

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

FOR

CLARA MARTINEAU CHARITY

REGISTERED CHARITY NO. 1040051

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for the Year Ended 31 March 2015

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Clara Martineau Charity

Charity Reference and Administration Information
for the Year Ended 31 March 2015

Reference and administrative information

Trustees

S Durrant, Chair of Trustees
S Charvis
A Macdonald
Alderman D Wallace
Cllr M Ward
Cllr P Tilsley
Cllr L Collin

Principal Office

Children's Young People and Families Finance, Finance (WS), PO Box 16306, Birmingham, B2 2XR

Charity Number

1040051

Independent Examiner

Jason Seagrave ACCA
Seagrave French LLP
13 – 15 Regent Street
Nottingham
NG1 5BS

Bankers

The Co-operative Bank Plc, 118-120 Colmore Row, Birmingham, B2 3BA

Investment Managers

BlackRock Investment Management (UK) Ltd, 12 Throgmorton Avenue, London, EC2N 2DL.

Clara Martinieu Charity

Report of the Trustees

for the Year Ended 31 March 2015

Report of the trustees for the year ended 31 March 2015

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2015. The financial statements have been prepared in accordance with relevant accounting policies and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005).

Structure, Governance and Management

The Clara Martinieu Trust is a registered charity, number 1040051, and is governed by its Charity Commission Scheme.

The Trust employs no staff. Administrative, secretarial, financial and legal services are currently provided by Birmingham City Council for no charge. The trustees meet about three times a year to consider applications for funding which have been received.

Risk management

The trustees work closely with the Fund Managers, BlackRock Investment Management (UK) Ltd, in seeking to maximise investment returns consistent with the Trust's policy on risk. Further work is to be undertaken to review and analyse risks that the Trust could potentially be exposed to and appropriate policies developed in response.

Objectives and activities

The Trust has capital funds, which are invested in order to produce income for the following purposes: -

- (a) to promote the residential education (including the social and physical training) of children under the age of 19 years who have special educational needs as defined in section 1 of the Education Act 1993, and who are attending any school maintained by Birmingham City Council as local education authority, priority being given to such children for whom the City Council maintain a Statement under the Act.

- (b) to provide facilities for recreation and other leisure time occupation for the benefit of such children with the object of improving their condition of life, with the same priority as aforesaid

Grant making policy

In order to achieve the Trust's objectives, as formally laid down in the Trust's Charity Commission Deed of the Trust, each year the trustees consider bids, from Special Schools and schools with special needs resource bases in Birmingham, to fund proposals for residential experiences to promote the educational needs of the children with special needs

Achievements and Performance

The year proved very successful in terms of the number of grants and amount of funds awarded. The standard of applications was consistently high, and Trustees were able to make a significant number of grants in the year.

Financial Review

The Trust is reliant on the income from its investments.

The fund comprises capital funds received from the sale of the Martinieu Seaside School, Bognor Regis, reflecting the trustees' decision to invest it on long-term basis to enhance the Trust's income. However, the trustees retain the right to spend the capital of the fund, in furthering the objectives of the Trust, if they so determine to do so.

Investment Management in the year was carried out by BlackRock Investment Management (UK) Ltd, in accordance with the requirements for charities as prescribed by the Charity Commission. During the year, the value of the Trust's investments increased to £3,560,504 from the previous year's value of £3,327,632. Management fees payable in the year amounted to £16,400 (2014: £15,647).

The Charity's financial obligations as at 31 March 2015 are mainly represented by a balance of monies owed to Birmingham City Council of £9,422 (2014: £152,078). This liability can be met by the Charity in full.

Clara Martineau Charity

Report of the Trustees - continued for the Year Ended 31 March 2015

Investment Policy and Performance

The Trust seeks to maximise its return on investments but consistent with a policy of low investment risk. The Trust works closely with the Fund manager to regularly review its investment mix and re-configures its portfolio depending on current investment trends. The Trust also has access to investment expertise through Council Officers who regularly attend meetings.

The fund management objectives are to;

- i) protect the value of the fund against inflation so that its real value at least can be maintained in the long term,
- ii) subject to i), to maximise the income to the fund available for spending,
- iii) subject to i) and ii), the income level from year to year should be reasonably steady to avoid any large reductions in resources in any year. Investments are of low to moderate risk.

Reserves Policy

In determining a policy on financial reserves, Trustees of the Clara Martineau Trust have formally reviewed the objective, purpose and activities of the charity. The Trust's activities are limited to the awarding of annual grants to eligible schools and other organisations. These are based on a clearly defined level of income and, other than annual investments charges, the Trust does not normally incur any other costs.

Exposure to other potential financial liabilities is therefore minimal. Trustees are keen to ensure that all available funding net of expenses is applied to further the purposes and objectives of the Trust. The Trustees policy on reserves therefore is to maintain nil reserves or minimal reserves. Trustees are satisfied that this is a reasonable and justifiable reserves policy given the nature and purpose of the Trust's activities and the associated income and expenditure and potential financial liabilities.

Plans for the Future

Trustees are keen to ensure all special schools and other organisations that meet its criteria apply for grants in order that the work of the Trust is maximised. To this end, the Trust is seeking to ensure that details of the Trust's activities are made known to a wider audience.

Trustees' responsibilities in relation to the financial statements

The trustees 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).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

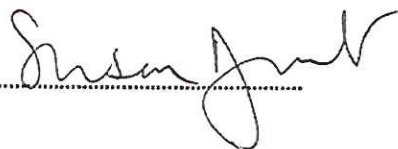
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees of the Clara Martineau Charity are satisfied that the above requirements have been met.

Approved by the trustees on 17 November 2015 and signed on their behalf by:

S DURRANT



CHAIR of TRUSTEES

I report on the accounts of the charity for the year ended 31 March 2015 which are set out on pages 5 to 11.

Respective responsibilities of Trustees and Examiner

The trustees are responsible for the preparation of the accounts. The 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;
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with General Directions given by the Charity Commission. 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 as to 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.

Jason Seagrave ACCA
Seagrave French LLP
13-15 Regent Street
Nottingham
NG1 5BS

Date: 16/12/15

Clara Martineau Charity

Statement of Financial Activities

For the year ended 31 March 2015

	Notes	Restricted Funds 2015 £	Endowment Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Incoming Resources	2				
Incoming resources from generated funds:					
Voluntary income		6,047.07	-	6,047.07	6,319.54
Investment income:					
Managed funds		125,964.11	-	125,964.11	129,613.93
Bank interest		38.43	-	38.43	47.50
Other income		0.00	-	0.00	0.00
Total Incoming Resources		132,049.61	-	132,049.61	135,980.97
Resources Expended					
Costs of generating funds:					
Charitable activities:	3				
Grants Awarded		90,166.00	-	90,166.00	100,000.00
Investment Management Costs		16,399.82	-	16,399.82	15,647.00
Independent Examiners Fees		2,178.00	-	2,178.00	2,190.00
Other costs		0.00	-	0.00	0.00
Governance and Support Costs	13	6,047.07	-	6,047.07	6,319.54
Total Resources Expended		114,790.89	-	114,790.89	124,156.54
Net Incoming/(Outgoing) Resources		17,258.72	-	17,258.72	11,824.43
Other recognised gains and losses :					
Gains/(Losses) on Investment Assets		-	232,872.16	232,872.16	83,468.36
Transfer between funds		-	-	-	-
Net Movement in Funds:		17,258.72	232,872.16	250,130.88	95,292.79
Fund balance brought forward	4	165,795.13	3,327,632.24	3,493,427.37	3,398,134.58
Fund balance carried forward		183,053.85	3,560,504.40	3,743,558.25	3,493,427.37

FIXED ASSETS		5
Investments	3,560,504.40	3,327,632.24
TOTAL FIXED ASSETS	3,560,504.40	3,327,632.24
CURRENT ASSETS		6
Debtors	115,593.31	221,523.33
Cash	85,261.37	100,343.36
LIABILITIES	200,854.68	321,866.69
7		
Creditors: Amounts falling due within one year		
	17,800.83	156,071.56
	17,800.83	156,071.56
NET CURRENT ASSETS	183,053.85	165,795.13
TOTAL ASSETS LESS CURRENT LIABILITIES	3,743,558.25	3,493,427.37
8		
THE FUNDS OF THE CHARITY:		
Restricted Income	183,053.85	165,795.13
Endowment Fund	3,560,504.40	3,327,632.24
TOTAL CHARITY FUNDS	3,743,558.25	3,493,427.37

The accounts were approved by the board of trustees on 17 November 2015 and signed on their behalf by:

[Signature]

S DURANT

S CHARVIS

Clara Martineau Charity

Notes to the Financial Statements
for the year ended 31 March 2015

1 Accounting Policies

1.1 Basis of accounting

These financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, the Charities Act 2011 and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) and the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.3 Resources expended

Expenditure is accounted for on an accruals basis. Grants awarded, once approved, are included in the Statement of Financial Activities for the year in which the related activity is to take place.

Investment management costs are directly attributable to management of the fixed asset investment portfolio.

Governance costs are associated with the general running of the charity and include the costs of, an independent examination, legal advice for trustees and costs associated with the constitutional and statutory requirements of the charity.

1.4 Fixed asset investments

Fixed asset investments that are traded on a recognised exchange are valued on the basis of the last traded price or a bid price, depending on the market convention for that exchange. Other investments are valued where practicable on a bid price basis using a reputable independent source.

Black Rock UK Property Fund is valued at net asset value, net of fees and charges and income received. Gains or losses on revaluation or disposal are shown in the Statement of Financial Activities.

Dividends and interest received on investments are held on deposit by the fund managers until required to meet the expenditure of the charity (note 5).

1.5 Funds

Restricted Funds: These are funds subject to specific trusts declared by the donor or created through legal process. The restricted income funds are expendable at the discretion of the trustees in furtherance of the objects of the charity (note 8).

Endowment Funds: These are the permanent funds of the charity, the income generated from which is used to further the objects of the charity as part of its restricted funds (note 8).

Clara Martiniau Charity

**Notes to the Financial Statements
for the year ended 31 March 2015**

2 Incoming Resources

	2015	2014
Voluntary Income		
Birmingham City Council Support in Kind	6,047.07	6,319.54
Investment Income – Managed Funds		
Dividends from Investments	125,820.61	129,385.40
Interest from Investments	143.50	228.53
Bank interest	38.43	47.50
Other Income	0.00	0.00
Total Income Resources	132,049.61	135,980.97

3

Charitable activities: grants awarded

During the year the trustees approved grant applications from 27 (2014: 32) educational establishments, and grants totalling £90,166 (2014: £100,000) were paid to fund projects for the provision of residential education and other recreational or leisure time experiences for young people with special educational needs. Grants ranged between £132 and £9,742.

Grants awarded have been listed below, those over £5,000 have been listed separately:

Hallmoor	£ 5,362
Queensbury	£ 5,803
Calthorpe	£ 8,004
Selly Oak	£ 8,598
City of Birmingham	£ 9,742
Mayfield	£ 5,714
Other grants < £5,000	£ 46,943
Total grants	£ 90,166

4

Summary of fund movements

	Balance at 01/04/2014	Incoming Resources	Outgoing Resources	Gains and Losses	Balance at 31/03/2015
Endowment fund	3,327,632.24	-	-	232,872.16	3,560,504.40
Restricted fund	165,795.13	132,049.61	(114,790.89)	-	183,053.85
Total funds	3,493,427.37	132,049.61	(114,790.89)	232,872.16	3,743,558.25

Clara Martineau Charity

Notes to the Financial Statements
for the year ended 31 March 2015

5 Fixed Asset Investments

Analysis of movement of investments

	2015	2014
	£	£
Market value 1st April	3,327,632.24	3,244,163.88
Additions at cost	164.00	705,874.00
Disposals	(164.00)	(529,085.00)
Net gain/(loss) on revaluation	232,872.16	(93,320.64)
Market value 31 March	3,560,504.40	3,327,632.24

At the balance sheet date the investments comprised:

Investments listed on a recognised stock exchange	3,560,340.40	3,327,632.24
Cash and settlements pending	164.00	0.00
Total investment portfolio	3,560,504.40	3,327,632.24

During the year the investment portfolio was managed on behalf of the charity by BlackRock Investment Management (UK) Limited, a company authorised and regulated by the Financial Services Authority. Investments are held primarily for an investment return.

6 Debtors

	2015	2014
	£	£
Cash held on deposit by the investment fund managers	107,827.15	214,882.96
Interest and investment income	7,766.16	6,640.37
	115,593.31	221,523.33

The above are all short term debtors.

7 Creditors: Amounts falling due within one year

	2015	2014
	£	£
Birmingham City Council loan	9,422.00	152,078.00
Accrued expenses	8,378.83	3,993.56
	17,800.83	156,071.56

The loan from Birmingham City Council represents grants and accountancy fees paid on behalf of the charity, which had not been reimbursed at the balance sheet date. The loan is unsecured and interest free.

8 Allocation of net assets to funds

	Fixed assets	Net Current assets	Net assets
Endowment funds	3,560,504.40	-	3,560,504.40
Restricted funds	-	183,053.85	183,053.85
	<u>3,560,504.40</u>	<u>183,053.85</u>	<u>3,743,558.25</u>

9 Employees
The charity has no employees. Certain administrative functions are carried out free of charge by Birmingham City Council Staff.

10 Trustees' remuneration and expenses

No trustee received remuneration or expenses from the Charity during either this or the preceding year.

11 Taxation

No taxation liability arises on the net incoming resources of the charity for either this or the preceding year.

12 Independent Examination Fees

Independent Examination fees from 2009 will be paid by the Clara Martineau Trust and will no longer be paid by Birmingham City Council on behalf of the Trust and therefore will no longer be classified as a donated service. Costs for 2015 of £2,136 are included in the accounts (2014: £2,190). These costs will therefore be excluded from Governance Costs.

13 Governance Costs
Governance costs are made up of the following:

	2015	2014
Governance Costs	£	£
Meeting costs	5,695.00	5,978.00
Room Hire and other costs	0.00	0.00
Support Costs	5,695.00	5,978.00
Supervision	352.07	341.54
Total	<u>6,047.07</u>	<u>6,319.54</u>

Governance and charity support costs are worked out by taking the daily rate of support workers salary and multiplying out by the days worked on the Clara Martineau Charity.

Clara Martineau Charity

Notes to the Financial Statements
for the year ended 31 March 2015

14 Donated services and facilities

The charity is provided with administrative services, including the use of staff, office space and equipment, by Birmingham City Council at no charge to the charity. It has not been possible to establish a monetary value for all of these services. An estimate of the value in respect of the contributions of staff time is reflected in the Statement of Financial Activities.

15 Related party transactions

Birmingham City Council is a related party of Clara Martineau Charity by virtue of the powers vested in it by the trust deed to appoint or remove a significant proportion of the trustees of the charity. During the year Birmingham City Council made loans to the charity, donated services and facilities and paid certain expenses on behalf of the charity as disclosed in notes 7 and 14 above.

