capacity build groups lobbying for policy change and disseminate promising practice at local, national or international level.
- Identify emerging trends and fund work to promote integration and tolerance and counter xenophobia and racism.
- Continue to focus on developing work to promote a more constructive, nuanced public debate on migration and integration.
- Support policy research and learning from international examples.

Strategic Objective 3 Resources and Resilience: In 2014-15 we will:

- Continue to support research that will lead to new or transformative ways of thinking
- Fund work that seeks to understand and increase financial inclusion in communities in Birmingham and the Black Country.
- Fund research that explores the issues of resilience and/or community-led change, with a focus on Birmingham and the Black Country.
- Assist and enable grassroots projects in Birmingham and the Black Country which are supporting community-led change on a range of social issues.
- Continue with the Small Change initiative to create sustainable self help.
- Support research work that will lead to new or better understanding of the impact of the austerity measures on particular equality groups.
- Fund grassroots work in Birmingham and the Black Country, which seeks to support those from particular equalities groups to build influence and voice.

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31st March 2014**

- Develop and build on growing network of links.
- Develop relationships between grassroots activity in Birmingham and national/local policy work.

Strategic Objective 4 Using all the Trust's Assets : In 2014-15 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:

- Ensure the investment portfolio is properly managed and produces the required returns.
- Monitor long term projections of the endowment to ensure informed decisions.
- Negatively screen to ensure no investments contradict our ethical policy.
- Actively engagement with investee companies.
- Develop our social investment portfolio with a mixture of products and social outcomes.
- Support the development of social investor networks.
- To use the premises, convening power and intellectual capital of the Trust to advance our vision and mission.
- Fund work that addresses racial or gender justice at a structural level
- Identify opportunities to support third sector leaders in Birmingham
- Remain alert to opportunities where the Trust can use its resources and influence to support the independence and development of the sector
- Catalyse the development of new approaches to philanthropy and social investment

Strategic Objective 5 Fit for Purpose Organisation: In 2014-15 we will:

- Integrate new trustees into the work of the Trust.
- Further the Trust's governance development.
- Ensure appropriate arrangements for maternity leave cover are in place.
- Maintain the Trust's performance management approach.
- Conduct a staff survey.
- Facilitate continuous learning for the Investment Management Committee.
- Ensure best possible management of the endowment.
- Ensure prudent use of financial resource.
- Improve evaluation frameworks for each grant.
- Engage trustees in impact.
- Disseminate findings of funded work.
- Maintain and extend contacts with policy makers, funder and third sector leaders in Birmingham and the Black Country.
- Continue to position the Barrow Cadbury Trust as a social justice innovator and catalytic supporter of socially just change.
- Further implement the Trust's Communications Strategy.
- Complete the Trust's archiving project and address the issue of ensuring good access for a variety of audiences.
- Further promote the Living Wage
- Further measure and reduce our carbon footprint.
- Implement Salesforce for more efficient record keeping and information sharing.

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Trustees' report for the year ended 31st March 2014**

Investment: In 2014-15 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.

Strengthening the voluntary and community sector

In 2014/15 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.

Trusteeship and spending plans

Finally, and perhaps most importantly, the Board will consider two major governance issues in the coming year. Firstly, we will review board composition, succession and accession issues, regarding both family and non-family trusteeship. Secondly, we will decide our medium term spending plan up to 2019 and consider our options regarding our longer term approach to spending, whether that be perpetuity, spend down or other possibilities. We will do this in a considered and mission-centred way.

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31st March 2014**

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.

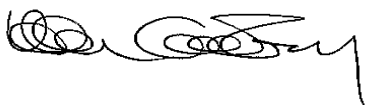
In so far as the trustees are aware:

- 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.

The trustees' report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees and signed on their behalf by:



Helen Cadbury, Chair
12th July 2014

The Barrow Cadbury Trust (a company limited by guarantee)

Independent Auditors' report for the year ended 31st March 2014

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

We have audited the financial statements of The Barrow Cadbury Trust for the year ended 31st March 2014 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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.

The Barrow Cadbury Trust (a company limited by guarantee)

Independent Auditors' report for the year ended 31st March 2014

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 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

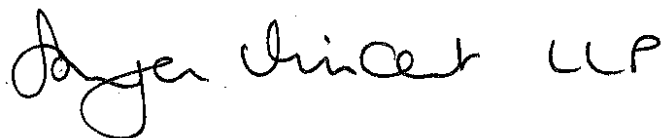
Opinion on other matter prescribed by the Companies Act 2006

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; or
- the trustees were not entitled to take advantage of the small companies' exemption in preparing the trustees' report.



Catherine Sayer (Senior statutory auditor)

Date: 21st July 2014

*for and on behalf of Sayer Vincent LLP, Statutory Auditors
8 Angel Gate, City Road, LONDON EC1V 2SJ*

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

The Barrow Cadbury Trust (a company limited by guarantee)
Consolidated statement of financial activities for the year ended 31st March 2014
(incorporating an income and expenditure account)

	Note	Unrestricted funds 2014 £'000	Restricted funds 2014 £'000	Endowment funds 2014 £'000	Total funds 2014 £'000	Total funds 2013 £'000
Incoming resources						
Incoming resources from generated funds						
Investment income	2	2,604	-	-	2,604	2,581
Other income	3	1	186	-	187	431
Total incoming resources		<u>2,605</u>	<u>186</u>	<u>-</u>	<u>2,791</u>	<u>3,012</u>
Resources expended						
Cost of generating funds						
Investment managers' costs		<u>370</u>	<u>-</u>	<u>-</u>	<u>370</u>	<u>340</u>
Charitable activities						
Social justice and grant making						
Criminal justice		1,137	30	-	1,167	1,264
Migration		1,221	70	-	1,291	1,531
Resources & resilience		1,051	-	-	1,051	1,297
Philanthropy, crosscutting & other		665	91	-	756	649
Voluntary sector – use of premises		149	-	-	149	134
	6	<u>4,223</u>	<u>191</u>	<u>-</u>	<u>4,414</u>	<u>4,875</u>
Governance costs	7	72	-	-	72	79
Total resources expended		<u>4,665</u>	<u>191</u>	<u>-</u>	<u>4,856</u>	<u>5,294</u>
Net outgoing resources before transfers	4	(2,060)	(5)	-	(2,065)	(2,282)
Transfers						
Transfers between funds		<u>1,657</u>	<u>-</u>	<u>(1,657)</u>	<u>-</u>	<u>-</u>
Net outgoing resources before investment gains and losses		(403)	(5)	(1,657)	(2,065)	(2,282)
Investment gains		<u>523</u>	<u>-</u>	<u>3,765</u>	<u>4,288</u>	<u>8,228</u>
Net movement in funds		<u>120</u>	<u>(5)</u>	<u>2,108</u>	<u>2,223</u>	<u>5,946</u>
Fund balances brought forward		9,549	277	68,134	77,960	72,014
Fund balances carried forward		<u>9,669</u>	<u>272</u>	<u>70,242</u>	<u>80,183</u>	<u>77,960</u>

All the above results are derived from continuing activities.

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

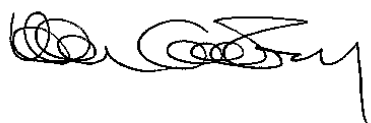
The Barrow Cadbury Trust (a company limited by guarantee)

Company number: 5836950

Balance sheet at 31st March 2014

	Notes	Group		Charity	
		2014 £'000	2013 £'000	2014 £'000	2013 £'000
Fixed Assets					
Tangible assets	11	35	42	35	42
Investments	12	80,731	78,927	70,627	69,277
Programme related investments	13	1,928	1,166	1,873	1,111
		<u>82,694</u>	<u>80,135</u>	<u>72,535</u>	<u>70,430</u>
Current assets					
Debtors due within one year	14	428	458	804	547
Short term deposits		56	56	56	56
Cash at bank and in hand		356	398	331	363
		<u>840</u>	<u>912</u>	<u>1,191</u>	<u>966</u>
Liabilities					
Creditors: amounts falling due within one year	15	(2,664)	(2,496)	(2,534)	(2,394)
Net current liabilities		<u>(1,824)</u>	<u>(1,584)</u>	<u>(1,343)</u>	<u>(1,428)</u>
Total assets less current liabilities		80,870	78,551	71,192	69,002
Creditors: amounts falling due after more than one year	16	(687)	(591)	(678)	(591)
Net assets		<u>80,183</u>	<u>77,960</u>	<u>70,514</u>	<u>68,411</u>
The funds of the charity					
Expendable endowment funds		67,439	66,449	67,439	66,449
Designated funds		2,803	1,685	2,803	1,685
Restricted funds		272	277	272	277
Funds retained within a non-charity subsidiary (The Barrow Cadbury Fund)	20				
Profit and loss account		8,474	8,129	-	-
Revaluation reserve		1,195	1,420	-	-
Total charity funds	17	<u>80,183</u>	<u>77,960</u>	<u>70,514</u>	<u>68,411</u>

The financial statements were approved by the Trustees on 12th July 2014 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 31st March 2014

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 21.

In accordance with S.408 of 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 £2,897,000 (2013 - £2,785,000) and the surplus for the parent charitable company, including investment gains, was £2,103,000 (2013 - £4,902,000).

(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.
- 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 31st March 2014

(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.

2. Investment income and interest receivable

	2014	2013
	£ '000	£ '000
Income from listed investments	2,562	2,563
Interest receivable	1	2
Income from social investments	41	16
Total	<u>2,604</u>	<u>2,581</u>

3. Other income

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

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31st March 2014

4. Net outgoing resources for the year

Net outgoing resources for the year is stated after charging:	2014	2013
	£ '000	£ '000
Auditors' remuneration		
Group – for audit	13	12
(of which the charity amounts to)	11	11
Group – for other services	1	2
Depreciation of tangible fixed assets	15	14
Rentals payable under operating leases	166	166
Trustee professional indemnity insurance	1	1
Trustee meeting and travelling expenses	15	19
	<hr/>	<hr/>

5. Grants payable by the charity

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

Programme	2014	2013
	Number	Number
Criminal justice	24	29
Migration	28	30
Poverty and inclusion	45	65
Other	25	26
Total	<hr/> 122	<hr/> 150

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.

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31st March 2014

6. Social justice and grant making

	Criminal Justice	Migration	Resources & resilience	Philan- thropy & other	Voluntary sector – use of premises	Total 2014	Total 2013
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Direct costs</u>							
Projects & campaigns	672	569	572	318	-	2,131	2,626
Research & partnerships	187	355	277	194	-	1,013	958
Direct staff and property costs	130	134	81	116	108	569	650
	989	1,058	930	628	108	3,713	4,234
<u>Support costs</u>							
Management & administrative staff	100	131	68	72	23	394	327
Property	39	51	26	28	9	153	179
Other support costs	39	51	27	28	9	154	135
2014	1,167	1,291	1,051	756	149	4,414	4,875
2013	1,264	1,531	1,297	649	134	4,875	

7. Governance costs

For the group	2014	2013
	£ '000	£ '000
Staff costs	40	39
Auditors' remuneration		
For audit services	15	15
For other services	1	2
Trustee meeting and travelling expenses	15	19
Legal and professional costs	1	4
Total	72	79

8. Staff numbers and costs

Staff costs during the year were:

	2014	2013
	£ '000	£ '000
Wages and salaries	623	619
Social security costs	72	72
Other pension costs	58	55
Total	753	746

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31st March 2014

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

	2014	2013
Social justice and grant making	8.0	8.5
Support	4.5	4.0
Governance	0.5	0.5
Total	<u>13.0</u>	<u>13.0</u>

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

	2014	2013
£70,001 - £80,000	2	2
£90,001 - £100,000	1	1

Employer pension contributions for the above staff totalled £25,056 (2013 - £24,152)

9. Trustee remuneration and costs

None of the trustees received any remuneration for their services during the year (2013 - nil).

During the year travel expenses amounting to £7,553 (2013 - £7,964) were reimbursed to, or paid on behalf of, 8 trustees (2013 – 8).

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

	Leasehold improvements	Fixtures, fittings & equipment	Computer equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 st April 2013	65	80	22	167
Additions	-	10	-	10
At 31 st March 2014	<u>65</u>	<u>90</u>	<u>22</u>	<u></u>
Depreciation				
At 1 st April 2013	34	80	11	125
Charge for year	7	3	7	17
At 31 st March 2014	<u>41</u>	<u>83</u>	<u>18</u>	<u>142</u>
Net book values				
At 31 st March 2014	<u>24</u>	<u>7</u>	<u>4</u>	<u>35</u>
At 1 st April 2013	<u>31</u>	<u>-</u>	<u>11</u>	<u>42</u>

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31st March 2014

12. Investments

	Group		Charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Investments at market value				
Market value at 1 st April 2013	77,535	70,992	68,148	62,429
Additions at cost	26,014	23,585	22,755	20,724
Disposal proceeds	(28,604)	(25,657)	(25,296)	(22,572)
Net investment gains/(losses)	3,411	8,615	2,991	7,567
Market value at 31 st March 2014	78,356	77,535	68,598	68,148
Cash held by investment managers	2,375	1,392	2,029	1,129
	<u>80,731</u>	<u>78,927</u>	<u>70,627</u>	<u>69,277</u>
Cost of investments	<u>70,849</u>	<u>65,433</u>	<u>61,938</u>	<u>57,467</u>
Investments comprise the following:				
Fixed interest	9,212	10,163	8,077	8,969
UK equities	25,393	24,358	22,250	21,390
Global equities	33,051	34,268	28,940	30,105
Property	7,291	6,182	6,342	5,447
Alternative assets	3,262	2,478	2,860	2,161
Forward exchange contracts	147	86	129	76
Liquid assets	2,375	1,392	2,029	1,129
	<u>80,731</u>	<u>78,927</u>	<u>70,627</u>	<u>69,277</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	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Investments at cost				
Cost at 1 st April 2013	1,166	482	1,111	482
Additions at cost	855	684	855	629
Impairments	(50)	-	(50)	-
Disposals	(43)	-	(43)	-
Cost less impairments at 31 st March 2014	<u>1,928</u>	<u>1,166</u>	<u>1,873</u>	<u>1,111</u>
Investments comprise the following:				
Equities	558	357	558	357
Debt	1,122	569	1,067	514
Limited partnership	248	240	248	240
Total	<u>1,928</u>	<u>1,166</u>	<u>1,873</u>	<u>1,111</u>

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31st March 2014

The Trustees have agreed specific programme related investments of £2,802,885. Of this £1,978,159 has been invested, leaving £824,726 still to be paid.

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

14. Debtors

	Group		Charity	
	2014	2013	2014	2013
Due within one year	£'000	£'000	£'000	£'000
Dividends and interest receivable	335	369	292	328
Prepayments	84	80	84	80
Amount due from the Barrow Cadbury Fund	-	-	419	130
Other debtors	9	9	9	9
	<u>428</u>	<u>458</u>	<u>804</u>	<u>547</u>

15. Creditors: amounts falling due within one year

	Group		Charity	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Trade creditors	41	89	41	89
Grants payable	2,421	2,191	2,307	2,106
Social security and other taxes	18	20	18	20
Accruals	180	189	165	172
Other creditors	4	7	3	7
	<u>2,664</u>	<u>2,496</u>	<u>2,534</u>	<u>2,394</u>

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

	Group		Charity	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Grants payable	<u>687</u>	<u>591</u>	<u>678</u>	<u>591</u>

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31st March 2014

17. Analysis of charitable funds

	At 1 April 2013	Gains, losses & transfers	At 31 March 2014
	£'000	£'000	£'000
Restricted funds	277	(5)	272
Endowment funds	66,449	990	67,439
Designated funds	1,685	1,118	2,803
Total funds of the parent charity	<u>68,411</u>	<u>2,103</u>	<u>70,514</u>
Funds retained within a non-charity subsidiary (The Barrow Cadbury Fund)			
Profit & Loss account	8,129	345	8,474
Revaluation reserve	1,420	(225)	1,195
Total funds of the group	<u>77,960</u>	<u>2,223</u>	<u>80,183</u>

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

The Trust's capital fund was originally settled as expendable endowment. The trustees can apply both income and capital for any purpose within the charity's objects. Funds are transferred from the endowment fund to unrestricted funds to cover any excess of expenditure over income.

Restricted funds represent amounts received from other organisations for specific projects. These are detailed below:

Restricted Funds	At 1 April 2013	Incoming resources	Outgoing resources	At 31 March 2014
	£'000	£'000	£'000	£'000
Changing Minds (Migration programme)	277	41	(70)	248
Foundation study (Inventive Foundations)	-	30	(12)	18
Civil Society Commission	-	74	(68)	6
Other	-	41	(41)	-
Total	<u>277</u>	<u>186</u>	<u>(191)</u>	<u>272</u>

18. Analysis of net assets between funds

Fund balances at 31st March 2014 are represented by:

	Unrestricted funds	Endowment funds	Designated funds	Restricted funds	Total
	£'000	£'000	£'000	£'000	£'000
Tangible assets	-	35	-	-	35
Investments	10,103	69,698	930	-	80,731
Programme related investments	55	-	1,873	-	1,928
Current assets	68	500	-	272	840
Current liabilities	(548)	(2,116)	-	-	(2,664)
Creditors greater than one year	(9)	(678)	-	-	(687)
Net assets	<u>9,669</u>	<u>67,439</u>	<u>2,803</u>	<u>277</u>	<u>80,183</u>

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

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31st March 2014

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 £824,726 (2013 - £577,553).

Annual commitments under non-cancellable operating leases at 31st March 2014 were as follows:

	2014	2013
	£'000	£'000
Rental commitments which expire in one to five years	<u>177</u>	<u>177</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.

	2014	2013
	£'000	£'000
Income from fixed asset investments	314	307
Gains on sale of investments	748	237
	<u>1,062</u>	<u>544</u>
Grants and special initiatives	(217)	(115)
Administrative expenses	(80)	(74)
Donation to the Barrow Cadbury Trust	(420)	(80)
Surplus on ordinary activities before taxation	<u>345</u>	<u>275</u>
Statement of total recognised gains and losses		
Surplus on ordinary activities before taxation	345	275
Unrealised (losses)/gains on investments	(225)	769
	<u>120</u>	<u>1,044</u>
Net funds at 31 st March 2014	<u>9,669</u>	<u>9,549</u>

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31st March 2014

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 £420,000 to the Barrow Cadbury Trust during the year.

Trustees and staff serve on the Boards of four of the social 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, Energise Innovation Ltd and Social Impact Feeder Ltd (an investment vehicle for the Peterborough Social Impact Bond). None of these appointments are remunerated.

A grant of £36,000 was made to the Clore Social Leadership Programme in April 2012, of which £12,000 was paid during the year. Anna Southall is a trustee of the Clore Social Leadership Programme. A grant of £25,100 was made and paid to the Fabian Society during the year. Ruth Cadbury is a member of the Fabian Society.

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