

1094967

THE FREDERICK BONNART-BRAUNTHAL TRUST

Annual Report and Accounts

for

the year ended 31 December 2013

CHARITY COMMISSION
FIRST CONTACT

25 JUN 2014

ACCOUNTS
RECEIVED

FREDERICK BONNART-BRAUNTHAL TRUST

(Registered Charity No. 1094967)

Trustees

Alex Y Armstrong (Chairman)
Lady Lloyd
Dr Francesca Fabbri
James Lines
John F Howe
Jeremy C A Jarvis
Jonathan Marcus

Banker

Barclays Bank plc
Trowbridge Branch
Bath & West Wilts Group of Branches
37 Milsom Street
Bath BA1 1DW

Registered Address

2 Kew Drive
Trowbridge
Wiltshire BA14 9EL

FREDERICK BONNART-BRAUNTHAL TRUST

Trustees' Report for the year ended 31 December 2013

The trustees present their report together with the Accounts for the year ended 31 December 2013.

Status and Administration

The Frederick Bonnart-Braunthal Trust (The Trust) was constituted by a trust deed dated 31 May 2002 and was registered as a charity, no. 1094967, on 6 December 2002.

The trustees who have served during the year are as follows:

Alex Y Armstrong (Chairman)
Lady Lloyd
Dr Francesca Fabbri
James Lines
John F Howe
Jeremy C A Jarvis
Dr Jonathan Marcus

Trustee Changes

James Lines, the Trust Treasurer, and one of the original trustees, died on 17 October 2013. He will be remembered not only for his outstanding service as Treasurer, but also for the contribution he made to the development of the Trust and its mission.

Alex Armstrong, another of the original trustees, and Chairman of Trustees since 2008, retired on 31 December 2013.

Dr Jonathan Marcus, the BBC's Defence and Diplomatic correspondent at Bush House, joined as a trustee on 19 September 2013.

Objects

To establish and to maintain scholarships at universities in the United Kingdom for research at the postgraduate level into the nature of racial, religious and cultural intolerance with a view to finding means to combat it.

Review of Activities

Trustees met formally twice during the year.

Three new scholars started during 2013, two at University College London and the other at the London School of Economics. By the end of 2013, fourteen FBB scholarships had

completed and eight were underway. These figures include those funded by the Trust since its inception, and those funded by Frederick Bonnart's separate endowment to UCL made in 2000.

With income each year from its endowment fund unlikely to match the Trust's ambitions, or even to keep up with the increasing costs of post-graduate education, the Trust was becoming increasingly limited in what it might do. Furthermore both UCL and the LSE had warned that the existing grant level of £15,000 per year was unlikely to attract the best candidates. Trustees therefore agreed that there was an urgent need to increase the Trust's resources, and they accepted gratefully the offer of Theresa Lloyd, one of the trustees, to undertake a funding review which hopefully would provide a number of strategic options.

The review report set out a number of ideas which will be more fully investigated over the next year or so. These include working with and sharing costs with other similarly minded institutions, examining the value of Masters' degrees and mid-career fellowships in comparison with post-graduate study, targeting candidates more likely to pursue a practical outcome, looking at opportunities beyond LSE and UCL, and seeking funding for administrative support. To provide time for these investigations, trustees agreed to recruit a single new scholar for 2014 and for 2015 at a grant level of £25,000 per year each for a three year period.

Financial Affairs

At the start of the year, the Trust's unrestricted resources stood at £48,943. During the year, further income was received in the sum of £83,931. This income resulted from interest on investments owned by the Trust. The end of year balance, after expenditure of £91,415, and after an unrealised profit of £1,181, was therefore £42,639.

Together with other gains (realised and unrealised) on existing endowment funds, the Trust's total endowment fund stood at £2,090,380, as valued at 31 December 2013.

Over the year, existing endowment funds at 1 January 2013 grew in value by almost 10.6%, while providing a dividend of 4.4%.

Investment Policy

The trust deed places no restriction on the investment powers of the Trustees. The Trustees will however act as prudent investors basing investment decisions on two basic objectives:

- to protect the capital of the Trust against loss, including loss of value arising from inflation,
- to earn the maximum rate of return consistent with maintaining an acceptable level of risk.

In addition, Trustees will not knowingly invest in companies whose activities are in conflict with the ethos and values of the Trust, and will seek to observe sound ethical standards.

Reserves Policy

The Trustees' policy is to maintain sufficient reserves to:

- enable the maximum number of scholarships to be pursued and to be completed satisfactorily,
- safeguard the long-term viability of the Trust.

Risk Review Policy

The major risks to which the Trust is exposed are financial risks to the continuity of income and valuation of investments. The steps taken to mitigate these risks are set out in the Investment Policy above.

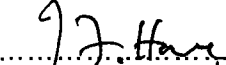
Statement of Trustees' Responsibilities

It is the Trustees' responsibility to prepare financial statements for each financial year which give a fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statement,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping proper records which disclose with reasonable accuracy at any time the financial position of the Trust. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed:

.....  John F Howe (Chairman)

.....  Francesca Fabbri (Trustee)

Date 10 June 2014

Independent Examiner's Report to the Trustees of Frederick Bonnart-Braunthal Trust

I report on the accounts of the Trust for the year ended 31 December 2013, which are attached.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given on whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements

to keep accounting records in accordance with section 130 of the 2011 Act; and

to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



John Edwards B.Sc.(Econ)
5 Sandalwood Road
Westbury
Wiltshire
BA13 3UP

Date: 22 May 2014

FREDERICK BONNART-BRAUNTHAL TRUST

**Balance Sheet
as at 31 December 2013**

	Unrestricted funds £	Endowment funds £	Total £	2012 £
Fixed assets				
Investments				
Treasury Stocks		28,750	28,750	
Common Investment Funds	26,799	879,863	906,662	
Banque de Luxembourg		1,181,768	1,181,768	
Total Fixed assets	26,799	2,090,380	2,117,180	1,916,115
Current assets				
Barclays Bank Current Account	15,839		15,839	23,324
Total net assets	42,639	2,090,380	2,133,019	1,939,439
Funds	42,639	2,090,380	2,133,019	

Approved by the Trustees and signed on their behalf

 John F Howe (Chairman)
 Francesca Fabbri (Trustee)

Dated: 10 June 2014

FREDERICK BONNART-BRAUNTHAL TRUST

Statement of Financial Activities for the period ended 31 December 2013

	Unrestricted funds £	Endowment funds £	Total £	2012 £
Incoming Resources				
Investment income (see note 9)	83,931		83,931	84,614
			-	
Total incoming resources	<u>83,931</u>		<u>83,931</u>	<u>84,614</u>
Resources Expended				
<i>Direct Charitable Expenditure</i>				
Scholarship payments	85,000		85,000	73,000
Gifts to other charities	50		50	
	<u>85,050</u>	-	<u>85,050</u>	<u>73,000</u>
<i>Administrative Expenditure</i>				
Administration costs	6,365		6,365	2,636
Anniversary Conference			-	26,182
Repayment of grant			-	1,909
	<u>6,365</u>	-	<u>6,365</u>	<u>30,727</u>
Net incoming (outgoing) resources	(7,485)	-	(7,485)	(19,113)
Other recognised gains and (losses)				
Gain/(Loss) on investments		(1,961)	(1,961)	287
Unrealised gain(loss) on investments				
Treasury Stock		(1,823)	(1,823)	(1,560)
Common Investment Funds	1,181	110,979	112,160	63,910
Banque de Luxembourg		92,689	92,689	31,689
Net movements in funds	<u>(6,304)</u>	<u>199,884</u>	<u>193,580</u>	<u>75,213.00</u>
Balance at 31 December 2012	48,943	1,890,496	1,939,439	1,864,226
Balance at 31 December 2013	<u>42,639</u>	<u>2,090,380</u>	<u>2,133,019</u>	<u>1,939,439</u>

FREDERICK BONNART BRAUNTHAL TRUST

Notes to the Financial Statements for the period ending 31st December 2013

	Units	Price p	Value	Unrealised Gain/loss	Realised Gain Loss
Note 1 - Treasury Stock					
8 per cent Treasury Stock 2015					
31.12.12	Opening	25,000	122.29	30,572.50	
31.12.13	Closing	25,000	115.00	28,750.00	-1,822.50
Note 2 - Common Investment Funds					
COIF Charities Fixed Interest Fund					
31.12.12	Opening	46274.51	134.75	62,354.90	
31.12.13	Closing	46274.51	125.96	58,287.37	-4,067.53
COIF Charities Investment Fund					
31.12.12	Opening	12881.27	1,038.91	133,824.80	
31.12.13	Closing	12881.27	1,162.51	149,746.05	15,921.25
M&G Charibond Charities Fixed Interest Fund					
31.12.12	Opening	52193.15	131.30	68,529.61	
31.12.13	Closing	52193.15	122.60	63,988.80	-4,540.80
M&G Charifund Equities Investment Fund for Charities					
31.12.12	Opening	11843.22	1,199.83	142,098.51	
31.12.13	Closing	11843.22	1,439.16	170,442.88	28,344.38
Cazenove Income Trust for Charities					
31.12.12	Opening	166179.48	63.76	105,956.04	
26.06.13	Sold	-65811.12	60.78	-40,000.00	-1,961.17
31.12.13	Closing	100368.36	59.94	60,160.79	-3,834.07
Cazenove Growth Trust for Charities					
31.12.12	Opening	51275.37	127.26	65,253.04	
26.06.13	Bought	29340.57	136.33	40,000.00	
31.12.13	Closing	80615.94	154.46	124,519.38	19,266.35
Schroders Charity Equity Fund					
31.12.12	Opening	70,375.45	274.00	192,828.73	
31.12.13	Closing	70,375.45	359.10	252,718.24	59,889.51
Total Common Investment Funds				879,863.53	110,979.08
Note 3 - Banque de Luxembourg					
31.12.12	Opening			1,089,078.09	
31.12.13	Closing			1,181,767.60	92,689.51
Note 4 - Cash in Barclays Current Account					
				15,839.45	
Note 5 COIF Charities Investment Fund (Unrestricted)					
31.12.12	Opening	103.73	8,940.30	9,273.77	
31.12.12	Closing	103.73	10,418.09	10,806.68	1,532.91
Note 6 COIF Charities Fixed Income Fund (Unrestricted)					
31.12.12	Opening	2380.87	686.54	16,345.62	
05.07.12	Sold				
31.12.12	Closing	2380.87	671.72	15,992.78	-352.84
					1,180.07
£					
Note 7 - Charitable Expenditure					
	University College London			40,000.00	
	London School of Economics			45,000.00	
	Total			85,000.00	
Note 8 - Administrative Expenditure					
	Cloudless Computing			777.50	
	Manton Close Ltd			425.00	

Forster Lamond Ltd	567.00
Global Dialogue	650.00
Meeting costs	3,569.38
General Administration	376.54
Total	6,365.42

Note 9 - Investment Income

Treasury Bonds	2,000.00
CIF Dividends	35,530.19
Banque de Luxembourg Dividends	46,400.55
Total Income	83,930.74