

REGISTERED CHARITY NUMBER: 264139

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2019
FOR
THE GUARANTORS OF BRAIN**

THE GUARANTORS OF BRAIN
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FOR THE YEAR ENDED 31 MARCH 2019

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THE GUARANTORS OF BRAIN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

The trustees present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity aims to promote teaching and research into the science of neurology, or for the furthering of other scientific and charitable purposes. The Trustees ensure that the aims and objectives of the Trust meet with the Charity Commission's guidance on public benefit, in current Trust policy and as a principle upheld when reviewing the policy for the year.

The Charity's activities include:

1. Contributing to the cost for neuroscientists, whether clinical or preclinical, to travel to scientific conferences or meetings, to visit other laboratories and departments, in the UK or abroad. Awards are made to individuals at an early stage of their career, in support of work undertaken in the UK.
2. Scholarships for trainee neurologists for one year's salary support, enabling them to bridge between clinical and research training, either (i) immediately before a higher research degree; or (ii) after a higher research degree but before a permanent faculty appointment. Trainees on the cusp of their CCT will be considered, but the posts are not intended for established consultants.
3. Clinical research training fellowships for UK registered neurology trainees in neurology (or closely related specialities such as paediatric neurology) for three years' salary and modest research expenses, in order for them to undertake a PhD in an academic centre of excellence in the UK
4. Non-clinical post-doctoral research fellowships in neurological science in an academic centre of excellence in the UK, where their expertise is required to prosecute a clinical or translational research program led by a Neurologist. Up to three years, salary plus consumables.
5. Financial support for meetings in the UK, especially those of interest to neurological, psychiatric or neuroscience scientists and trainees
6. Support for internationally distinguished academic clinical scientists to visit the UK, for special lectures or short tours.
7. Support for UK neurologists to travel to low income countries for teaching and research, and for Newsom-Davis Fellows to visit the UK from low and middle-income countries.

THE GUARANTORS OF BRAIN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENT AND PERFORMANCE

Developments, Activities and Achievements of the Charity in the Period

The journal Brain is published by Oxford University Press (OUP). It continues to be highly successful, both academically and financially. Profits for 2018 were £945K, an increase of £80K from the previous year. Profit share for the Guarantors was £756K for 2018-2019.

There remains a short to medium term risk of a major change in the publishing model, such as increased Open Access or author-pays publishing that might undermine the income from OUP to the Charity, this change has not yet arisen. The trends in publishing at OUP and comparable publishers of biomedical journals are monitored and discussed at the Board of Management. The success of the journal Brain underpins the work of the Charity.

The current impact factor of the journal is 11.8 reflecting the high calibre and range of publications and citations under the Editorship of Dimitri Kullmann. The journal has an editorial team (three editorial assistants and an assistant editor) and associate editors. The associate editors are drawn from clinical and preclinical scientists to reflect the range of expertise and knowledge covered by the journal. Editorial expenses arise mainly from the salary costs of the assistant editor and editorial assistants, together with the lease, miscellaneous expenses and insurance of office space. The Board of Management is not paid. The Editor and Associate editors are entitled to claim for travel expenses.

The portfolio of charitable activities is broad. The following were approved by the Board of Management (Scholarships, Fellowships, meetings and lecturers) or Treasurer (Travel awards):

1. In 2019, 441 travel grants were awarded (430 in 2018) with an average value of £726 (total £320K).
 2. Two ABN fellowships funded by the Guarantors were awarded: Dr Brown (3 years, Cambridge) and Dr Adan (3 Years, Liverpool).
 3. Two 1-year pre-doctoral clinical fellowships were awarded to Dr Meher Lad (1 year, Newcastle) and Dr A Calvi (1 year, UCL).
 4. Three post-doctoral fellowships were awarded, to Dr Alex Clark (3 years, Oxford, non-clinical), Dr Diego Quattrone (1 year, Kings, clinical), and Dr Kamen Tsvetanov, (3 years, Cambridge, non-clinical).
 5. Teaching courses and UK institutional meetings were supported as follows in 2018/2019:
 - Academy of Medical Sciences meeting on the developing brain in health and disease. March 2019
 - iCog5: Interdisciplinary Approaches to Understanding Higher Cognitive Function. Feb 2019
 - European Neuroscience Conference by Doctoral Students (ENCODS). June 2019
 - Glasgow Neuro Society Annual Meeting. Nov 2018
 - British Neuroscience Association 2019: Supporting people to be both scientists and parents. April 2019
 - Encephalitis Conference 2018
 - Dementia with Lewy Bodies (DLB) meeting. March 2019
 - Annual cognitive neuroscience lecture competition to be held in memory of late Professor Richard Wise. July 2018.
 - Neurotechnology Enabling Dementia Discovery Research and Future Care. May 2019.
 - Annual Symposium of the Northern Ireland Multiple Sclerosis Research Network
 - Workshop on the Frequency Following Response (FFR) June 2019
 - Society for the Study of Behavioural Phenotypes (SSBP) international research symposium. Sep 2019
 - David Marr, 50 years on - Satellite meeting to the 7th Cambridge Neuroscience Biennial Symposium. Sep 2019
 - 4th UK Preclinical Stroke Symposium 2019
 6. Global Brain Initiative:
 - UK professional development support to the Child Neurology Service at the Angkor Hospital for Children (AHC), Siem Reap, Cambodia .
 - Peter Kennedy visiting Ethiopia.
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ACHIEVEMENT AND PERFORMANCE

- Confirmation of the award for £150k to support Low-and-Middle Income Country fellowships within the successful MRC funded new International Genomics Centre for neuromuscular diseases.

7. The 2018 Gordon Holmes distinguished lecturer was Charles Thornton. Title: Prospects for developing treatment for myotonic dystrophy.

FINANCIAL REVIEW

The objective of this annual report and accounts is to provide information about the Charity's financial performance and financial position so as to be useful to a wide range of stakeholders in assessing the Trustees' stewardship and management of charitable funds, and to assist the user of the accounts to make economic decisions in relation to the charity

The Trustees' power to invest is governed by the Trustee Act 2000. The Charity Commission's Statement of Recommended Practice (SORP) applies to the Charity's activities, and the Charity's policy on the use of income and assets, and the reporting of the Charity's financial activity. For reporting purposes, our assets and small staff mean that the Guarantors of Brain Charity is a Smaller Entity. The Charity's funds are almost all unrestricted. The Newson-Davis fund for short term fellowships is restricted to clinicians from low income countries.

In recent years, the investment objectives were to generate income to fund the charitable activities, reinvesting income where it is not required, and to maintain the capital value of the funds. The active management policy accepts moderate risk, and aims for long term growth and income options. In 2017-18, 100% of investment income was re-invested, as the Charity's income from the journal Brain was sufficient to cover the committed expenses.

The investment policy includes the avoidance of direct investment of companies with a significant interest in tobacco and armaments.

The investment policy is reviewed on behalf of the Trustees by the Board of Management, at intervals of no more than 15 months.

Approximately one tenth of the funds is held as cash, providing credit and liquidity requirements necessary to support the activities of the Charity. The latter requirements include the ability to meet short and medium term salary commitments and fellowships of the Charity, in the event of a sudden drop in income or sudden devaluation of investments.

The Secretary and Treasurer is authorized to act on behalf of the Trustees in connection with the investment funds, and for day to day financial administration of the Charity.

As of 31 March 2019 the charity had an investment portfolio of £6,510,016 under management by HSBC. Approximately £156,000 are held in cash investments and £542,621 are held in HSBC money market accounts.

At the year end the charity had unrestricted reserves of £6,669,182 (2018: £6,448,957).

Plans for the future

The charity will continue to consider new ways to support research and teaching in neurology and neuroscience, both clinical and basic science. We will seek to enhance our income, through the support of the journal Brain, and through investment of the Charity's reserves. The Board of Management and the Trustees, will consider new ways to meet the aims of the Charity, including but not restricted to revisions of the Fellowships and Scholarships schemes.

THE GUARANTORS OF BRAIN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was founded in 1955 and is governed according to the Trust deed, that established an unincorporated charity. The charity has a body of Guarantors, numbering between 30 and 41. Current Guarantors and their roles are listed above. Guarantors (Trustees) serve for a renewable five years' term, and are required to attend at least two out of five Annual General Meetings, and be primarily resident and professionally active in the UK. New Guarantors are invited following an election by the Guarantors (transferable vote system).

The Charity is managed by a Board of Management that consists of Guarantors elected from the Trustees; the Chairman, Editor of Brain, Deputy Editor, Secretary/treasurer and two other members. The Board of Management is unpaid, and meet twice a year.

Reserve policy and risk management

The Charity has established reserves that would enable continuity of current and planned activities even in the event of a significant loss of income. Potential risks to income are reviewed by the Board of Management and the Trustees. No significant change in risk was identified in the current financial year.

HSBC Private Bank is engaged to provide long term active asset management with medium risk exposure and long term growth aims. The assets minimise the risk to the activities of the Charity in the event of a substantial loss of income. Capital appreciation and re-investment of income has led to a substantial increase in the Charities financial security, despite the challenging economic climate of recent years. Income from the journal Brain has been the major source of funds to support individuals with short, intermediate and long term awards and fellowships, and provide new ways to support teaching and research across the disciplines of neurology, psychiatry and related preclinical neuroscience.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

264139

Principal address

Department of Clinical Neurosciences
University of Cambridge
Herchel Smith Building
Robinson Way
CB2 0SZ

THE GUARANTORS OF BRAIN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

The Trustees of the Charity, the Guarantors, are academic or clinical neuroscientists based in the UK. They contribute to the governance of the Charity; advise on policy; review papers in a timely fashion for the journal Brain if requested; represent the Trustees on the twice yearly Board of Management meetings, if required; act as a mentor for Brain Entry & Exit Fellows or three year Fellows as required; assist the Chair of the Board of Management in selecting an Editor for the journal every five years; assist the Chair of the Board of Management in selecting a Secretary and Treasurer every five years as required; assist the Board of Management in the shortlisting and interview process for Brain Fellowships. They are elected for five year terms, renewable. An election by postal ballot with single transferrable vote is held to appoint new Guarantors. The Guarantors in 2018-19 are:

Professor R. Barker
Professor G Bates
Professor D Brooks
Professor P Brown
Professor D Burn
Professor PF Chinnery
Professor J Collinge
Professor DAS Compston
Professor H Cross
Professor E Fisher
Professor P Fletcher
Professor P Goadsby
Professor T Griffiths
Professor M Hanna
Professor M Husain (Board of Management)
Professor H Johansen-Berg
Professor P Kennedy
Professor D M Kullmann (Editor, and Board of management)
Professor G Mallucci
Professor P Matthews (Chair, Board of management- until Dec 2018)
Professor DH Miller
Professor K Mills (stood down 2018)
Professor G Rees
Professor M Reilly
Professor A Rosser (Chair, Board of management- from Jan 2019)
Professor J Rothwell
Professor J Rowe (Secretary and Treasurer, Board of management - until Dec 2018)
Professor AHV Schapira
Professor N Scolding
Professor David Sharp (Secretary and Treasurer, Board of management- from Jan 2019)
Professor P Shaw (stood down 2018)
Professor M Spillantini
Professor S Tabrizi (Board of management - Dec 2018)
Professor K Talbot
Professor AJ Thompson
Professor I Tracey
Professor DM Turnbull
Professor A Vincent (stood down 2018)
Professor M Walker
Professor H Willison
Professor NW Wood (Board of management)

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Secretary and Treasurer

Professor David Sharp
Secretary and Treasurer to the Guarantors of Brain
Department of Clinical Neurosciences
Herchel Smith Building, Forvie Site
Cambridge Biomedical Campus
Cambridge CB2 0SZ

Auditors

Wilkins Kennedy Audit Services
Statutory Auditor
5 Yeomans Court
Ware Road
Hertford
Hertfordshire
SG13 7HJ

Bankers

HSBC Bank PLC
431 Oxford Street
London
W1C 2DA

The Charity was founded in 1955 and is registered with the Charity Commission under charity number 264139. Particulars of the Charity's Professional advisers and principal address of the charity are listed above.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Professor D Sharp - Trustee

THE GUARANTORS OF BRAIN

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

	Not es	Unrestricted fund £	Restricted fund £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Journal income	3	756,414	-	756,414	692,306
Book royalties		4,963	-	4,963	4,513
Investment income	2	<u>215,272</u>	<u>-</u>	<u>215,272</u>	<u>175,299</u>
Total		976,649	-	976,649	872,118
EXPENDITURE ON					
Investment management costs	4	47,021	-	47,021	43,503
Charitable activities					
Editorial expenses	5	72,047	-	72,047	66,673
Grants to Individuals		832,798	-	832,798	817,349
Other		<u>24,063</u>	<u>-</u>	<u>24,063</u>	<u>26,040</u>
Total		975,929	-	975,929	953,565
Net gains/(losses) on investments		<u>219,505</u>	<u>-</u>	<u>219,505</u>	<u>(103,942)</u>
NET INCOME/(EXPENDITURE)		220,225	-	220,225	(185,389)
RECONCILIATION OF FUNDS					
Total funds brought forward		6,448,957	-	6,448,957	6,634,346
TOTAL FUNDS CARRIED FORWARD		<u>6,669,182</u>	<u>-</u>	<u>6,669,182</u>	<u>6,448,957</u>

The notes form part of these financial statements

THE GUARANTORS OF BRAIN

**BALANCE SHEET
AT 31 MARCH 2019**

	Not es	Unrestricted fund £	Restricted fund £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Intangible assets	12	2,735	-	2,735	14,480
Tangible assets	13	1,387	-	1,387	1,631
Investments	14	<u>6,353,799</u>	-	<u>6,353,799</u>	<u>6,288,071</u>
		6,357,921	-	6,357,921	6,304,182
CURRENT ASSETS					
Debtors	15	198,374	-	198,374	174,575
Cash at bank and in hand	16	<u>699,463</u>	-	<u>699,463</u>	<u>408,682</u>
		897,837	-	897,837	583,257
CREDITORS					
Amounts falling due within one year	17	<u>(586,576)</u>	-	<u>(586,576)</u>	(438,482)
NET CURRENT ASSETS					
		<u>311,261</u>	-	<u>311,261</u>	<u>144,775</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>6,669,182</u>	-	<u>6,669,182</u>	6,448,957
NET ASSETS					
		<u>6,669,182</u>	-	<u>6,669,182</u>	<u>6,448,957</u>
FUNDS					
Unrestricted funds	19			<u>6,669,182</u>	<u>6,448,957</u>
TOTAL FUNDS					
				<u>6,669,182</u>	<u>6,448,957</u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
Professor D Sharp -Trustee

The notes form part of these financial statements

THE GUARANTORS OF BRAIN
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>134,756</u>	<u>(260,849)</u>
Net cash provided by (used in) operating activities		<u>134,756</u>	<u>(260,849)</u>
Cash flows from investing activities:			
Purchase of intangible fixed assets		(1,665)	(3,990)
Purchase of fixed asset investments		(3,234,940)	(2,562,731)
Sale of fixed asset investments		3,388,717	2,336,526
Interest received		<u>34,441</u>	<u>45,623</u>
Net cash provided by (used in) investing activities		<u>186,553</u>	<u>(184,572)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period	2	<u>352,211</u>	<u>797,632</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>673,520</u></u>	<u><u>352,211</u></u>

The notes form part of these financial statements

THE GUARANTORS OF BRAIN

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	220,225	(185,389)
Adjustments for:		
Depreciation charges	13,654	12,846
(Gain)/losses on investments	(219,505)	103,942
Interest received	(34,441)	(45,623)
Increase in debtors	(23,799)	(11,635)
Increase/(decrease) in creditors	<u>178,622</u>	<u>(134,990)</u>
Net cash provided by (used in) operating activities	<u>134,756</u>	<u>(260,849)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Cash in hand	13	13
Notice deposits (less than 3 months)	699,450	408,669
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(25,943)</u>	<u>(56,471)</u>
Total cash and cash equivalents	<u>673,520</u>	<u>352,211</u>

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a republic benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The address of the principal office is given on the information page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

The financial statements are presented in sterling (£) which is also the functional currency for the company.

Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Significant judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Governance costs

Governance costs comprise the cost of running the charity, including external audit and all costs complying with constitutional and statutory requirements, such as costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Intangible assets

Website costs are amortised through the profit and loss account over its estimated useful life which is assessed by the trustees.

Website costs - 33% on cost

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 15% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

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 rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

THE GUARANTORS OF BRAIN

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES - continued

Fixed asset investments

Fixed asset investments are stated at market value. Any gains and losses arising from changes in market value are recognised in the income statement.

Cash at bank and cash 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.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

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.

2. INVESTMENT INCOME

	2019 £	2018 £
Dividends received	180,831	129,676
Deposit account interest	<u>34,441</u>	<u>45,623</u>
	<u>215,272</u>	<u>175,299</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Journal income £	Book royalties £	2019 Total activities £	2018 Total activities £
Oxford University Press	756,414	-	756,414	692,306
Elsevier	<u>-</u>	<u>4,963</u>	<u>4,963</u>	<u>4,513</u>
	<u>756,414</u>	<u>4,963</u>	<u>761,377</u>	<u>696,819</u>

The journal income of £337,112 (2018: £153,209) has been deferred due to the payments made in advance by the Oxford University Press.

4. INVESTMENT MANAGEMENT COSTS

Investment management costs

	2019 £	2018 £
Portfolio management	<u>47,021</u>	<u>43,503</u>

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 6)	Totals
	£	£	£
Editorial expenses	72,047	-	72,047
Grants to Individuals	-	832,798	832,798
	<u>72,047</u>	<u>832,798</u>	<u>904,845</u>

6. GRANTS PAYABLE

	2019	2018
	£	£
Grants to Individuals	<u>832,798</u>	<u>817,349</u>

The total grants paid to individuals during the year was as follows:

	2019	2018
	£	£
Brain Scholarships	492,466	455,573
Travel grants	320,332	342,127
Conference sponsorship	20,000	17,649
British Neuropsychiatry Association	-	2,000
	<u>832,798</u>	<u>817,349</u>

7. SUPPORT COSTS

	Governance costs
	£
Other resources expended	<u>24,063</u>

Support costs, included in the above, are as follows:

Governance costs

	2019	2018
	Other resources expended	Total activities
	£	£
Auditors' remuneration	5,900	5,700
Auditors' remuneration for non audit work	8,912	9,948
Annual dinner	8,121	9,344
Bank charges	1,130	1,048
	<u>24,063</u>	<u>26,040</u>

THE GUARANTORS OF BRAIN

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

During the year 4 trustees (2018 - 7 Trustees) were reimbursed a total of £33,996 (2018: £43,493) for travel, subsistence and accommodation expenses incurred during the year.

9. STAFF COSTS

	2018	2017
	£	£
Gross wages	117,440	116,564
Employers NI	8,700	11,605
Pension costs	<u>7,875</u>	<u>11,639</u>
	<u><u>134,015</u></u>	<u><u>139,808</u></u>

The average monthly number of employees during the year was as follows:

	2019	2018
Assistant editor	1	1
Editorial assistant	<u>3</u>	<u>3</u>
	<u><u>4</u></u>	<u><u>4</u></u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Journal income	692,306	-	692,306
Book royalties	4,513	-	4,513
Investment income	<u>175,299</u>	<u>-</u>	<u>175,299</u>
Total	872,118	-	872,118
 EXPENDITURE ON			
Charitable activities			
Investment management costs	43,503	-	43,503
Editorial expenses	66,673	-	66,673
Grants to Individuals	817,349	-	817,349
Other	<u>26,040</u>	<u>-</u>	<u>26,040</u>
Total	953,565	-	953,565

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted fund £	Restricted fund £	Total funds £
Net gains/(losses) on investments	<u>(103,942)</u>	-	<u>(103,942)</u>
NET INCOME/(EXPENDITURE)	(185,389)	-	(185,389)
RECONCILIATION OF FUNDS			
Total funds brought forward	6,634,346	-	6,634,346
TOTAL FUNDS CARRIED FORWARD	<u>6,448,957</u>	<u>-</u>	<u>6,448,957</u>

11. OXFORD UNIVERSITY PRESS

	£	2019 £	£	2018 £
Income:				
Sales		370,845		376,289
Consortia revenue		549,426		515,013
Secondary rights		123,175		89,222
Advertising		6,375		3,119
Offprints		21,255		21,376
Other		258,413		224,295
		<u>1,329,489</u>		1,229,314
Expenditure:				
Production	93,576		77,061	
Postage	21,167		23,997	
Publicity	9,703		11,185	
Editorial expense	166,461		165,637	
		<u>290,907</u>		277,880
Gross margin:		1,038,582		951,434
Less:				
Less OUP overhead (7% of Revenue)		93,064		86,052
Net Profit		945,518		865,382
Less:				
20% due to OUP		189,104		173,076
		<u>692,306</u>		<u>716,552</u>

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

12. INTANGIBLE FIXED ASSETS

	Website development costs £
COST	
At 1 April 2018	38,563
Additions	<u>1,665</u>
At 31 March 2019	<u>40,228</u>
AMORTISATION	
At 1 April 2018	24,083
Charge for year	<u>13,410</u>
At 31 March 2019	<u>37,493</u>
NET BOOK VALUE	
At 31 March 2019	<u><u>2,735</u></u>
At 31 March 2018	<u><u>14,480</u></u>

13. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 April 2018 and 31 March 2019	<u>2,726</u>
DEPRECIATION	
At 1 April 2018	1,095
Charge for year	<u>244</u>
At 31 March 2019	<u>1,339</u>
NET BOOK VALUE	
At 31 March 2019	<u><u>1,387</u></u>
At 31 March 2018	<u><u>1,631</u></u>

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2018	6,288,071
Additions	3,234,940
Disposals	(3,388,717)
Revaluations	<u>219,505</u>
At 31 March 2019	<u>6,353,799</u>
 NET BOOK VALUE	
At 31 March 2019	<u>6,353,799</u>
At 31 March 2018	<u>6,288,071</u>

	2019 £	2018 £
Investments at market value comprised:		
Equities	5,266,761	5,375,953
Fixed interest securities	511,790	661,961
Alternative investments	<u>575,248</u>	<u>250,157</u>
	<u>6,353,799</u>	<u>6,288,071</u>

The total cost of investment held outside the UK as at 31 March 2019 amounted to £2,165,466 (2018: £948,941).

The total market value of these investments as at 31 March 2019 amounted to £2,333,610 (2018: £1,155,406).

The historical cost of the investments as at 31 March 2019 was £5,895,988 (2018: £5,520,543).

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other debtors	<u>198,374</u>	<u>174,575</u>

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

16. CASH AT BANK AND IN HAND

	General fund £	2019 Total funds £	2018 Total funds £
Cash in hand	13	13	13
Bank account no. 2	100	100	100
Bank account no. 4	509	509	3,060
Bank account no. 5	3	3	1
Bank account no. 6	205,158	205,158	204,032
Bank account no. 7	337,463	337,463	201,476
Bank account no. 8	156,217	156,217	-
Total	<u>699,463</u>	<u>699,463</u>	<u>408,682</u>

Cash at bank balances were as follows: unrestricted funds £699,463 (2018: £406,682),

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts (see note 18)	25,943	56,471
Other creditors	<u>560,633</u>	<u>382,011</u>
	<u>586,576</u>	<u>438,482</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year on demand:		
Bank overdrafts	<u>25,943</u>	<u>56,471</u>

19. MOVEMENT IN FUNDS

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	6,448,957	220,225	6,669,182
TOTAL FUNDS	<u>6,448,957</u>	<u>220,225</u>	<u>6,669,182</u>

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	976,649	(975,929)	219,505	220,225
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>976,649</u>	<u>(975,929)</u>	<u>219,505</u>	<u>220,225</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted Funds			
General fund	6,634,346	(185,389)	6,448,957
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>6,634,346</u>	<u>(185,389)</u>	<u>6,448,957</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	872,118	(953,565)	(103,942)	(185,389)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>872,118</u>	<u>(953,565)</u>	<u>(103,942)</u>	<u>(185,389)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	6,634,346	34,836	6,669,182
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>6,634,346</u>	<u>34,836</u>	<u>6,669,182</u>

THE GUARANTORS OF BRAIN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	<u>1,848,767</u>	<u>(1,929,494)</u>	<u>115,563</u>	<u>34,836</u>
TOTAL FUNDS	<u><u>1,848,767</u></u>	<u><u>(1,929,494)</u></u>	<u><u>115,563</u></u>	<u><u>34,836</u></u>

20. PENSION COMMITMENTS

The Charity operates a defined contribution (money purchase) pension scheme for the benefit of the employees.

The cost of the contributions are charged to the financial statement of the financial activities as incurred. The cost to the charity for the period amounted to £6,991 (2018 - £7,875). No amounts were outstanding at the year end.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2019.

THE GUARANTORS OF BRAIN
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
INCOME AND ENDOWMENTS		
Investment income		
Dividends received	180,831	129,676
Deposit account interest	<u>34,441</u>	<u>45,623</u>
	215,272	175,299
Charitable activities		
Oxford University Press	756,414	692,306
Elsevier	<u>4,963</u>	<u>4,513</u>
	<u>761,377</u>	<u>696,819</u>
Total incoming resources	976,649	872,118
EXPENDITURE		
Investment management costs		
Portfolio management	47,021	43,503
Charitable activities		
Assistant editor's salary	25,012	25,949
Editorial assistants' salaries	93,210	91,491
Employer pension contribution	6,991	7,875
Employers NI	9,434	8,700
Editorial administration and office expense	56,105	55,743
Editorial board expenses	16,508	12,935
Depreciation	244	287
Contribution from OUP	(148,866)	(148,866)
Amortisation of intangible fixed assets	13,409	12,559
Grants	<u>832,798</u>	<u>817,349</u>
	904,845	884,022
Support costs		
Governance costs		
Auditors' remuneration	5,900	5,700
Auditors' remuneration for non audit work	8,912	9,948
Annual dinner	8,121	9,344
Bank charges	<u>1,130</u>	<u>1,048</u>
	<u>24,063</u>	<u>26,040</u>
Total resources expended	975,929	953,565
Net income/(expenditure) before gains and losses	720	(81,447)

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THE GUARANTORS OF BRAIN
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

	2019	2018
	£	£
Realised recognised gains and losses		
Gains/(losses) on fixed asset investments	219,505	(103,942)
	<hr/>	<hr/>
Net income/(expenditure)	<u>220,225</u>	<u>(185,389)</u>

This page does not form part of the statutory financial statements
