



The Barrow Cadbury Trust
(A company limited by guarantee)

**Annual report and consolidated financial statements
for the year ended 31 March 2018**

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

The Barrow Cadbury Trust (a company limited by guarantee)

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The Barrow Cadbury Trust (a company limited by guarantee)

Reference and administrative details for the year ended 31 March 2018

Trustees	Helen Cadbury (until 30 June 2017) Anna Southall OBE (Interim Chair from 30 June 2017 – 21 October 2017) Erica Cadbury (Chair from 21 October 2017) Nicola Cadbury Binita Mehta Esther McConnell Catherina Pharoah Tamsin Rupprechter Henry (Harry) Serle John (Jack) Serle Steven Skakel	
Co-optees	Carol Harrison – Investment Management Committee Jan Pethick – Investment Management Committee	
Key management personnel	Sara Llewellyn Deborah Pippard Mark O’Kelly	Chief Executive Director of Programmes Director of Finance and Administration and Company Secretary
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 Invicta House, 108-114 Golden Lane, London, EC1Y 0TL	
Bankers	Triodos Bank, Deanery Road, Bristol, BS1 5AS HSBC Bank plc, 94 Kensington High Street, London W8 4SJ	
Investment manager	Sarasin & Partners LLP Juxon House, 100 St Paul's Churchyard, London EC4M 8BU	
Solicitors	Russell-Cooke LLP 2 Putney Hill, Putney, London SW15 6AB	

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31 March 2018**

The trustees present their statutory report together with the accounts of the Barrow Cadbury Trust (the Trust) for the year ended 31 March 2018. The accounts consolidate the financial statements of the Trust and its subsidiary undertaking, the Barrow Cadbury Fund Limited (the Fund). Comparatives are for the year ended 31 March 2017.

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

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

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.

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

Helen Rachel Cadbury

24 March 1965 – 30 June 2017

We are very sad indeed to report that our Chair, Helen Cadbury, died on 30 June 2017 aged 52 years. Her service was exemplary and we mourn her loss.

Helen was a partner and mother, sister and daughter, crime writer, poet, actor, teacher, Quaker, environmentalist and philanthropist. In September 2017 we held a packed memorial service to give thanks for Helen's life and contribution both to the Trust and to philanthropy more broadly. We are grateful to Sarasin & Partners for the use of their beautiful venue at St Paul's courtyard and to our friend Juliet Prager for acting as the celebrant. In March 2018 the Koestler Trust dedicated their 100 Years On: An Art Trail by Women in Prison to Helen.

Anna Southall stepped in as Interim Chair during the latter part of Helen's illness and Erica Cadbury acceded the Chair on 21 October 2017.

Appointment of trustees

Until 2009, all of the trustees were direct descendants of Barrow and Geraldine Cadbury. The first two non-family members were appointed in 2009. Three non-family trustees served during the past year. 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,

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investment, 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 and site visits 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

The Board has strengthened its role in strategy setting and in the oversight of impact, whilst stepping back from operational management over the past several years. 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. The Trust welcomes the new Charity Governance Code and looks to it for best practice advice. We were also pleased to be able to financially support its development.

The Board has a Strategic Framework in place for 2016-21. The Board has decided to continue to spend capital as well as income at broadly the same level as now over this period, in order to prioritise the continued impact of our work. This is not, however, to be taken as a decision to spend out and we will fully review the matter again in 2019/20, mindful of the need to balance the needs of the present with those of the future.

During the year we held a NextGen familiarisation day for interested direct descendants which was attended in full by four and in part by one other family member.

In 2018/19 we will: arrange governance 'apprenticeship placements' for the two family members who have requested them.

Remuneration of senior staff

Senior staff are on salary scales with five incremental steps, with an additional annual inflationary element. The trustees sought external advice and undertook a peer benchmarking exercise when these were put in place. No salaries are individually negotiated.

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. One named trustee has lead responsibility for oversight of the risk register (currently Steven Skakel). 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 2018. Each quarter the Board monitors the identified 'headline' risks. The highest scoring risk is:

a) our ability to influence policy is reduced by perceptions of political bias. This is managed by ensuring our activities and public profile are politically non-partisan with partnerships across the political spectrum.

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The trustees do not consider that any of the risks pose a threat in the foreseeable future to the Trust's ability to operate as a going concern.

In 2018/19 we will: Remain vigilant with regard to changes in the external environment which may affect our risk appetite or exposure.

Strategic and operational planning

Having developed the Trust's Strategic Framework for 2016-21, in 2017/18 we implemented and now report on the second year's Operational Plan. A revised Operational Plan is now in place for 2018/19.

During the year we put in place improved reporting on the social impact of our social investments and implemented governance and management arrangements for the Connect Fund.

In 2018/19 we will: Implement the third year of the revised Strategic Framework for 2016/21, and put in place new governance and management arrangements for the Fair by Design Campaign.

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 use all our assets, especially our money, to work with others to bring about structural change for a more just and equal society. The benefits arising from the Trust's work include social and economic improvement for people, especially, but not exclusively:

- 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 them;
- people living in poverty, especially those who are most financially excluded;
- the promotion of philanthropy, social investment; and
- strengthening civil society and its voice.

This assistance is provided both directly and indirectly by the Trust working with and 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.

Fundraising

The Trust does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Trust received no complaints relating to its fundraising practice.

Vision, Mission, Values and Cross-Cutting Themes

- Vision:** The Trust's vision is of a just and peaceful society which recognises the equal value of all people.
- Mission:** The Trust's mission is to use all of our assets, especially our money, to work with others to bring about structural change for a more just and equal society.
- Values:**
- Voice:**
The Trust is committed to 'speaking truth to power' by enabling the unfiltered voices of people's real lived experience to influence those in power.
- Collaboration:**
Recognising that we can achieve little on our own, the Trust works in partnership with others to build movements for change.
- Engagement:**
The Trust aims to use the power that having independent money gives us and to work with all our partners respectfully in the interests of our shared goals.
- Independence:**
The Trust sees a strong civil society, of which we are a part and which we will nurture, as a key mechanism for holding the powerful to account.
- Learning:**
The Trust seeks to learn from all the work we undertake and support – and to share that learning widely to increase impact.
- Innovation and evidence:**
The Trust will work over a sustained period of time to find and build an evidence base for new solutions to old problems.
- Quaker Values:**
The Trust respects its historical roots in Birmingham and in Quaker values, although now embracing all faiths and none.

Cross Cutting Themes:

- Strengthening civil society.
- Putting equality at the heart of everything we do.
- Addressing gender based disadvantage.
- Addressing racism in all its forms.
- Sustainable development.

Our Model

The Trust describes its approach as that of a catalytic change maker, using all our assets, not only our money, in the service of our mission. We aim to bridge the divide between local communities and policymakers. We are guided by the Quaker imperative to 'speak truth to power' and to this end we aim to allow the voices and 'lived experience' of marginalised and disadvantaged people to be heard in the 'corridors of power'. We aim to bring to policymakers what we call 'new solutions not just old complaints'. 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.

In order to better explain our model of working we have a short animation which illustrates succinctly our approach. The animation and guidance for prospective applicants on eligibility to apply, our procedures and methods of working are all available on our website (www.barrowcadbury.org.uk).

Objectives and Activities, Achievements and Performance

In January 2016 trustees approved a new five year Strategic Framework for the Trust (2016-21). This outlined our vision, mission, values, cross-cutting themes, models of working and strategic objectives.

Strategic Objectives:

The Trust's five strategic objectives for 2016/21 are:

Strategic Objective 1

To develop and promote evidence of effective policy and practice for young adults and women at all stages of the criminal justice system, and to enable the voices of those directly affected to be heard.

Strategic Objective 2

To promote an immigration system that is fair to both migrants and established residents and a policy and public debate on migration and integration that is based on shared values as well as evidence.

Strategic Objective 3

To support practical and effective approaches to improving the economic inclusion of communities and reducing economic injustice.

Strategic Objective 4

To use all the Trust's assets for the advancement of social justice.

Strategic Objective 5

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

The Past Year:

Operational Objectives 2017/18:

The Operational Plan for 2017/18 identified 27 operational objectives for the year across the five Strategic Objectives, against which progress is closely monitored and reported to the Board.

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, leadership and learning support.

New programme approvals in 2017/18

The following table includes the total value of programme approvals in 2017/18 for each of the three programme areas and the two other associated funding streams.

	£
Criminal Justice	920,347
Migration	768,664
Economic Justice	878,988
Cross cutting & Promoting Philanthropy	423,369
Connect Fund	1,093,115
Social investment impairments	59,891
TOTAL	4,144,374

Key achievements 2017/18:

Strategic Objective 1 – Criminal Justice

Our work on the Criminal Justice Programme has centred principally around progressing the Transition to Adulthood Alliance (T2A) which is a collaborative effort of 16 key organisations working to embed an age appropriate approach to the post juvenile age group (c. 18-25) across the criminal justice system.

Criminal Justice programme	£920,347
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Principal Achievements:

- Significant policy and influencing opportunities:
 - House of Commons Justice Select Committee declared there is “overwhelming evidence for a distinct approach to 18-25 year olds);
 - More than two thirds of Police and Crime Commissioners now identify the transition to adulthood as a priority for their police area.
 - A highlight of the year has been the spotlight on racial justice at the highest levels of government. The Lammy Review and the government’s departmental Race Disparity Audit (RDA) provide a once in a generation opportunity for systemic change to racial disproportionality throughout the criminal justice system.

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- Significant projects came to fruition:
 - The most high-profile voice initiative this year was the T2A Young Adult Advisory Group (YAAG), 14 young adults with direct experience of the criminal justice system convened by Leaders Unlocked. They conducted peer to peer consultations and produced a comprehensive summary in a final report which was cited throughout the Lammy Review.
 - Projects based in the Birmingham area are coming to fruition, including the group in Drake Hall women's prison (art therapy, brain injury rehabilitation, family support) and Brinsford young men's prison (anti-radicalisation, routes to employment).
- Significant approaches:
 - The agenda which was first outlined in the Corston Report 2007 has been re-energised: more than 20 foundations have reformed the Corston Independent Funders' Coalition and a new government female offender strategy is forthcoming.
 - The Trust has supported a group of projects that all focus on Muslims involved in the criminal justice system. Of these, the research on Muslim women in prison has had significant impact already.
- Significant publications:
 - 'No respect: Young BAME men, the police and stop and search' – Criminal Justice Alliance (June 2017).
 - 'Judging Maturity: Exploring the role of maturity in the sentencing of young adults' – Howard League (November 2017).
 - 'Race and the Criminal Justice System: Hearing from Young Adults' – T2A Young Adults Group (July 2017).
 - 'Defendants on video – conveyor best justice or a revolution in access?' – Penelope Gibbs, Transform Justice (October 2017).
 - '(In)visibility, Femail, Muslim, Imprisoned' – Muslim Hands (February 2018).

Strategic Objective 2 – Migration

Our work on the Migration programme has centred principally around opening up public debate on migration and integration over a number of years. Since the referendum of June 2016 we have stepped up our work to support migrant voices together with those of established (receiving) communities and to respond collaboratively to the current refugee crisis in Europe.

Migration programme	£768,664
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Principal Achievements:

- Significant policy and influencing opportunities:
 - Continued support for the detention sector has led to strong individual and collective voices, and significant gains in policy and approach.
 - An IPPR paper set out six proposals for managing migration post-Brexit. Among them was a devolved approach, which has been well received in Scotland and other areas in

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the UK. MPI's paper set out the impact of Brexit on vulnerable Britons living abroad and was enthusiastically received by DExEU and a member of Barnier's team.

- British Future was very active around the time of the election, seeking to share with main political parties its evidence base of what works. It published the “Manifesto Challenge” which set out ten steps to restore public trust in immigration and integration. It continues to have excellent reach across the political spectrum and to be a highly influential voice.
- The Migration Observatory at Oxford is now the ‘go to’ place for data on migration for both the media and civil servants. The tabloid press continue to use this resource alongside the ‘broadsheets’.
- Significant projects came to fruition:
 - A landmark judgement was secured in the autumn by Kalayaan with the help of the Anti-Trafficking and Labour Exploitation Unit. The judgement made it clear that there is no diplomatic immunity against charges of trafficking and slavery.
 - Start-up funding was provided for the National Get Together (previously More in Common, the Jo Cox legacy project), which will take a community organising approach to building stronger, more inclusive communities.
 - Good progress has finally been made towards improving coordination and impact of local organisations in Birmingham using our convening power.
- Significant publications:
 - ‘Striking the right deal – EU Migration and the Brexit negotiations’ – IPPR (May 2017).
 - ‘Integration: from national rhetoric to local reality: How the new mayors for city-regions can help get integration right at local level’ – British Future (May 2017).
 - ‘Lost in Transition: Brexit and Labour Exploitation’ – FLEX (August 2017).
 - ‘Safe or Sorry? Prospects for Britons in the EU after Brexit’ – MPI (November 2017).
 - ‘Women in the workplace: FLEX's five-point plan to combat labour exploitation’ – FLEX (March 2018)

Strategic Objective 3 – Economic Justice

Our Economic Justice Programme has been further refined to focus more fully on several areas of work: local economies (especially Birmingham), fairer financial systems and savings and debt.

Economic Justice programme	£878,988
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Principal Achievements:

- Significant policy and influencing opportunities:
 - We now have a strong cluster of projects looking at local economies in Birmingham. This work is prescient, as the new Mayor is interested in building sustainable economies that take into account both the social sector and statutory agencies.
 - We contributed policy ideas to No10 as part of a Centre for Social Justice delegation.
 - Stronger voices of those affected by economic injustice have been heard through the support of new initiatives including NEON and the Poverty Truth Commissions

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- Significant projects came to fruition:
 - Substantive and somewhat diverse contributions have been to increase financial inclusion, including work on barriers to/excess costs of long term ill health and disability, extension of the Living Wage campaign and strengthening Credit Unions.
 - Key institutions and services in Birmingham have been strengthened, including the Impact Hub, which has emerged as a leading voice and local convener of social businesses, and the advice sector, which is better coordinated as a result of grant funding for the Birmingham Advice Gateway.
 - Several projects looking to improve the “plumbing” of banking institutions have had an impact. Going through the Fairbanking Mark accreditation process has helped them raise their standards.

- Significant publications:
 - ‘Exploring access to financial services for people living with HIV in the UK’ – Nat (July 2017).
 - ‘Paying the Price: Still ‘just about managing’? – full report and summary’ – Gingerbread (September 2017).
 - ‘Citizens, Participation and the Economy’ Interim Report of the RSA Citizens’ Economic Council (November 2017).
 - ‘On the Road’ – Findings from the RSA’s Economic Inclusion Roadshow (November 2017).
 - ‘Young Female and Forgotten’ – Young Women’s Trust (November 2017).

Cross-Cutting Themes and Promoting Philanthropy, and social investments

Philanthropy, Cross-Cutting and other	£
Promoting Philanthropy	91,619
Cross-cutting	331,750
Social investment losses and impairments	59,891
Total	483,260

In addition to our three main programmes and social investment portfolio we earmarked a modest budget for related areas of work:

Firstly, we used 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 contributed to work of Runnymede and Race on the Agenda, the Equality and Diversity Forum and other equalities infrastructure.
- In line with our commitment to strengthen civil society and democracy we are contributing to the Unwin Inquiry into the Future of Civil Society and NPC’s State of the Sector work, backing the ACEVO sustainability plan and supporting policy work at the Association of Charitable Foundations.

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Secondly, we earmarked some funding to support the **promotion of philanthropy** including the exploration by others of social investment.

- Philanthropy Impact was supported to do follow up work to engage wealth advisors, the School for Social Entrepreneurs was helped with core funding in the West Midlands, staff and trustees also spoke at a significant number of philanthropy events.
- Significant publications:
 - 'Gender Equality Global Report & Ranking' – Equileap (April 2017).
 - 'Charities taking charge: transforming to face a changing world' – NPC's state of the sector programme (May 2017).
 - 'Unlocking British Muslim Potential for the Benefit of All' – Report by the Citizens Commission on Islam, Participation and Public Life (July 2017).
 - 'Does Local Government Work for Women?' – Fawcett Society (July 2017).
 - 'The Social Brexit: How fractious times could be a catalyst for collaborative social change in the UK' – Collaborate (February 2018).

Strategic Objective 4: Using all the Trust's assets

Our approach is to use all the assets at our disposal to further our mission. This includes ourselves, our intellectual capital, our endowment (for grants and for social investments), our brand, our convening power and our office space.

Principal Achievements:

- The investment portfolio, valued at £82.2 million at 31 March 2018, is managed by Sarasin and Partners whose performance is monitored through quarterly reports and regular meetings with the Investment Manager.
- Sarasin & Partners screen investments for negative exclusions and vote on behalf of the Trust and Fund on environmental, social and governance issues.
- The Trust is a founder member of the Charities Responsible Investment Network (which is facilitated by ShareAction) and is a member of the Church Investors Group. Through these vehicles we are increasing our shareholder activism and are also working with Sarasin & Partners to engage with companies relating to climate change - to this end we have aligned our portfolio with Sarasin's new Climate Active Fund.
- The Trust has its main bank accounts in Triodos Bank, a bank with high ethical ranking.
- New social investments agreed in 2017/18 were:
 - £250,000 loan to Five Lamps Trading Ltd to provide short term affordable loans to low income families.
 - £250,000 loan to Our Power Community Benefit Society to provide affordable energy to low income families.
 - £250,000 investment in Fair By Design Venture Fund Limited Liability Partnership to invest in companies and social enterprises which are addressing the poverty premium.

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The actual investments made during the year were:

	£
Social Venture Fund II	89,365
Our Power Community Benefit Society	250,000
Ashley Community Housing	200,000
Fair By Design Venture Fund Limited Liability Partnership	10,631
Total	<u>549,996</u>

- Staff and trustees of the Trust are involved on the Boards of six of the existing social investments (see note 27 of the accounts).
- Staff and trustees are playing an active part in social investment development, including:
 - Trustee Anna Southall is an ambassador for Big Society Capital's Get Informed campaign.
 - Regular attendance at the Social Impact Investors Group, hosting meetings and participation on its steering group.
 - Speaking at ACF event on social investment.
 - Meetings with other Trusts and Foundations to discuss social investment.
 - Running the Connect Fund.

In-kind and convening support:

- British Future and IMiX communications hub occupied ten desks in our offices in 2017/18 free of charge. The work of both these organisations is closely aligned with our own and the Trust played a key role in creating both. The estimated share of rent and other costs is £108,286.
- 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 by external organisations for an average of 86 hours per month. The estimated share of rent and other costs is £15,040.
- 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) convening of most of the organisations working on Muslims in the criminal justice system into a learning network; b) convenings of various kinds related to the post-referendum landscape and migration in particular; c) continuing to convene a group of foundations to enable the development of key BME infrastructure organisations.
- The Trust's staff and trustees see the intellectual capital of the Trust as a resource for pursuing 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, governance, migration and refugee issues, equalities issues, strategic and family philanthropy, third sector research, criminal justice, implications of the referendum on membership of the E.U. both in the UK and in Brussels, impact measurement and VCS infrastructure. Senior staff also serve on a significant

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number of Boards and working groups relevant to our mission.

Strategic Objective 5 – Fit for Purpose Organisation

To achieve the maximum possible impact with our resource base, our governance and management need to be fit for purpose and continually improving. Our systems of all kinds must be suitable and constantly updated for the good stewardship and operational management of all our activities.

Principal Achievements:

- Trustees had learning opportunities at each board meeting, with external speakers and visits to funded partners. All trustees are required to participate in this.
- Annual legal health check undertaken and relevant actions taken.
- Facilitated several staff Away Days and quarterly Executive Team strategy sessions.
- Presentations to board by our Investment Manager and our auditor.
- Undertook Annual Strategic Review in the Autumn, presented to board in January 2018.
- Reported on key evaluations of ours and our funded partners' work.
- All staff and trustees were appraised during the year. Staff each have clear objectives in their work plans and learning plans.
- Undertook a Next Gen exercise in Autumn 2017.

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. As part of their learning and development trustees had issue-specific workshops relating to all our programmes and visited some of our funded projects. 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 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:

- Trustee group visits to the Refugee and Migrant Centre, Birmingham in April 2017, Clinks in July 2017, the Runnymede Trust and Voice4Change England in October 2017 and the User Voice in January 2018.
- Most trustees also represented the Trust at other events through the year, each of which offered a learning opportunity.
- Kept trustees abreast of the work of the Trust between Board meetings through weekly email updates and early view of all publications in which the Trust is involved on the eve of publication.
- Kept trustees informed of governance and other key sector issues through circulation of relevant publications and information.
- Ensured individual learning plans were in place for all staff.
- Gave opportunities to 'back office' staff to visit funded projects, attend programme related

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events and meet counterparts in other trusts.

- Recruited a London Living Wage Intern in April 2017 and gave her significant development opportunities; she was recruited to an officer post at Calouste Gulbenkian UK (January 2018).

External:

- Participated in the Social Impact Investment Group of trusts and foundations.
- Participated in the Early Action Funders Alliance established as an addition to the Early Action Task Force.
- 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 T2A, chairing European Foundation Centre's Diversity, Migration and Integration Group (DMIG) and contributing to Migration Exchange, EPIM and the Child Sexual Exploitation collaborative.
- Hosted seminars to disseminate, promote and discuss various research publications supported with our funding.

The Connect Fund

Connect Fund	1,093,115
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The Trust agreed to act as the host organisation for the Connect Fund (with funding from the Access Foundation) in April 2017. This is a £6 million fund for grants and possibly social investment to build better infrastructure for the social investment landscape, particularly for new entrants and markets. In the first year, we held a round of grant funding for the existing social investment providers. £751,275 was committed to a wide range of projects including shared data, networks, impact tools and improving diversity. The second round of funding targeted more established generic infrastructure (CVSs, equalities and sub sector specialists) and by the financial year end £341,840 had been committed to these projects, with the balance to be considered by the Trust's Investment Management Committee in May 2018. The Connect Fund serves only England and we are pleased to report that, across the two rounds, there is a good spread across the English regions although clearly there are 'colder spots' remaining which we will tackle in the next two years.

The Connect Fund is establishing learning communities for these grantholders using a number of tools. The original budget of £6m over up to 10 years has been frontloaded and the first three years now has an allocation of £3.6m. This is because there is considerable appetite and many good proposals for speedier improvement and so, with the agreement of the Access Foundation board, we will accelerate the pace of the work. The board of the Barrow Cadbury Trust would like to thank the Access Foundation for a great start to our venture.

In 2018/19 we will:

- Assess and manage the first and second round of grant portfolios on an ongoing basis.
- Recruit and induct new staff members to the Connect Fund to support grant management, knowledge exchange and develop the community of practice.
- Convene and broker knowledge exchange through the learning community.
- Develop a learning community and foster evaluation of the Connect Fund by building a positive working relationship with Transformational Index, our learning partners.

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- Develop and report against the impact indicators in the evaluation framework.
- Disseminate the learning and insight from the Connect Fund to wider audiences through a variety of means.
- Continue to foster a positive relationship with the Access Foundation and its Board.
- Demonstrate how partnership and alignment of goals across funding institutions can achieve enhanced collective impact for the social sector and the social investment market.
- Continue to assess the advantages and/or disadvantages of delivering the Trust's mission with external resource.

Financial review

The income for the group was £4,550,000 (2017 - £2,950,000). Total resources expended were £5,807,000 (2017 - £4,904,000) resulting in net outgoing resources, before gains and losses on investments, of £1,257,000 (2017 - £1,954,000).

As in previous years there are net outgoing resources. This is in line with the strategic decision by the trustees to spend both capital and income in the near term. The trustees keep the long term effect of this under review.

There were investment gains of £280,000 (2017 – £9,583,000), resulting in a net decrease in funds of £977,000 (2017 – increase of £7,629,000). This was in keeping with market volatility and our investment managers performed broadly in line with the benchmark set for them.

The total spend for the group on social justice and grant-making during the period was £5,437,000 (2017 - £4,544,000). The key factor in the increase was the Connect Fund, financed by the Access Foundation.

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 and amounts set aside for particular activities (see note 18). 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 also has two appropriately skilled external co-opted members and the Trust's Chief Executive. It meets quarterly to monitor investment and social investment performance and has oversight of the Connect Fund.

During 2017/18, Sarasin & Partners achieved a total return (i.e. both investment income and capital growth/loss) of 3.2% 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 Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31 March 2018

The main purpose of the investments is to provide a financial return to fund the activities of the Trust. This is balanced with the need to protect and enhance the value of the Trust while taking a responsible and ethical approach to investing.

The three objectives are:

- To achieve a total financial return which matches or exceeds its benchmarks.
- To take a responsible and ethical approach to investing, considering environmental, social and governance issues.
- To develop the social investment market.

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 are an active member of the Charity Responsible Investment Network, facilitated by Share Action, and the Church Investors Group.

The Trust is aware of the significant negative impacts of climate change and the need to take action with regard to fossil fuel company investments. The Trust will:

- Engage more intensively with investee companies that make a significant contribution to greenhouse gas emissions, whether producers or users, to encourage them to move to a low carbon economy. Where it is considered that the companies are not taking seriously their responsibilities to move to a low carbon economy then the Trust will divest.
- Engage more intensively with public policy makers with the aim of creating a structural and regulatory environment that supports the transition to a low carbon economy.
- Seek to make investments which have a positive environmental impact, subject to the availability and suitability of such investments.

The Investment Management Committee reviews the investments regularly to ensure that the ethical criteria are adhered to and reports to the Board quarterly.

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 three new investments during 2017/18 with a total value of £750,000 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.

Current investments are as follows:

The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31 March 2018

Programme related investment	Current investment commitment £	Actual investment (at cost) at 31 March 2018 £
Social Justice & Human Rights Centre Ltd	500,000	500,000
Ethex	50,000	50,000
Bristol Together	200,000	200,000
Big Issue Invest Social Enterprise Investment Fund	144,460	144,460
Children Support Services Ltd	40,726	40,726
Social Venture Fund	250,000	201,972
Community Share Underwriting Fund	169,643	169,643
Fair Chance Fund – Rewriting Futures Ltd	10,000	10,000
Fair For You	250,000	250,000
Charity Bank	250,000	250,000
Street UK	163,837	163,837
Community Channel	50,000	50,000
Thrive Renewables	100,000	100,000
Ashley Community Housing	200,000	200,000
Purple Shoots	50,000	-
Our Power CBS	250,000	250,000
Fair By Design Venture Fund	250,000	10,631
Five Lamps Trading	250,000	-
Total	3,178,665	2,591,269
Less: Provisions for impairments		(127,500)
Balance per accounts		2,463,769

Plans for future periods

The coming year will see the implementation of the third year of the Strategic Framework 2016-21. An Operational Plan for the year 2018/19 is in place, the outline objectives of which are shown below against the Trust's five Strategic Objectives.

Strategic Objective 1: Criminal Justice

In 2018/19 we will:

- Continue to work with the Ministry of Justice, metropolitan Mayors (especially London and the West Midlands) and the Centre for Youth and Criminal Justice in Scotland to get T2A approaches embedded wherever we can have influence.
- Continue to support the implementation of its evidence into mainstream practice, with an emphasis on stemming the flow of young adults into the criminal justice system. Priority will be given to projects at the policing and sentencing stages of the system, as well as a specific examination of custody given the current prison crisis and its particular impact on young adults in prison.
- Seek to increase engagement and partnership working with local entities and infrastructure, particularly Police and Crime Commissioners and devolved authorities. Due to a growing

The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31 March 2018

interest in the work, and a wide network of supporters, the T2A Alliance structure will be reviewed and consideration given to expanding its membership to a broader coalition.

- Prioritise projects that maintain momentum and secure implementation of race and gender equality throughout the criminal justice system following the Lammy Report and anniversary of the Corston Report. This includes efforts to embed race and gender justice into mainstream charities while prioritising support for the BAME voluntary sector, and developing the portfolio of projects focused on Muslims and Islamophobia.
- Continue to support leadership capacity in key charities to push back against the shrinking space for civil society, giving voice to their organisation and its beneficiaries, and giving confidence to them to speak truth to power.
- Pursue its efforts to co-design and co-produce initiatives with partners in Birmingham that will bring sectors together, share evidence, and create the environment for innovation. The notion of a T2A Pathway for Birmingham will be explored.

Strategic Objective 2: Migration

In 2018/19 we will:

- Continue to support and work with the programme's flagship projects (British Future, IMiX, Get Together) and ensure synergy and complementarity between them.
- Build on current gains: detention reform, integration work, advocacy for migration policy solutions developed in recent years.
- Strengthen the sector in Birmingham by delivering and engaging with the coordination project as it is handed over to local governance.
- Identify opportunities to respond to emerging need: Islamophobia, integration (in particular where the hostile environment approach is resulting in barriers to integration).
- Reflect the needs of EU citizens as well as non-EU migrants will be reflected in the national and Birmingham portfolio to try to ensure migration policy that is fair to both groups.
- Ensure the voices of migrants are incorporated into everything we do, including policy and research work.

Strategic Objective 3: Economic Justice

In 2018/19 we will:

- Influence the big levers of economic policy (e.g. tax, high/low pay, economic shocks such as Brexit) to reduce income inequality.
- Support practical responses to reduce personal problem debt and increase the availability of affordable credit.
- Support joined-up approaches to campaigning for economic justice.
- Drive work that will lead to a reduction in gender and racial economic inequalities through changing national policy or practice.
- Explore how, by working together differently, the statutory/private/voluntary sectors can have a positive impact on the local economy.
- Develop alternative currencies/trading schemes/co-production models that boost local economies especially in the West Midlands Combined Authority area, keep money local, and help the least well off.

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- Provide new routes for those in financial hardship to influence national economic policy. By new routes we mean new ways of enabling voices to be heard, not expansion or continuation of existing initiatives or approaches.
- Enable those in financial hardship to influence economic policy in Birmingham and the surrounding area.
- Include the voices/direct experience of those in financial hardship.
- Provide small enabling grants to help organisations working on major economic justice issues related to our programme to form collaborative partnerships.

Strategic Objective 4: Using all our assets

In 2018/19 we will:

- Use the premises to its full capacity for mission related activity.
- Use staff and trustee expertise to benefit the broader sector.
- Use our convening power.
- Develop our social investment portfolio and contribute to the development of the social investment market.
- Undertake a wide variety of communication activities to further our mission.
- Continue to play a role in championing civil society and engaging with others in post referendum strategic responses.

The Connect Fund

In 2018/19 we will:

- Select and engage with the cohort of grantees in a 'learning community' so that they achieve their objectives and generate wider impact on the social investment market.
- Recruit and induct new staff members to the Connect Fund to support grant management and knowledge exchange.
- Disseminate the learning and insight from the Connect Fund to a wider audience.
- Continue to foster a positive relationship with the Access Foundation and its Board.

Strategic Objective 5: Fit for purpose organisation

In 2018/19 we will:

- Talk through our models of working and impact issues with newer trustees.
- Make adjustments following the feedback from 2017 trustee appraisals.
- Follow up on the interest shown by the NextGen participants.
- Specifically, find suitable governance 'apprenticeships' for the two people who have asked for help to find a placement.
- Maintain the Trust's performance management approach through objective setting, regular line management and appraisals for all staff.
- Ensure the Connect Fund and Fair by Design Campaign governance arrangements work well.
- Maintain a robust and interrogative relationship with our investment managers, Sarasin & Partners, and ensure the Trust's financial interests are being best served.
- Hold an assessment of investment management houses.
- Ensure that as much dissemination value is derived from the findings of funded work as

**The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31 March 2018**

possible.

- Establish and embed the Fair by Design Campaign in the Trust.
- Undertake a communications review in the first half of the year.
- Cut meat out of our catering for lunchtime events and drive down our use of disposable plastic.
- Undertake an audit of office equipment, improve the kitchen space and undertake minor refurbishments.

Investment

In 2018/19 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 regarding future spending plans.
- Through negative screening and discussions with investment manager ensure investments held do not contravene the Trust's ethical policy.
- Actively engage with investee companies.
- Take a responsible approach to investing, considering environmental, social and governance issues and engaging with shareholder action.

Strengthening civil society

In 2018/19 we will continue to spend more than our income given the long term nature of our work in hand. 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 work with others to improve leadership development and succession in the sector and to protect the independent advocacy voice of civil society. Specifically, we will engage with the Unwin Inquiry into the future of civil society.

Cross cutting work and Promoting philanthropy

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. Similarly, as a family foundation we set aside a modest budget to support philanthropic development and promotion.

Funders' infrastructure

Working collaboratively with other trusts and foundations enables us to represent our views on charity law and philanthropy to government as well as to learn from others and improve our practice. To these ends we will be active members of the Association of Charitable Foundations, the European Foundation Centre and Ariadne global human rights funders network in the year ahead.

The Barrow Cadbury Trust (a company limited by guarantee)
Trustees' report for the year ended 31 March 2018

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 adequate 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 auditor is 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 auditor is 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:

Erica Cadbury
Chair of Trustee Board
7 July 2018

The Barrow Cadbury Trust (a company limited by guarantee)

Independent Auditor's report for the year ended 31st March 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BARROW CADBURY TRUST

Opinion

We have audited the financial statements of The Barrow Cadbury Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2018 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2018 and of the 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other

The Barrow Cadbury Trust (a company limited by guarantee)

Independent Auditor's report for the year ended 31st March 2018

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 require us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Barrow Cadbury Trust (a company limited by guarantee)

Independent Auditor's report for the year ended 31st March 2018

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated

The Barrow Cadbury Trust (a company limited by guarantee)

Independent Auditor's report for the year ended 31st March 2018

financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Elliott (Senior statutory auditor)

7 July 2018

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as 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 31 March 2018
(incorporating an income and expenditure account)

	Note	2018			2017		
		Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Income from:							
Charitable activities	2	1	1,623	1,624	-	17	17
Investments	3	2,926	-	2,926	2,933	-	2,933
Total income		2,927	1,623	4,550	2,933	17	2,950
Expenditure on:							
Raising funds							
Investment management costs		370	-	370	360	-	360
Charitable activities							
Social justice and grant making	6						
Criminal justice		1,198	45	1,243	1,296	-	1,296
Migration		1,101	(8)	1,093	1,243	61	1,304
Economic Justice		1,196	-	1,196	1,158	-	1,158
Philanthropy, crosscutting & other		578	1,204	1,782	629	16	645
Voluntary sector use of premises		123	-	123	141	-	141
		4,196	1,241	5,437	4,467	77	4,544
Total resources expended		4,566	1,241	5,807	4,827	77	4,904
Net expenditure before gains & losses on investments		(1,639)	382	(1,257)	(1,894)	(60)	(1,954)
Net gains/(losses) on investments		280	-	280	9,583	-	9,583
Net movement in funds		(1,359)	382	(977)	7,689	(60)	7,629
Fund balances brought forward		87,143	34	87,177	79,454	34	79,548
Fund balances carried forward		85,784	416	86,200	87,143	34	87,177

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 sheets at 31 March 2018

	Notes	Group		Charity	
		2018 £'000	2017 £'000	2018 £'000	2017 £'000
Fixed Assets					
Tangible assets	11	-	6	-	6
Investments	12	82,227	83,662	71,098	72,272
Programme related investments	13	2,464	2,495	2,409	2,440
		84,691	86,163	73,507	74,718
Current assets					
Debtors due within one year	14	606	586	745	989
Short term deposits		2,056	2,041	2,056	2,041
Cash at bank and in hand		2,797	1,982	2,559	1,918
		5,459	4,609	5,360	4,948
Liabilities					
Creditors: amounts falling due within one year	15	(3,069)	(2,944)	(2,761)	(2,851)
Net current assets		2,390	1,665	2,599	2,097
Total assets less current liabilities		87,081	87,828	76,106	76,815
Creditors: amounts falling due after more than one year	16	(881)	(651)	(844)	(639)
Total net assets		86,200	87,177	75,262	76,176
The funds of the charity					
17					
Unrestricted funds					
Expendable endowment funds		61,660	59,781	61,660	59,781
Revaluation reserve		9,628	13,155	9,628	13,155
Designated funds	18	3,558	3,206	3,558	3,206
		74,846	76,142	74,846	76,142
Restricted funds	19	416	34	416	34
Funds retained within a non-charity subsidiary (The Barrow Cadbury Fund)					
Profit and loss account		9,319	8,867	-	-
Designated Funds	18	155	80	-	-
Revaluation reserve		1,464	2,054	-	-
Total charity funds	20	86,200	87,177	75,262	76,176

The financial statements were approved by the trustees on 7 July 2018 and signed on their behalf by:

Erica Cadbury
Chair

The Barrow Cadbury Trust (a company limited by guarantee)
Consolidated statement of cash flows
For the year ended 31 March 2018

	Note	2018	2017
		£'000	£'000
Cash flows from operating activities			
Net cash used in operating activities	21	(3,782)	(4,895)
Cash flows from investing activities			
Investment income		2,755	2,660
Social investment income		171	234
Proceeds from sale of investments		26,128	27,917
Purchase of investments		(25,199)	(23,912)
Foreign exchange proceeds/(payments)		1,238	(2,158)
Decrease/(increase) in cash held by investment manager		(452)	555
Proceeds from sale of social investments		521	349
Purchase of social investments		(550)	(748)
Net cash provided by investment activities		4,612	4,897
Change in cash and cash equivalents in the year		830	2
Cash and cash equivalents at beginning of year		4,023	4,021
Cash and cash equivalents at end of year	22	4,853	4,023

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

1. Accounting policies

(a) The Barrow Cadbury Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is Kean House, 6 Kean Street, London WC2B 4AS.

(b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

(c) Basis of preparation - group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary The Barrow Cadbury Fund Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

(d) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

(e) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

(f) Income - general recognition criteria

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised when they are declared.

Grant income: Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

(g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the restricted fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. These include expendable endowment funds which 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. The Revaluation Reserve is the difference between the historic cost and the year end valuation of the investment portfolio.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

(h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds includes the fees paid to investment managers in connection with the management of the charity's listed investments.

Expenditure on charitable activities includes the costs of grants and other activities undertaken to further the purposes of the charity and their associated support costs.

Gifts in kind (use of premises) represents the use of the office by external organisations, both working space and use of meeting rooms. The monetary value of these donated services is, for the meeting rooms, based on the usage and meeting room area as a proportion of the office area and costs, and for the office use on the head count of external organisations as a proportion of the total office head count and costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(i) Allocation of support costs

Where costs, including programme staff costs, relate directly to a particular programme then they are allocated to that programme.

Support costs, comprising the staff and overhead costs of the central function, are apportioned to the main programmes based on the time spent by employees in processing and monitoring grants and other programme work.

Governance costs include costs relating to the public accountability of the charity and its compliance with regulation and good practice. These are allocated to the programmes in the same proportions as the support costs.

(j) Grants payable

Grants payable are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the relevant conditions are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

(k) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

(l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	Over life of lease
Fixtures and fittings	3 years
IT and communications equipment	3 years

(m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a revaluation reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

(n) Programme related investments

Programme related investments are valued at fair value, if such a value can be measured reliably, or at cost less any impairment or capital repayments.

(o) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(q) Short term deposits

Short term deposits include cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

(r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(s) Pensions: defined contribution

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

(t) Foreign currency translations

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate of exchange for the year. Exchange differences are taken into account in arriving at the net incoming resources for the year.

2. Charitable Activities

Charitable activities represent grants and donations from other charitable foundations for specific activities. More detail is included in note 19.

3. Investment income and interest receivable

	2018	2017
	£ '000	£ '000
Income from listed investments	2,729	2,664
Interest receivable	26	35
Income from social investments	171	234
Total	<u>2,926</u>	<u>2,933</u>

4. Net outgoing resources for the year

	2018	2017
	£ '000	£ '000
Net outgoing resources for the year is stated after charging:		
Auditor's remuneration		
Group – for audit	13	13
(of which the charity amounts to)	9	9
Group – for other services	1	1
Depreciation of tangible fixed assets	6	9
Rentals payable under operating leases	164	166
Trustee professional indemnity insurance	1	1
Trustee meeting and travelling expenses and learning and development	20	20

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

5. Grants awarded by the group

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

Programme	2018	2017
	Number	Number
Criminal justice	30	23
Migration	18	30
Poverty and inclusion	24	31
Other	50	26
Total	122	110

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.

6. Social justice and grant making

	Criminal Justice	Migration	Economic Justice	Philan- thropy & other	Voluntary sector – use of premises	Total 2018	Total 2017
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Direct costs</u>							
Projects, campaigns & partnerships	920	769	879	1,576	-	4,144	3,336
Direct staff and property costs	110	112	104	160	95	581	523
	1,030	881	983	1,736	95	4,725	3,859
<u>Support costs</u>							
Management & administrative staff	114	114	114	25	16	383	367
Property	48	47	48	10	6	159	157
Governance	18	18	18	4	2	60	66
Other support costs	33	33	33	7	4	110	95
Total 2018	1,243	1,093	1,196	1,782	123	5,437	4,544
2017	1,296	1,304	1,158	645	141	4,544	

7. Governance costs

For the group	2018	2017
	£ '000	£ '000
Staff costs	24	24
Auditor's remuneration	16	16
Trustee meeting and travelling expenses and learning and development	20	20
Legal and professional costs	-	6
Total	60	66

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

8. Staff numbers and costs

Staff costs during the year were:

	2018	2017
	£ '000	£ '000
Wages and salaries	582	527
Social security costs	63	58
Employer's contribution to defined contribution pension scheme	115	108
Total	<u>760</u>	<u>693</u>

The average number of employees (head count based on number of staff employed) during the year was:

	2018	2017
	No.	No.
Social justice and grant making	9.2	7.5
Support	3.4	3.3
Governance	0.2	0.2
Total	<u>12.8</u>	<u>11.0</u>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2018	2017
	No.	No.
£60,000 - £69,999	1	2
£70,000 - £79,999	1	-
£80,000 - £89,999	-	1
£90,000 - £99,999	1	-

The total employee benefits including pension contributions and employer national insurance contributions of the key management personnel amounted to £325,187 (2017: £315,018).

Key management personnel received the following salaries, pension contributions and NI contributions.

Role	Salary	Employer pension contribution	Employer NI contribution
	£	£	£
Chief Executive	92,836	27,680	11,685
Head of Programmes	67,971	19,992	8,254
Head of Finance and Administration	71,970	15,993	8,806
TOTAL	<u>232,777</u>	<u>63,665</u>	<u>28,745</u>

The Barrow Cadbury Trust operates a salary sacrifice scheme for pension contributions, where the staff member may forego part of their salary in return for the Trust making an equivalent pension contribution. The above figures show the salaries and pension contributions after the salary sacrifice.

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

9. Trustee remuneration and costs

None of the trustees received any remuneration for their services during the year (2017 - nil).

During the year travel expenses amounting to £10,413 (2017 - £14,477) were reimbursed to, or paid on behalf of, ten trustees (2017 – nine).

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. Its subsidiary donates surpluses and gains that would otherwise be taxable to the Trust.

11. Tangible fixed assets

For charity and group

	Leasehold improvements £'000	Fixtures, fittings & equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2017	65	81	12	158
Disposals	-	(12)	-	(12)
At 31 March 2018	<u>65</u>	<u>69</u>	<u>12</u>	<u>146</u>
Depreciation				
At 1 April 2017	60	80	12	152
Charge for year	5	1	-	6
Disposals	-	(12)	-	(12)
At 31 March 2018	<u>65</u>	<u>69</u>	<u>12</u>	<u>146</u>
Net book values				
At 31 March 2018	-	-	-	-
At 31 March 2017	<u>5</u>	<u>1</u>	<u>-</u>	<u>6</u>

All the above assets are used for charitable purposes.

12. Investments

	Group		Charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Investments at market value				
Market value at 1 April 2017	81,946	74,211	70,988	64,325
Additions at cost	25,199	23,912	21,833	20,781
Disposal proceeds	(26,128)	(27,917)	(22,696)	(24,289)
Investment gains/(losses)	(958)	11,740	(806)	10,171
Market value at 31 March 2018	<u>80,059</u>	<u>81,946</u>	<u>69,319</u>	<u>70,988</u>
Cash held by investment managers	2,168	1,716	1,779	1,284
	<u>82,227</u>	<u>83,662</u>	<u>71,098</u>	<u>72,272</u>
Historic cost of investments	<u>71,135</u>	<u>68,453</u>	<u>61,470</u>	<u>59,117</u>

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

Reconciliation of investment gains with Statement of Financial Activities

Investment gains/(losses)	(958)	11,740	(806)	10,171
Foreign exchange contract gains/(losses)	1,238	(2,157)	1,072	(1,867)
Net gains/(losses) on investments	280	9,583	266	8,304

Investments comprise the following:

Fixed interest	11,413	11,717	9,921	10,125
UK equities	15,589	24,126	13,490	20,839
Global equities	38,086	32,855	32,942	28,376
Property	8,945	7,458	7,751	6,642
Alternative assets	5,957	5,160	5,155	4,850
Forward exchange contracts	69	180	60	156
Liquid assets	2,168	1,716	1,779	1,284
	82,227	83,662	71,098	72,272

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

13. Programme related investments

	Group		Charity	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Investments at cost				
Cost less impairments at 1 April 2017	2,495	2,258	2,440	2,203
Additions at cost	550	748	550	748
Losses and impairments	(60)	(120)	(60)	(120)
Disposals and repayments	(521)	(391)	(521)	(391)
Cost less impairments at 31 March 2018	2,464	2,495	2,409	2,440
Investments comprise the following:				
Equities	763	901	763	901
Debt	1,344	1,326	1,289	1,271
Limited partnership	357	268	357	268
Total	2,464	2,495	2,409	2,440

At 31 March 2018 the Trustees had further commitments to specific programme related investments of £587,396 (2017 - £514,348). These are treated as designated funds.

The programme related investments are listed in the annual report attached to these accounts, including the commitments made but not yet invested.

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

14. Debtors

	Group		Charity	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Due within one year				
Dividends and interest receivable	364	362	317	313
Prepayments and amounts receivable	238	215	190	215
Amount due from the Barrow Cadbury Fund	-	-	234	452
Other debtors	4	9	4	9
	<u>606</u>	<u>586</u>	<u>745</u>	<u>989</u>

15. Creditors: amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trade creditors	29	27	29	27
Grants payable	2,839	2,758	2,550	2,684
Social security and other taxes	19	14	19	14
Accruals	182	143	163	124
Other creditors	-	2	-	2
	<u>3,069</u>	<u>2,944</u>	<u>2,761</u>	<u>2,851</u>

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

	Group		Charity	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Grants payable between 1 and 2 years	704	552	685	540
Grants payable between 2 and 5 years	177	99	159	99
Grants payable	<u>881</u>	<u>651</u>	<u>844</u>	<u>639</u>

17. Analysis of charitable funds

	At 1 April 2017	Net expenditure, gains, losses & transfers	At 31 March 2018
	£'000	£'000	£'000
Unrestricted funds			
Endowment funds	59,781	1,878	61,659
Revaluation reserve	13,155	(3,527)	9,628
Designated funds	3,206	353	3,559
Restricted funds	34	382	416
Total funds of the parent charity	<u>76,176</u>	<u>(914)</u>	<u>75,262</u>
Funds retained within a non-charity subsidiary (The Barrow Cadbury Fund)			
Profit & Loss account	8,867	452	9,319
Designated funds	80	75	155
Revaluation reserve	2,054	(590)	1,464
Total funds of the group	<u>87,177</u>	<u>(977)</u>	<u>86,200</u>

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

Analysis of charitable funds (prior year)

	At 1 April 2016 £'000	Net expenditure, gains, losses & transfers £'000	At 31 March 2017 £'000
Unrestricted funds			
Endowment funds	59,180	601	59,781
Revaluation reserve	7,016	6,139	13,155
Designated funds	3,221	(15)	3,206
Restricted funds	94	(60)	34
Total funds of the parent charity	69,511	6,665	76,176
Funds retained within a non-charity subsidiary (The Barrow Cadbury Fund)			
Profit & Loss account	8,812	55	8,867
Designated funds	105	(25)	80
Revaluation reserve	1,120	934	2,054
Total funds of the group	79,548	7,629	87,177

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.

Restricted funds represent amounts received from other organisations for specific projects. These are detailed in note 19.

18. Designated Funds

Designated Funds represent funds which the trustees have agreed to invest in programme related investments, including amounts committed but not yet invested (see note 13), and funds which have been allocated to specific programme work.

Designated Funds	2018 £'000	2017 £'000
Parent company		
Invested in programme related investments	2,409	2,440
Outstanding commitments to programme related investments	587	514
Funds allocated to specific programme work	562	252
Subsidiary company		
Invested in programme related investments	55	55
Funds allocated to specific programme work	100	25
Total	3,713	3,286

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

19. Restricted Funds

Restricted Funds represent amounts received from other organisations for specific projects. These are:

Restricted Funds	At 1 April 2017 £'000	Incoming resources £'000	Outgoing resources £'000	At 31 March 2018 £'000
Migration Exchange	31	-	8	39
Saint Sarkis	-	45	(45)	-
Funders for Race Equality	-	60	(8)	52
Connect Fund	(1)	870	(736)	133
Connect Fund (held in subsidiary)	-	460	(460)	-
Fair By Design Campaign	-	183	-	183
Other	4	5	-	9
Total	34	1,623	(1,241)	416

Purpose of restricted funds

Migration Exchange	The Migration Exchange programme aims to encourage debate on national identity, integration and immigration. The programme shows a positive figure for outgoing resources due to the rescindment of a grant from a previous year.
Saint Sarkis	St Sarkis Charity Trust has co-funded two criminal justice projects, supporting the policy work of Inquest and prison education for young adults carried out by the Prisoners' Education Trust.
Funders for Race Equality	This programme, funded by Lankelly Chase and the Joseph Rowntree Foundation as well as the Barrow Cadbury Trust, aims to increase race equality.
Connect Fund	The Connect Fund, funded by the Access Foundation, aims to develop the social investment market through strengthening local infrastructure.
Fair By Design Campaign	The Fair By Design Campaign will work with companies, regulators, policy makers and the public to end the poverty premium. The work will be funded by the Big Lottery, Comic Relief, Joseph Rowntree Foundation, Tudor Trust as well as the Barrow Cadbury Trust.

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

20. Analysis of net assets between funds

Fund balances at 31 March 2018 are represented by:

	Endowment	Unrestricted funds			Restricted funds	Total
		Revaluation reserve	Designated	Within subsidiary		
		£'000	£'000	£'000		
Tangible assets	-	-	-	-	-	-
Investments	60,321	9,628	1,149	11,129	-	82,227
Programme related investments	-	-	2,409	55	-	2,464
Current assets	4,711	-	-	332	416	5,459
Current liabilities	(2,528)	-	-	(541)	-	(3,069)
Creditors greater than one year	(844)	-	-	(37)	-	(881)
Net assets	<u>61,660</u>	<u>9,628</u>	<u>3,558</u>	<u>10,938</u>	<u>416</u>	<u>86,200</u>

Fund balances at 31 March 2017 were represented by:

	Endowment	Unrestricted funds			Restricted funds	Total
		Revaluation reserve	Designated	Within subsidiary		
		£'000	£'000	£'000		
Tangible assets	6	-	-	-	-	6
Investments	58,351	13,155	766	11,390	-	83,662
Programme related investments	-	-	2,440	55	-	2,495
Current assets	4,463	-	-	112	34	4,609
Current liabilities	(2,400)	-	-	(544)	-	(2,944)
Creditors greater than one year	(639)	-	-	(12)	-	(651)
Net assets	<u>59,781</u>	<u>13,155</u>	<u>3,206</u>	<u>11,001</u>	<u>34</u>	<u>87,177</u>

21. Reconciliation of net income /(expenditure) to net cash flow from operating activities

	2018	2017
	£'000	£'000
Net income/(expenditure) for the year (as per the statement of financial activities)	(977)	7,629
Depreciation charges	6	9
Gains on investments	(280)	(9,583)
Dividends & interest from investments	(2,755)	(2,698)
Losses on social investments	60	163
Dividends & interest from social investments	(171)	(234)
(Increase)/decrease in debtors	(20)	165
Increase/(decrease) in creditors	355	(346)
Net cash used in operating activities	<u>(3,782)</u>	<u>(4,895)</u>

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Notes to the accounts for the year ended 31 March 2018

22. Analysis of cash and cash equivalents

	1 April 2017 £'000	Cash flows 2017-18 £'000	31 March 2018 £'000
Cash at bank and in hand	1,982	815	2,797
Notice deposits	2,041	15	2,056
	<u>4,023</u>	<u>830</u>	<u>4,853</u>

23. Programme 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 £587,396 (2017: £514,348).

24. Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	2018 £'000	2017 £'000
Less than one year	147	126
One to five years	749	3
	<u>896</u>	<u>129</u>

25. Parent Charity

The parent charity's gross income and the results for the period are disclosed as follows:

	2018 £'000	2017 £'000
Gross income	3,953	3,037
(Loss)/surplus for year	<u>(914)</u>	<u>6,665</u>

The Barrow Cadbury Trust (a company limited by guarantee)
Notes to the accounts for the year ended 31 March 2018

26. 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.

	2018	2017
	£'000	£'000
Income from fixed asset investments	366	353
Grants receivable	460	-
Gains on sale of investments	605	345
	1,431	698
Grants and special initiatives	(568)	(129)
Administrative expenses	(106)	(99)
Donation to the Barrow Cadbury Trust	(230)	(440)
Surplus on ordinary activities before taxation	527	30
Unrealised gains/(losses) on investments	(590)	934
Total comprehensive income/(deficit) for year	(63)	964
Net funds at 31 March 2018	10,938	11,001

27. 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 £230,000 to the Barrow Cadbury Trust during the year.

Trustees and key management personnel serve on the Boards of six social investments, three grantees and two membership bodies to which the Trust makes contributions. None of these posts is remunerated. These are as follows:

Name	Organisation	Nature of relationship to Barrow Cadbury Trust
Anna Southall	Bristol Together	Social investment
	Clore Social Leadership Programme	Grantee
Jack Serle	Community Channel	Social Investment
Sara Llewellyn	Social Impact Feeder Ltd (Peterborough SIB)	Social investment
	Charity Bank	Social investment
	European Foundation Centre	Membership body
Deborah Pippard	Social Justice and Human Rights Centre Ltd	Social investment
	Ethex	Social investment
	Global Dialogue	Grantee
Mark O'Kelly	Child Poverty Action Group	Grantee

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