

Charity number: 1164021



**The Blagrove Trust CIO**

**Report and financial statements**

**For the year ended 31 December 2018**

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**Reference and administrative information for the year ended 31 December 2018**

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<b>Charity number</b>	1164021	
<b>Operational address</b>	8 Finsbury Circus c/o Rathbones Trust Company, LONDON, EC2M 7AZ	
<b>Trustees</b>	Trustees who served during the period from formation and up to the date of this report were as follows:	
	Julian Whately	Chair
	Diana Leat	
	Tim Jackson Stops	
	Sir Paul Neave	
	Clare Cannock	
	Tasneem Alom	(appointed Dec 2017 – start Jan 2018)
	Linda Epstein	(appointed Dec 2017)
<b>Key management</b>	Jo Wells	Director
	Tessa Hibbert	Regional Grants Manager
	Edd Fry	Listening Fund, Project Manager
	Philippa Knott	Policy Manager
<b>Bankers</b>	Coutts & Co 440 Strand LONDON, WC2 0QS	
<b>Solicitors</b>	Rathbones Trust Legal Company Legal Services, 1 Curzon Street LONDON, W1J 5FB	
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House, 108-114 Golden Lane LONDON, EC1Y 0TL	

## Report of the Trustees for the year ended 31 December 2018

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The Blagrove Trustees present their third report and the audited financial statements as a charitable incorporated organisation (CIO) for the charity's year ended 31 December 2018.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

### Objectives and activities

The Blagrove Trustees review the aims, objectives and activities of the charity each year in January. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Blagrove Trust reports the success of each key area of work and the benefits the charity has brought to the young people that it supports.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

### Purposes and aims

The Blagrove Trust is a proactive funder dedicated to bringing lasting change to the lives of young people aged 14-25 facing disadvantage in order that they are able to make a successful transition to adulthood.

Our core ambitions are to

- Promote and empower young people as powerful forces for change, and ensure their voices are heard and acted upon in matters that affect them
- To achieve social impact beyond our immediate partners in pursuit of a fair and just society

We do so, by providing grants to partner organisations that support young people to access high quality services and develop the skills, experience and capabilities they need to succeed as adults; funding initiatives that give young people a stake in society and support their own social change efforts; and influence policy on behalf of this age group.

We seek out exciting partnerships with organisations that put young people at the centre of their work, as well as responding to requests for funding that come to us via our website grant requests.

We fund both new and existing charities, small, medium or large provided that they can demonstrate the difference they are making. We work primarily across the South East in Hampshire and the Isle of Wight, Sussex, Wiltshire and Berkshire. We occasionally fund charities that are in neighbouring areas such as Somerset or Oxfordshire where the work is exceptional and fits with our strategy or is filling a specific gap. Pro-actively, we also fund national initiatives that advance our mission.

We place a strong emphasis on organisations that listen to and learn from the young people that they support; empowering them and giving them opportunities to share their views and participate in programmes and governance. This means that they can demonstrate how young people are

## **Report of the Trustees for the year ended 31 December 2018**

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meaningfully involved in the design, delivery and monitoring of their work. The charities we support whether local or regional, are well respected and rooted in those communities. Occasionally we fund national charities that fit with our strategy on a pro-active basis, provided there is a strong rationale for doing so.

We work to add value to our grants where we can by supporting thematic learning, knowledge exchange, and sector collaboration. We work closely with the wider funding community to share learning and improve grant-making. With few exceptions, we fund for a minimum three-year period, to enable a level of financial stability for our funding partners and to reduce both their and our administration costs and we actively encourage unrestricted grants.

We pursue our objectives by managing investments to optimise returns, efficiently administering the charity, controlling the charity in an effective manner and adhering to good practice in the allocation of grants.

### **Achievements and performance**

2018 was another exciting year of progress, clarification and consolidation of our work.

During the year, the Trustees approved grants to 75 organisations and commissioned work totalling £1,797,099. In addition, we leveraged in restricted funding for the Listening Fund totalling £320,000 p.a. x 2 years or a total of £640,000 the majority of which has been paid out in grants to 22 charities.

Over half of our grants offer unrestricted funding compared to 38% last year which we know is of huge value to the voluntary sector, and this figure is set to increase year on year as new grants come onstream and older project funding ends.

A clear strategic focus this year meant more of our new grant partnerships resulted from proactive research and recommendation rather than reacting to cold contacts, and more went to larger organisations – in the £1- £5m turnover bracket, reflecting our increased commitment to support national policy change. 42% of our funding went specifically to support work in the most disadvantaged areas of our region.

### **Notable highlights of the year:**

- The Trustees spent a day together mid-year reviewing and clarifying our vision, mission and ways of working that gives us a clear framework to focus our decision making for the future.
- The Board commissioned the Institute of Voluntary Action to undertake a review of the Trust – both historical and looking at the last 6 years in order to capture evolution, progress and lessons at an important stage in our history. The report captured the 9 hallmarks of a Blaggrave's approach: networking to learn; learning to listen and listening to act; collaboration; changing the power dynamic; core funding; working locally, acting nationally; building internal capacity and diversity; staying agile. The report also analyses our contribution, influence and potential and poses some future challenges and questions. A copy of 'The Blaggrave Story' is available from any member of the Blaggrave team.

## Report of the Trustees for the year ended 31 December 2018

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- The Trust commissioned an external literature review ‘Young People’s Transition to Adulthood’ in February 2018. This summarized and pulled together existing evidence on the extreme challenges faced by young people who already start life facing certain disadvantages: homelessness and housing; low-pay; poor careers guidance and education pathways; mental health and was welcomed by many of our colleagues in the sector.
- As part of our commitment to longer term social change and addressing the root causes of problems we seek to address we recruited a new Policy Manager role in Blagrove. Philippa Knott joined the team in October 2018 and represents significant new capacity to take forward this area of our work. As well as developing our strategy moving forwards, she is convening a group of funders to work together more closely on transition issues.
- We started some exciting work across Hampshire in partnership with the Southern Policy Centre, bringing together a number of partners, young people themselves, local authority and other stakeholders to develop a regional advocacy strategy specifically for the 16-25 age group.
- We funded a national Young Trustees Movement with the Social Change Agency, to grow the numbers of young trustees serving on Boards across the country over the next 5 years. The Charity Commission have worked with us on this and given it their support along with other important strategic partners.
- The start up and launch of a new national initiative in collaboration with a number of other major Trust and Foundations, led and managed by Blagrove and managed by our newly recruited Listening Fund Manager, which aims to shift power to young people across the voluntary sector organisations that support them: The Listening Fund (see below).
- Another successful annual partner meeting which this year focused on power and accountability and was particularly notable for the leadership of the young people who came and spoke.
- A decision to evolve our investment strategy in two ways: to look at making larger social impact investments alongside our grants strategy – most likely to focus on affordable housing for young people; and to further reflect on our overall investment strategy and how to make it more aligned with our mission and values.

The following goes into a bit more detail on each of our strategic areas of work, key progress and achievements.

### **1. Funding outstanding youth organisations working directly with young people aged 14-25.**

Across the South East, employment rates have remained at record levels this year, but our partners tell us that this is not being translated into improved lives for a significant proportion of young people. The boom in employment represents an increase in the number of low pay, low skill, unstable or temporary positions, meaning the future for today’s young people contains the prospect of moving from one short term contract or self employed position to another.

## **Report of the Trustees for the year ended 31 December 2018**

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This year in particular, partners tell us they are seeing an increasing number of young people who are actually destitute – sleeping rough or on friends’ sofas, with no permanent base or regular income. Understandably perhaps, partners report a huge explosion in the occurrence and severity of young people’s mental health problems, with many charities feeling overwhelmed without expert backup and support – now rarely available from CAMHS. Partners report an increasing number choosing to disengage with services that they feel have failed them – these young people are often classed as ‘hidden’ – and don’t even know about the free support our partners are offering. Our partners are having to make increasing efforts to reach the young people who need their support, and work on ‘employability’ has to take second place to practical help and advocacy.

The Trust maintains its endowed funds with Berkshire, Hampshire and Wiltshire Community Foundations, created by grants made in previous years by the former Blaggrave Trust, managed by those organisations and used to make smaller value, one-year grants to local organisations. The total value of our endowments with CFs is £2.179m, split fairly evenly across the three areas.

### **Examples of work supported in this area 2018:**

**YMCA Downlink** (£150,000 over three years): Our funding supports the Brighton Youth Advice Centre that provides thousands of young people through the year with a safe and friendly environment where they can access advice and support. This grant typifies our commitment to working in partnership with organisations that work holistically with young people, rather than focusing on single issue ‘problems’.

**Enthum Foundation** (£20,000 over one year): We supported this new charity to set up Enthum House, a new provision in Eastbourne for young asylum seekers. The charity’s founding came as a result of the closure by the French authorities of the ‘Jungle’ camps in Calais in 2016 and concern over the plight of many destitute young people seeking sanctuary in the UK but without adequate provision to assist them. Enthum House offers supported accommodation and personal support for up to 7 young people.

**Ways into Work** (£45,000 over three years): This specialist employability organisation supports young people to transition from the very protected special school environment into independent living and work. Our funding works with young people and their families to build skills and connect them with a range of local employers challenging sometimes deeply held assumptions on both sides.

### **2. Initiatives that give young people a stake in society and support their own social change efforts**

As well as providing core support to organisations working to ensure that young people who have a voice are listened to by government and other influencers (Advocacy Academy, BYC, Fixers) there are two stand out initiatives we have supported this year under this theme.

#### **The Listening Fund**

The Listening Fund was formally launched in 2018. In partnership with the BIG Lottery Fund, Comic Relief and Esmée Fairbairn, we have committed to working with 22 partners across England for two years, providing funding and support to enable them to develop their practice in terms of how actively listen and respond to young people within their work. Blaggrave have contributed £280,000

## **Report of the Trustees for the year ended 31 December 2018**

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to the £940,000 fund which is currently scheduled to last for two years. In addition, The Listening Fund (Scotland) is being formally launched in early 2019 with our help and assistance.

The 22 Listening Fund partners were selected from 50 invited applicants and work with a wide range of young people, on a diverse range of issues, across a broad geography. They gathered together for the first time in March 2018 for a one-day convening which provided a mixture of thought-provoking speakers, practical guidance and networking opportunities. Since then, partners have had access to additional support and training including webinars from Keystone Accountability, learning sets delivered by Real Insight, and an online peer-to-peer network.

Although the fund is only in its first year, the insights our partners have shared with us are developing sector wide awareness and understanding of how listening in itself is insufficient to address the inequalities facing young people and needs to be accompanied by efforts to address power imbalances, to give young people the authority to make decisions and to fundamentally rethink some of the ways in which the sector works.

Conversations with our partners are also helping us start to identify common traits in effective listening practice. They include avoiding any work which young people identify as tokenistic; securing buy-in from other organisations and agencies who are influential in addressing the issues raised by young people, and; ensuring that organisations provide a flexible approach to listening which is responsive to young people's individual and changing needs.

We are determined to keep learning as the fund develops. In particular, we want to understand how being a Listening Fund partner and developing listening practice affects organisations' governance and the services they offer, and whether it makes their work more impactful. To help us answer these questions, we have commissioned The Centre for Youth Impact to evaluate the fund using a variety of methods including organisational self-assessment, case studies, telephone interviews and consultation with young people. We have also commissioned an experienced consultant, to look at how funders involve different voices in their organisations and to challenge us to think about how we can improve our own practice. Both the Centre for Youth Impact's work and the funder evaluation will continue into 2019.

A dedicated website – [www.thelisteningfund.org](http://www.thelisteningfund.org) – was launched in August 2018 and is being used alongside social media to raise awareness of the work and to share what we learn during the course of The Listening Fund, including the findings of the evaluations. We have also shared our experience and knowledge with other organisations interested in this area of work. This has included among other events, presenting on The Listening Fund at the Feedback Summit in Washington D.C and we see a real interest across the funding and voluntary sector in our work.

### **Young Trustees**

We have funded the Social Change Agency to advance work that grows the number of young trustees serving on Boards. This has arisen from our own young Board members and increasing confidence based on our own experience of the huge amount young people have to offer, alongside a desire to advance diversity in the sector more generally and a recognition that young people are key to this. Current numbers of under 25's serving on Board is 0.8% across England and Wales and this piece of work seeks to double this over the next 5 years. It is a collaborative effort that seeks to create a movement for change and we are delighted by the engagement of numerous stakeholders in this work.

### **3. Influence policy on behalf of disadvantaged 16-25's**

This area of work is newer to the Trust but we have made significant steps over the course of the year to advance our thinking and in support of some key organisations. Of note is the work we have commenced with the Southern Policy Centre in Hampshire, which will be developing an advocacy strategy for the 16-25s in the region, launching in Spring 2019. Young people themselves have been key to the research that is informing this work. We also commissioned a literature review on the most pressing evidence of need for this group; and have convened a group of funders to share our work in this area and explore joint strategies for response. Towards the end of the year we were delighted to recruit Philippa Knott to the team – her role most particularly during 2019 will be to refine and deliver on our policy influencing strategy. A large component of which will most likely involve supporting young people themselves to lead change, through their campaigning or advocacy work.

Examples of work supported in this area in 2018:

- Young Women's Trust (£135,000 over three years): to advance their policy work on issues such as a living wage for under 25's.
- Childrens' England (£75,000 over three years): core funding to enable them to advance their work on a child-friendly welfare state
- Just for Kids Law (£150,000 over three years): to support their policy and research work with young people on schools exclusions; housing and other issues.

### **4. Working with the wider funding community and our partners to share learning and improve grant- making**

The Trust continues to believe in the value and importance of bringing stakeholders together and in being generous with our time and energy in pursuit of better solutions to intractable social problems. To this end, we have continued to Chair various funder learning groups (both in the region and nationally); regularly present to other Trusts to share knowledge and learning and support a community of practice amongst our partner charities. Of particular note, is our annual partner meeting.

This year's partner meeting focused on Power and Accountability and was attended by about 45 representatives of our funding partners, some exceptional young people and the whole Blaggrave Board. This is always a highlight of our calendar – an opportunity to share, explore and discuss key issues in our sector together.

### **Plans for the future**

2019 will be a busy year for the Trust now that we have a team of 4, which is a significant departure.

Of particular note are the following:

- Plans to advance our governance in particular with the anticipated end of terms of office for our Chair and other long-serving Trustee and to recruit both a new Chair and a further 3 young people to the Board
- Plans to move at least a proportion of our investments into a fund that is aligned more clearly with our values and mission, with discussions on this underway
- To expand the Listening Fund so it continues into 2020 and beyond

## Report of the Trustees for the year ended 31 December 2018

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- To refine a youth led policy strategy and our thinking re: what that means and how we can influence the policy process
- To bring some of our finance and admin functions inhouse to retain better control over these as well as to reduce reliance on Rathbones – options are being discussed but employing a bookkeeper/administrator or outsourcing are most likely.

### **Public benefit**

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The public benefit of the Charity's activities is the support and enablement of vulnerable and disadvantaged children and young people and these are achieved principally by the award and monitoring of grants.

### **Structure, governance and management**

The Blagrove Trust CIO was established in October 2015, becoming operational from 24 March 2016 with assets transferred from the previous charity with effect from that date.

Our two new trustees started in early 2018 having been recruited at the close of 2017, having met with other Board members and had a thorough induction.

The Board meets four times a year, in March, July, November and January, and gives detailed consideration to monitoring the progress of the Charity in achieving its performance and quality objectives. This includes reporting on returns from investments in securities and properties, grant strategies, approving grant applications and capital expenditure and any other adjustments to costs, as well as the identification and management of risk. In July 2018 the whole Board went to Linkenholt for an 'away day' and night. This was important time spent together and resulted in our refreshed 'Blagrove Charter'.

The Trustees and the Trust Director have developed a budget to achieve the objectives of the Charity and the Trust Director has been charged by the Board to be responsible for the delivery of this plan, reporting to the Board on performance.

The Trustees delegate responsibility for the day-to-day operation and management of the Charity to the Trust Director. The Trust Director attends charity networking events and meets with colleagues so that any relevant information, such as new Charity Commission requirements, and sectoral developments relating to good practice and impact measurement, are reported to the Trustees.

### **Financial review**

Income for 2018 totaled £2.24m with £1.9m from the investment portfolio and rent on the investment properties. Expenditure totaled £2.4m. After the net loss on listed investments of £1.16m the net position was a deficit of £1.326m.

The results reflect the sell-off in equity markets at the end of the year with the investment portfolio showing a net loss of £1.16m. Against this the income from our investment and property portfolios continued to rise, producing a total income for the period of £2.24m. This has enabled the trustees to

## **Report of the Trustees for the year ended 31 December 2018**

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continue the planned programme of grants, resulting in a deficit of £1.32m for the year after the loss on listed investments.

The trustees consider there to have been no significant movement in the values of the investment properties over the period and the results were in line with their expectations. The trustees will continue to monitor the property and investment markets for evidence of changes and these will be accounted for as appropriate in future years.

### **Remuneration policy for key management personnel**

Executive pay is determined by the trustees, with decisions being informed by comparison to salaries within the sector, and subject to a “value for money” test. Trustees reviewed salaries, terms and conditions at the November Board meeting. This year it was agreed that the Director and the Regional Grants Manager would receive marginal rises based on rates of inflation. The Policy Manager would not receive a rise, given the fact that she has only been in post less than a year. The Trust also agreed a higher rate of employer pension contribution for all staff at 5%, and is looking into terms and conditions re: sick leave and maternity leave.

### **Investment policy**

The Trustees pursue a policy that provides income for current activities while enhancing the underlying capital value of the Trust assets. We have split the management of the Trust’s listed investments between two investment advisers who have been briefed to invest the funds under their control on a medium risk basis so as to obtain above average rates of return. We have also briefed the manager of our commercial property portfolio to continue to obtain above average rates of income return whilst enhancing the capital value of the assets through active management. We periodically review performance to ensure the best outcome for the Trust, and as highlighted earlier in this report are actively engaging with ethical fund managers to assess whether we should move our investments to be more closely aligned with mission.

### **Fundraising policy**

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

### **Reserves policy and going concern**

We have agreed to maintain a liquid balance of Trust income equal to at least three months of annual expenditure to meet forward grant commitments and provide stability in the event of any deterioration in returns from our investments (perhaps resulting from a downturn in the economy) and provide a safeguard against the need to draw on Trust capital. Three months of annual expenditure for the current period equates to over £500,000 and the balance on Trust income at £628,054 at the end of the period suggests that we are maintaining an appropriate level of liquidity whilst ensuring that excessive funds are not accumulated. The adequacy of this policy is reviewed annually.

## Report of the Trustees for the year ended 31 December 2018

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Capital funds are maintained in order to generate investment income to fund the charity's activities, as no other fund-raising activities are undertaken.

The trustees have identified no significant short or medium term financial risks to the charity's continued operations, and therefore the accounts have been prepared on the going concern basis.

### **Risk**

The major risks to which the Charity is exposed have been identified by the Trustees and procedures established to mitigate these risks are monitored and reviewed regularly and have been recorded in the risk register. We minimise investment risk through the maintenance of a diverse stock market and property portfolio; finance risk by the preparation and monitoring of budgets; strategic risk by the maintenance of good practice in the allocation of grants; and operational risk and regulation compliance risk through the regular review of activities and the use of professional advisers.

### **Statement of Trustees' responsibilities**

Law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principals in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice 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 adequate 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. 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 are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Report of the Trustees for the year ended 31 December 2018**

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### **Independent auditor**

Sayer Vincent LLP were re-appointed as the charity's auditor during the period and has expressed its willingness to continue in that capacity.

This report was approved by the Trustees on 16 July 2019 and signed by:

**J R Whately**  
**Chair of Trustees**

## **Independent auditor's report to the members of The Blgrave Trust**

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### **Opinion**

We have audited the financial statements of The Blgrave Trust (the charitable incorporated organisation – 'charity') for the year ended 31 December 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and 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 charity's affairs as at 31 December 2018 and of its incoming resources and application of resources, 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 Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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

## **Independent auditor's report to the members of The Blgrave Trust**

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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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient and proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees 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.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity 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 as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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

## **Independent auditor's report to the members of The Blgrave Trust**

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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 entity'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 entity'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 entity 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

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 charity's trustees as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, 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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

18 July 2019  
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 Blgrave Trust

Statement of financial activities

For the year ended 31 December 2018

	Note	Restricted funds £	Unrestricted Trust capital £	Trust income £	2018 Total £	2017 Total £
<b>Income from:</b>						
Grant		320,000	-	-	320,000	-
Investments						
Investment properties		-	-	1,021,454	1,021,454	979,505
Listed securities		-	-	900,640	900,640	962,277
Gross interest		-	-	342	342	764
<b>Total income</b>		<b>320,000</b>	<b>-</b>	<b>1,922,436</b>	<b>2,242,436</b>	<b>1,942,546</b>
<b>Expenditure on:</b>						
Raising funds						
Investment properties		-	-	235,928	235,928	278,781
Listed securities		-	150,616	-	150,616	134,240
Charitable activities						
Grant making		434,453	-	1,585,793	2,020,246	1,597,675
Linkenholt Countryside Adventure		-	-	1,980	1,980	1,180
<b>Total expenditure</b>	3	<b>434,453</b>	<b>150,616</b>	<b>1,823,701</b>	<b>2,408,770</b>	<b>2,011,876</b>
<b>Net (expenditure)/income before net (loss)/gains on investments</b>		<b>(114,453)</b>	<b>(150,616)</b>	<b>98,735</b>	<b>(166,334)</b>	<b>(69,330)</b>
Net (loss)/gains on investments		-	(1,160,407)	-	(1,160,407)	2,146,652
<b>Net movement in funds</b>	5	<b>(114,453)</b>	<b>(1,311,023)</b>	<b>98,735</b>	<b>(1,326,741)</b>	<b>2,077,322</b>
<b>Reconciliation of funds:</b>						
Total funds at start of the year		200,000	40,043,794	529,319	40,773,113	38,695,791
<b>Total funds at end of the year</b>	16a	<b>85,547</b>	<b>38,732,771</b>	<b>628,054</b>	<b>39,446,372</b>	<b>40,773,113</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

The Blgrave Trust

Balance sheet

As at 31 December 2018

	Note	£	31-Dec 2018 £	£	31-Dec 2017 £
<b>Fixed assets:</b>					
Tangible assets	9		82,813		90,600
Investment properties	10		13,115,128		13,092,577
Investments	11		26,199,743		27,392,268
			<u>39,397,684</u>		<u>40,575,445</u>
<b>Current assets:</b>					
Debtors	12	53,727		92,636	
Cash at bank and in hand		630,495		464,606	
		<u>684,222</u>		<u>557,242</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	(617,532)		(336,499)	
<b>Net current assets</b>			<u>66,690</u>		<u>220,743</u>
<b>Total assets less current liabilities</b>			<u>39,464,374</u>		<u>40,796,188</u>
Creditors: amounts falling due after one year	14		(18,002)		(23,075)
<b>Total net assets</b>			<u>39,446,372</u>		<u>40,773,113</u>
<b>The funds of the charity:</b>					
Restricted funds	16		85,547		200,000
Unrestricted funds:					
Trust capital		38,732,771		40,043,794	
Trust income		628,054		729,319	
Total unrestricted funds			<u>39,360,825</u>		<u>40,773,113</u>
<b>Total charity funds</b>	16		<u>39,446,372</u>		<u>40,773,113</u>

Approved by the trustees on 16 July 2019 and signed on their behalf by

J R Whately  
Trustee

The Blgrave Trust

Statement of cash flows

For the year ended 31 December 2018

	Note	31-Dec 2018 £	£	31-Dec 2017 £	£
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	17		(1,765,772)		(1,958,076)
<b>Cash flows from investing activities:</b>					
Dividends, interest and rents from investments		1,922,094		1,942,546	
Proceeds from sale of investments		2,169,087		3,884,101	
Purchase of investments		(2,187,719)		(3,442,282)	
Purchase of investment properties		(22,551)		(217,447)	
Movement in cash held by investment broker		50,750		(282,943)	
<b>Net cash provided by investing activities</b>			<b>1,931,661</b>		<b>1,883,975</b>
<b>Change in cash and cash equivalents in the year</b>			<b>165,889</b>		<b>(74,101)</b>
Cash and cash equivalents at the beginning of the year			<b>464,606</b>		<b>538,707</b>
<b>Cash and cash equivalents at the end of the year</b>			<b>630,495</b>		<b>464,606</b>

**1 Accounting policies**

**a) Statutory information**

The Blagrave Trust is a charitable incorporated organisation (CIO) registered with the Charity Commission in England & Wales. The office address is c/o Rathbone Trust Legal Services Limited, 8 Finsbury Circus, London, EC2M 7AZ.

**b) Basis of preparation**

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (September 2015) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

**c) Public benefit entity**

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

**d) Going concern**

The trustees consider that there are no material uncertainties about the CIO'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 year.

**e) Income**

Income is recognised and included in the accounts when the CIO has entitlement, any performance conditions attached to the income have been met or are fully within the control of the CIO, receipt of the income is probable and the amount can be measured reliably.

**f) Interest receivable**

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.

**g) Expenditure and irrecoverable VAT**

All expenditure is included on an accruals basis and 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 relate to the professional costs incurred by the charity in managing the investment portfolios, and the associated support costs.
- Expenditure on charitable activities includes the costs of grants undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

**1 Accounting policies (continued)**

**h) 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 fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes of the entity.

**i) Grants payable**

Grants payable are made to third parties in furtherance of the CIO's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the CIO.

Provision for grants are made once the CIO has made a commitment at a meeting of the Trustees and this has been communicated to the grantee. The CIO uses annual reviews to determine whether funding is provided in the subsequent years of a recurring obligation and retains the discretion to terminate a grant. For this reason, an immediate liability arises only for the first year of the funding commitment.

**j) Tangible fixed assets**

Tangible fixed assets are stated at cost or donated value less depreciation.

Depreciation is provided at rates calculated to write down the cost, less estimated residual value, of each asset over its expected useful life as follows:

- Leasehold property improvements over the term of the lease
- Plant and machinery 20% reducing balance

**k) Investment properties**

Investment properties are included in the balance sheet at their market value and are not depreciated.

**Listed investments**

Listed investments are included in the balance sheet at their market value and realised and unrealised gains and losses are shown net in the statement of financial activities.

**l) 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.

**m) 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.

**n) Creditors and provisions**

Creditors and provisions are recognised where the CIO 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.

**o) Pensions**

The CIO has committed to providing a pension to an ex-employee. The payment is intended to cover the cost of the council tax and minor household repairs of the recipient. The provision is calculated by multiplying the estimated life expectancy by the annual cost, discounted at a rate based on a high quality corporate bond of equivalent currency and term to arrive at the scheme liability. The scheme is closed to new entrants and movements in the provision are calculated and credited to the profit and loss account on an annual basis.

The Blgrave Trust

Statement of financial activities

For the year ended 31 December 2018

2 Detailed comparatives for the statement of financial activities

	Restricted £	Trust capital £	Trust income £	2017 Total £
<b>Income from:</b>				
Investments				
Investment properties	-	-	979,505	979,505
Listed securities	-	-	962,277	962,277
Other income	-	-	-	-
Gross interest	-	-	764	764
<b>Total income</b>	-	-	1,942,546	1,942,546
<b>Expenditure on:</b>				
Raising funds				
Investment properties	-	-	278,781	278,781
Listed securities	-	134,240	-	134,240
Charitable activities				
Grant making	-	-	1,597,675	1,597,675
Linkenholt Countryside Adventure	-	-	1,180	1,180
<b>Total expenditure</b>	-	134,240	1,877,636	2,011,876
<b>Net (expenditure)/income before net gains on investments</b>	-	(134,240)	64,910	(69,330)
Net gains on investments	-	2,146,652	-	2,146,652
<b>Net income</b>	-	2,012,412	64,910	2,077,322
Transfers between funds	200,000	-	(200,000)	-
<b>Net movement in funds</b>	200,000	2,012,412	(135,090)	2,077,322
<b>Reconciliation of funds:</b>				
Total funds at start of the year	-	38,031,382	664,409	38,695,791
<b>Total funds at end of the year</b>	<b>200,000</b>	<b>40,043,794</b>	<b>529,319</b>	<b>40,773,113</b>

3a Analysis of expenditure (current year)

	Raising funds– investment properties £	Raising funds– listed securities £	Charitable activities		Governance costs £	Support costs £	31 Dec 2018 Total £	31 Dec 2017 Total £
			Grant making £	Linkenholt Countryside Adventure £				
Grants awarded (note 4)	-	-	1,797,099	-	-	-	1,797,099	1,470,955
Staff costs (note 6)	-	-	-	-	-	109,074	109,074	65,973
Investment manager fees	-	113,425	-	-	-	-	113,425	113,119
Investment property manager fees	105,950	-	-	-	-	-	105,950	95,388
Investment property expenses	92,787	-	-	-	-	-	92,787	162,273
Consultancy	-	-	-	-	-	57,511	57,511	21,565
Linkenholt Countryside Adventure lease costs	-	-	-	1,980	-	-	1,980	1,180
Travel and subsistence	-	-	-	-	-	17,311	17,311	6,156
Rental and IT	-	-	-	-	-	4,153	4,153	3,350
Administrative costs–Rathbones	-	-	-	-	-	13,440	13,440	15,780
Administrative costs–general	-	-	-	-	-	43,771	43,771	21,668
Conference and networking	-	-	-	-	-	3,844	3,844	1,587
Subscription and membership costs	-	-	-	-	-	2,987	2,987	3,965
Governance	-	-	-	-	3,360	-	3,360	1,237
Depreciation	-	-	-	-	-	7,787	7,787	7,901
Audit, accountancy and legal	-	-	-	-	10,250	24,041	34,291	19,779
	198,737	113,425	1,797,099	1,980	13,610	283,919	2,408,770	2,011,876
Support costs	35,491	35,490	212,938	-	-	(283,919)	-	-
Governance costs	1,700	1,701	10,209	-	(13,610)	-	-	-
<b>Total expenditure 2018</b>	<b>235,928</b>	<b>150,616</b>	<b>2,020,246</b>	<b>1,980</b>	<b>-</b>	<b>-</b>	<b>2,408,770</b>	
Total expenditure 2017	278,781	134,240	1,597,675	1,180	-	-		2,011,876

The Blgrave Trust

Notes to the financial statements

For the year ended 31 December 2018

3b Analysis of expenditure (prior year)

	Raising funds– investment properties £	Raising funds– listed securities £	Charitable activities		Governance costs £	Support costs £	Year ended 31 Dec 2017 Total £
			Grant making £	Linkenholt Countryside Adventure £			
Grants awarded (note 4)	-	-	1,470,955	-	-	-	1,470,955
Staff costs (note 6)	-	-	-	-	-	65,973	65,973
Investment manager fees	-	113,119	-	-	-	-	113,119
Investment property manager fees	95,388	-	-	-	-	-	95,388
Investment property expenses	162,273	-	-	-	-	-	162,273
Consultancy	-	-	-	-	-	21,565	21,565
Linkenholt Countryside Adventure lease costs	-	-	-	1,180	-	-	1,180
Travel and subsistence	-	-	-	-	-	6,156	6,156
Rental and IT	-	-	-	-	-	3,350	3,350
Administrative costs–Rathbones	-	-	-	-	-	15,780	15,780
Administrative costs–general	-	-	-	-	-	21,668	21,668
Conference and networking	-	-	-	-	-	1,587	1,587
Subscription and membership costs	-	-	-	-	-	3,965	3,965
Governance	-	-	-	-	1,237	-	1,237
Depreciation	-	-	-	-	-	7,901	7,901
Audit, accountancy and legal	-	-	-	-	9,600	10,179	19,779
	257,661	113,119	1,470,955	1,180	10,837	158,124	2,011,876
Support costs	19,766	19,766	118,592	-	-	(158,124)	-
Governance costs	1,354	1,355	8,128	-	(10,837)	-	-
<b>Total expenditure year ended 31 December 2017</b>	<b>278,781</b>	<b>134,240</b>	<b>1,597,675</b>	<b>1,180</b>	<b>-</b>	<b>-</b>	<b>2,011,876</b>

**4 Grants awarded**

The Charity undertakes its charitable activities predominantly through grant making and awarded grants to the following organisations during the year ended 31 December 2018. All grants were to institutions, as listed below:

	2018 £	2017 £
<b>Unrestricted grants:</b>		
<b>Core grants – supporting young people facing disadvantage</b>		
Wheatsheaf	–	28,755
QEST	–	–
EBP South	32,000	32,000
Adviza	–	50,000
Resurgo	–	50,000
Youth Options	–	29,000
Tomorrow's People	–	30,000
DeafPLUS	–	12,500
Artsworld	25,000	25,000
Ways to work	15,000	15,000
Princes Trust	50,000	50,000
Step by Step	20,000	20,000
Youth Action Wiltshire	40,000	40,000
Seeds for Success	10,000	10,000
Dame Kelly Holmes	36,000	36,000
Inner Flame	15,000	15,000
Enabling Enterprise	–	30,000
Wealden Works	20,000	–
The Roberts Centre	25,000	25,000
It's your choice	25,000	38,000
Barnados Bristol Base	–	45,000
Kids	–	35,000
Living Paintings	–	20,000
Splitz	–	45,000
Who Cares Trust	–	30,000
Winston's Wish	–	35,000
No Way Trust	–	10,000
Learning Links	16,200	16,200
Hasting and Rother mediation	13,000	13,000
Ellen MacArthur	–	15,000
Scouts	–	21,000
Tall Ships Youth Trust	10,000	10,000
Ufton Court	20,000	20,000
Jamie's farm	26,000	26,000
Wet Wheels	–	30,000
A Band of Brothers	30,000	30,000
Youth Adventure Trust	25,000	–
Empire Fighting Chance	25,000	–
Learning 2 Work	15,000	–
Off the record	20,000	–
Personal Support Unit	10,000	–
Student Hubs	10,000	–
Dallaglio Rugby Works	24,000	–
Amber Foundation	30,000	–
Yellow Submarine	20,000	–
Enthum House	20,000	–
No Limits	30,000	–
Yellow Door	30,000	–
YMCA	50,000	50,000
Sussex CF	–	107,000
<b>Policy and Influence</b>		
ECPAT	20,000	20,000
The Shelia McKechnie Foundation	5,000	15,000
Southern Policy Centre	20,000	–
Advocacy Academy	20,000	–
Funding Young People Directly	10,000	–
Lankelly/Blagrave Work	10,000	–
Just for Kids Law	50,000	–
Young Women's Trust	45,000	45,000
<b>Sub-total</b>	<b>917,200</b>	<b>1,174,455</b>

4	Grants awarded (continued)	2018 £	2017 £
	<b>Sub-total carried forward (unrestricted)</b>	<b>917,200</b>	<b>1,174,455</b>
	Margaret Bolton consulting	-	6,500
	Southern Policy Centre	-	30,000
	Centre for Youth Impact	-	20,000
	Children England	25,000	-
	Resonance	10,000	-
	<b>Youth voice and empowerment</b>		
	Southampton Hub	-	10,000
	Fixers	60,000	60,000
	The Source/Creating Futures	30,000	30,000
	British Youth Council	50,000	50,000
	YES (Youth Engagement Slough)	40,000	40,000
	Youth Access	30,000	30,000
	UK Youth	-	20,000
	Straight Talking UK	20,000	-
	Isle of Wight Youth Trust	30,000	-
	Berkshire Youth	20,000	-
	Social Change Agency	35,000	-
	The Listening Fund	130,000	-
	<b>Total unrestricted grants</b>	<b>1,397,200</b>	<b>1,470,955</b>
	<b>Restricted grants:</b>		
	<b>Listening Fund</b>		
	Become	19,576	-
	Carefree	20,000	-
	CASY	8,440	-
	Centre63	15,020	-
	Drive Forward Foundation	16,107	-
	Gendered Intelligence	19,978	-
	Investing in Children	16,312	-
	It's Your Choice	19,992	-
	Just for Kids Law	20,000	-
	KRAN	17,740	-
	LEAP CC	20,000	-
	London Black Women's Project	18,477	-
	Prison Reform Trust	20,000	-
	Spark Inside	20,000	-
	Step by Step	19,404	-
	The Beatfreeks	20,000	-
	The Change Foundation	13,754	-
	The Foyer Federation	19,739	-
	The Magdalene Group	17,218	-
	The Mix	19,577	-
	Trelya	18,567	-
	Youth Access	19,998	-
	<b>Total restricted grants</b>	<b>399,899</b>	<b>-</b>
	<b>Total grants at the end of the year:</b>	<b>1,797,099</b>	<b>1,470,955</b>
	<b>5 Net (expenditure) / income for the year</b>		
	This is stated after charging:	2018 £	2017 £
	Depreciation	7,787	7,901
	Auditors' remuneration (excluding VAT):		
	Audit	7,250	7,000
	Other services	9,250	9,000

**6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs in respect of staff who were also key management personnel in the year, were as follows:

	2018 £	2017 £
Salaries and wages	93,550	60,900
Social security costs	13,235	3,714
Employer's contribution to defined contribution pension schemes	2,289	1,359
	<u>109,074</u>	<u>65,973</u>

The trustees received no remuneration for their role as trustees in the year (2017: £Nil). Related party transactions with trustees are disclosed in note 7 below. During 2018, 3 trustees were reimbursed expenses totalling £1,320.

The average number of employees (head count based on number of staff employed) during the year was 2.25 (2017: 1.5).

**7 Related party transactions**

J R Whately (Trustee) provided legal services to the CIO via the Rathbone Trust Company Limited until 6 April 2017 when he became a director of Rathbone Trust Legal Services Limited. At this point, the Rathbone Trust Company ceased to provide all services except payroll services provided at arms' length in the normal course of business. During the period, fees paid to the two entities amounted to £17,980 (2017: £71,650).

T Jackson-Stops (Trustee) provided property consultancy services to the CIO. During 2018 he was paid fees of £6,000. There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**8 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**9 Tangible fixed assets**

	Plant and Machinery £	Leasehold improvements £	Total £
<b>Cost</b>			
At the start of the year	10,771	146,648	157,419
At the end of the year	10,771	146,648	157,419
<b>Depreciation</b>			
At the start of the year	8,494	58,325	66,819
Charge for the year	455	7,332	7,787
At the end of the year	8,949	65,657	74,606
<b>Net book value</b>			
At the end of the year	<u>1,822</u>	<u>80,991</u>	<u>82,813</u>
At the start of the year	<u>2,277</u>	<u>88,323</u>	<u>90,600</u>

All of the above assets are used for charitable purposes.

10 Investment properties

	2018 £	2017 £
Fair value at the start of the year	13,092,577	12,875,130.00
Additions in the year	22,551	217,447
	<u>13,115,128</u>	<u>13,092,577</u>

The Trustees valued the investment properties on an open market basis at 31 December 2018 and consider there have been no significant movements in the values brought forward from the previous year. The property investments are all held in the UK.

11 Listed investments

	2018 £	2017 £
Fair value at the start of the year	27,019,564	25,314,731
Additions at cost	2,187,719	3,442,282
Disposal proceeds	(2,169,087)	(3,884,101)
Net (loss)/gain on change in fair value	(1,160,407)	2,146,652
	<u>25,877,789</u>	<u>27,019,564</u>
Cash held by investment broker pending reinvestment	<u>321,953</u>	<u>372,703</u>
Fair value at the end of the year	<u>26,199,742</u>	<u>27,392,267</u>
Historic cost at the end of the year	<u>22,805,187</u>	<u>19,129,728</u>

Total investments comprise:

	2018 £	2017 £
Listed investments	25,877,789	27,019,564
Cash held for investment	321,953	372,703
Investment in dormant subsidiary	1	1
	<u>26,199,743</u>	<u>27,392,268</u>

12 Debtors

	2018 £	2017 £
Trade debtors	37,065	61,834
Prepayments	12,063	15,996
Accrued income – rents in advance	1	14,806
Taxation	4,598	4,291
	<u>53,727</u>	<u>92,636</u>

With the exception of listed investments, all of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in notes 13 & 14 below.

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	28,250	9,036
Accruals	58,181	80,028
Grant commitments	308,932	54,251
Deferred income	217,571	188,893
Taxation and social security	4,598	-
	<u>617,532</u>	<u>336,499</u>

14 Creditors: amounts falling due after one year

	2018 £	2017 £
Annuity provision	<u>18,002</u>	<u>23,075</u>

15a Analysis of net assets between funds (current year)

	Trust capital £	Trust income £	Restricted fund £	Total funds £
Tangible fixed assets	82,813	-	-	82,813
Investment properties	13,115,128	-	-	13,115,128
Investments	26,199,743	-	-	26,199,743
Net current assets/(liabilities)	(646,911)	628,054	85,547	66,690
Annuity obligations	(18,002)	-	-	(18,002)
	<u>38,732,771</u>	<u>628,054</u>	<u>85,547</u>	<u>39,446,372</u>

15b Analysis of net assets between funds (prior year)

	Trust capital £	Trust income £	Restricted fund £	Total funds £
Tangible fixed assets	90,600	-	-	90,600
Investment properties	13,092,577	-	-	13,092,577
Investments	27,392,268	-	-	27,392,268
Net current assets/(liabilities)	(308,576)	529,319	200,000	220,743
Pension obligations	(23,075)	-	-	(23,075)
	<u>40,243,794</u>	<u>529,319</u>	<u>200,000</u>	<u>40,773,113</u>

## 16a Movements in funds (current year)

	At 1 January 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 Dec 2018 £
<b>Restricted funds</b>					
The Listening Fund	200,000	320,000	(434,453)	-	85,547
<b>Unrestricted funds</b>					
Trust capital	40,043,794	-	(1,311,023)	-	38,732,771
Trust income	529,319	1,922,436	(1,823,701)	-	628,054
<b>Total unrestricted funds</b>	40,573,113	1,922,436	(3,134,724)	-	39,360,825
<b>Total funds</b>	40,773,113	2,242,436	(3,569,177)	-	39,446,372

## 16b Movements in funds (prior year)

	At 1 January 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 Dec 2017 £
<b>Restricted funds</b>					
The Listening Fund	-	-	-	200,000	200,000
<b>Unrestricted funds</b>					
Trust capital	38,031,382	2,146,652	(134,240)	-	40,043,794
Trust income	664,406	1,942,546	(1,877,633)	(200,000)	529,319
<b>Total unrestricted funds</b>	38,695,788	4,089,198	(2,011,873)	(200,000)	40,573,113
<b>Total funds</b>	38,695,788	4,089,198	(2,011,873)	-	40,773,113

## 17 Reconciliation of net income to net cash flow from operating activities

	31-Dec 2018 £	31-Dec 2017 £
<b>Net (expenditure)/income for the reporting period (as per the statement of financial activities)</b>	(1,326,741)	2,077,322
Depreciation charges	7,787	7,901
Losses/(gains) on investments	1,160,407	(2,146,652)
Dividends, interest and rent from investments	(1,922,094)	(1,942,546)
Decrease in debtors	38,909	85,275
Increase/(decrease) in creditors	275,960	(39,376)
<b>Net cash used in operating activities</b>	(1,765,772)	(1,958,076)