

Charity number: 1164021



The Blagrove Trust CIO

Report and financial statements

For the year ended 31 December 2019

Contents

Reference and administrative information	1
Trustees' annual report	2
Independent auditor's report	15
Statement of financial activities	18
Balance sheet	19
Statement of cash flows.....	20
Notes to the financial statements	21

Reference and administrative information for the year ended 31 December 2019

Charity number	1164021	
Registered address	The Blgrave Trust, 4th Floor 18 St. Cross Street London EC1N 8UN	
	The team operate out of 30 Percy St, Fitzrovia, London	
Trustees	Trustees who served during the year and up to the date of this report were as follows:	
	Julian Whately	Chair, resigned October 2019
	Peter Babudu	Appointed Chair, July 2019 – formally took over November 2019
	Diana Leat	Resigned March 2020
	Tim Jackson Stops	
	Sir Paul Neave	Resigned March 2020
	Clare Cannock	
	Tasneem Alom	
	Linda Epstein	
	Segun Olowookere	Appointed, July 2019
	Daze Aghaji	Appointed, March 2020
	Boudicca Pepper	Appointed, March 2020
Key management	Jo Wells	Director
	Tessa Hibbert	Regional Partnerships Manager
	Edd Fry	Listening Fund, Project Manager
	Philippa Knott	Policy Manager
Bankers	Coutts & Co 440 Strand LONDON, WC2 0QS	
Solicitors	Rathbones Trust Legal Company Legal Services, 1 Curzon Street LONDON, W1J 5FB	
Auditor	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 2019

The Blagrove Trustees present their fourth report and the audited financial statements as a charitable incorporated organisation (CIO) for the charity's year ended 31 December 2019.

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 the 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. Increasingly we are funding charities that are run by and for young people. 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.

Report of the Trustees for the year ended 31 December 2019

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

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 their 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

2019 was another exciting year of progress, clarification and consolidation of our work.

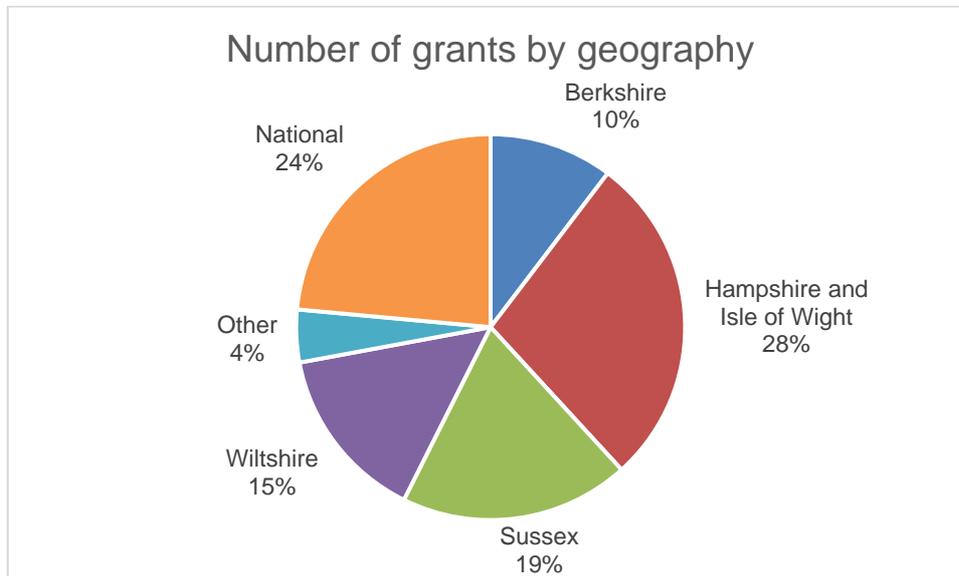
During the year, the Trustees approved grants to 61 organisations approving funding of £1,619,863 – of these 30 were new grants. In addition, we continued to manage the pooled fund - the Listening Fund paying out a further £377,458 in grants to 21 charities.

We seek out partnerships with ‘outstanding’ youth organisations because our aim is to make the biggest difference to young people. In 2019 we clarified and articulated what this means to us and how we would recognise outstanding organisations. Of these grants we are holding 18 that can be described as specifically policy orientated. These cover a range of social justice areas from mental health, reform of the welfare state and children’s services, young women’s issues, employment, homelessness, criminal justice, and mental health.

76% of our new grants approved in 2019 offer unrestricted funding compared to 78% 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. 83% of our grants cover a 3-year period, with some organisations now moving into their 4-6 year funding cycle with us.

In the region, we are particularly pleased that 60% of our funding goes to support young people in areas that are poorest – this is an increase from 42% last year and reflects our strategic emphasis on reaching those who need our help most. Whilst we are issue-agnostic in a lot of our work, that is we don’t focus on specific themes, all our work aims to support and empower the most marginalized young people – those who have very low or no qualifications; young people who are in or have left care; young people who are economically inactive; ‘hidden’ young people who are not receiving

other sources of help; work with young people with learning disabilities to help with their transition to adult life; and migrant young people.



Key Highlights of the year

- Climate change:**
 In Oct 2019, spurred on by young people and concerned about climate in equal measure, we produced a briefing on climate for the Board and our internal use and we became a founding signatory of the Funder Commitment on Climate Change <https://fundercommitmentclimatechange.org>. This agreement publicly commits us to play our part in climate change whether it be through educating and learning; committing resources; stewarding our investments for a post-carbon future; de-carbonising our own operations. We will report on progress against these goals annually.
- Commissioned research:**
 We commissioned a small specific piece of work with OCSI on ‘left-behind areas’ in our region, in line with our commitment to ensuring that our funding goes to where it’s needed most. This analysis shows that along the south coast outcomes for young people in the most disadvantaged areas of our patch are still poor. Indeed, the gap between their outcomes and those of their more advantaged peers is growing. This was presented at our annual partner meeting.
- The Opportunity Fund**
 The Opportunity Fund is a 3-year pilot we initiated and co-produced with Paul Hamlyn Foundation and sector partners that will provide the equivalent of c. 2 days p week basic income to young people from disadvantaged backgrounds to enable them to pursue the social change initiatives they want – with an emphasis on structural change and/or entrepreneurialism. This is an important innovation and a key mechanism by which we can support young people directly and learn about what works.

- **The Young Trustees Movement**

The Young Trustees Movement seeks to grow the numbers of young people serving on Boards in England and Wales to grow the pipeline of future civil society leaders, support the reform of governance generally, and increase diversity, equity and inclusion much needed in our sector. It was developed by Blagrave and is now led by the Social Change Agency with the support of several funders and an advisory committee which we sit on, along with the Charity Commission and others. It was successfully launched with pledged commitments and a committee of young people recruited to lead its development.

- **Youth led change and policy development**

At the January 2019 board meeting, we reflected on a key question: how can we further evolve to become youth led rather than youth focused? Blagrave had been increasingly moving in this direction, including but not limited to reforming our own governance and felt key to understanding where our policy work may best situate itself. To this end, we commissioned researchers to help us understand where young people are leading change and deepen our own understanding of what enables/hinders them in doing so including opportunities for us to support them. The report is available here <https://www.blagravetrust.org/wp-content/uploads/2019/12/youth-led-change-landscape-and-possibilities.pdf>

We have invested considerable time sharing and discussing the implications of the findings in anticipation of making some considerable progress during 2020.

We are particularly pleased to have supported two youth led movements – the UK School Climate Network and Nothing Without Young People, focused on prevention of knife-crime.

We are mindful of legal challenges and the operating environment, with clearer understanding of the potential risks that can come with funding non-registered charities (e.g. CICs and companies limited by guarantee) and young people directly and are taking legal advice during 2020 as we advance this area of our work to ensure our compliance.

- **The Listening Fund**

The Listening Fund entered its second and final year. The Fund provides support to 22 charities working with young people to advance their listening practice and it is clear that for some organisations that even a fairly small sum of money, with a very different focus to it, has started to shift organisational culture. Much of the year has been spent capturing the learning, as well as facilitating the element of the work that is about funders own listening practice. We have learnt much about what is required to successfully run a pooled fund with a strong emphasis on learning, including the level of resource required to support partners' participation, and to capture and share the lessons which emerge effectively. The wrap up of the evaluation and first phase of the fund will be in spring 2020 – these documents are all now publicly available on the Listening Fund website www.thelisteningfund.org

Report of the Trustees for the year ended 31 December 2019

- **Wider collaborative, convening and influencing role**

We continue to play a strong leadership role amongst funders in the youth space and try to give our time and share what we are doing as generously as possible. For example, we co-Chair the ACF Issue Based Network on Children and Young People; co-convene a funder group to discuss policy issues for the youth transition years and the Director co-Chairs the Association of Charitable Foundations group for the Stronger Foundations Initiative on Governance and Strategy – intended to drive best practice in the sector. A final report was launched in May 2020.

- **Annual partner meeting**

We held another successful partner day focused this year on the relationship between service delivery charities, young people and wider influencing. As our portfolio of partners evolves, this was an opportunity to bring together partners working in extremely different ways in response to the same issues – this made it a particularly rich event, not least because our partners themselves are providing the core of all contributions and inputs to the event. As ever, our partners particularly welcomed the involvement of our trustees. It was encouraging to see the evolution of our work, where young people themselves are at the forefront of social change having set up and established their own thriving organisations and joining the event as equal partners and leaders in their own right.

- **Linkenholt**

Following the end of Releasing Potential’s management of Linkenholt at the end of 2018, Blagrove resumed light touch management of the site in 2019. We welcomed 1100 visitors to the site during the year. We have had discussions and reviewed a proposal from Youth Action Wiltshire, to take over the running of the site during 2020 whilst waiting for their tender and final completion of the purchase of Oxenwood to be completed.

- **Responsible Investment**

Towards the end of 2019 we drafted a new responsible investment policy ensuring alignment of our investments with our wider values as a Trust. It acknowledges the fact that our policy should be informed by young people’s own attitudes, where possible. In line with this new approach we agreed to move our investments currently with Rathbones into Greenbank Rathbones – that is more specifically focused on ESG investing.

- **Staffing and office**

We welcomed Charde Pinnock as our Team Assistant. Charde will support on aspects of governance e.g. minuting meetings, bookkeeping and grants management. She also brings lived experience of the care system and is active in her own right in this area. This brings the team to 5 – the equivalent of 3.5 FTE. We also moved into premises at 30 Percy St, thanks to the Thirty Percy Foundation – whilst this is a temporary arrangement the team are most grateful for the central London location and stability it has provided.

- **Governance:**

The Trustees recruited two new trustees to the Board during 2019. We were delighted to welcome Peter Babudu as our new Chair and Segun Olowookere as a trustee with a specific

Report of the Trustees for the year ended 31 December 2019

focus on our finances – both bring significant experience of the voluntary sector and a genuine passion for the enabling young people to lead change. During 2020 we have recruited an additional 2 more trustees – Daze Aghaji and Boudicca Pepper – both under 20 in line with our mission. We established a Finance and Investment Committee as part of our governance to ensure greater scrutiny and time for financial matters and some significant changes were made to our overall administration and finance. Notably, the Blaggrave Trust implemented a move away from the support of Rathbones to bringing more of our finance and admin functions in house, and employed the services of Frome Accountancy in the region for our payroll, and accounting.

As the Trust sustains its commitment to diversity, equity and inclusion in all aspects of its work including its governance, we continue to evolve how we work and reflect on what is required to ensure that the way the Board works is inclusive and accessible for all Board members, whether it be through the way in which we provide written information, other regular communications (e.g. Whatsapp) and the tone and nature of the Board meetings themselves. We have also evolved our Board recruitment practice – this has been open for many years now, but moving into 2020 Board recruitments we have modified practice to make it accessible for a wider range of young people with different skills sets.

- **Feedback**

In line with our commitment to being a funder that models transparent, open communication, minimal bureaucracy and a spirit of partnership in part to free up charity time to be most effective, we continue to gather anonymous feedback from both rejected and successful applicants that gives partners an important opportunity to ‘speak truth to power’. The Centre for Effective Philanthropy’s data clearly shows that funders who survey their grantees repeatedly make the most consistent progress over time - when funders listen, they become more effective. The full findings are available on our website <https://www.blagravetrust.org/listening/>

The Blaggrave Trust’s reporting requirements are simple and easy to comply with

Average response received was **9 out of 10**

How well does the Blaggrave Trust understand your intended beneficiaries’ needs?

Average response received was **8 out of 10**

We understand what the Blaggrave Trust does with the information we provide

Average response was **9 out of 10**

The Blaggrave Trust explained when it expected to stop working with us

Average response was **9 out of 10**

Blaggrave Trust staff are respectful, helpful and capable

Average response was **10 out of 10**

The Blaggrave Trust does not make excessive demands on our time to support their work

Average response was **10 out of 10**

How likely is it that you would recommend the Blaggrave Trust as a funder to another charity?

Average response was **10 out of 10**

Report of the Trustees for the year ended 31 December 2019

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.

The needs of young people in our region remain worryingly high; in fact, recent analysis we commissioned from OCSI (Left behind areas in the South East, OCSI, 2019) shows that for some outcomes, the gap between disadvantaged young people and their more advantaged peers in our region is still growing. Young people in these areas are more than twice as likely to be unemployed as the national average (9.2% compared with 3.8% across England as whole), the levels of long term illness are much higher (7.2% vs 4.9%), and there is a significant, striking difference in GCSE outcomes. Even small improvements in young people's GCSE qualifications yield significant increases in their lifetime productivity returns. (EEF, 2017)

We recognize it is essential we remain open to new ideas and movements in the region that bring alternative approaches, including those led by young people themselves. In 2020 we will continue to fund a wide range of partners to support young people's transition to positive adult life as well as a number of strategic partners that can support new initiatives to flourish.

Examples of work supported in this area 2019:

No5 Young People, Reading

No5 provides free, confidential counselling and support to children and young people aged 11-25, at times that are most convenient to them. They also run an outreach program in local schools. The charity's Young Ambassadors deliver talks, workshops and events directly to their peers. We agreed a grant of £20,000 pa towards No 5.

Motiv8, Hampshire

We agreed a grant of £20,000 pa for Motiv8's programme of positive engagement and keyworker support for excluded young people in areas of real need. The charity provides support for young people aged 8-18 years in Portsmouth, Gosport and Havant – some of the 'left behind' areas in our region.

Team Domenica, Sussex

There are 1.5 million people with learning disabilities in the UK and almost 94% are unemployed. We agreed a grant of £25,000 towards Team Domenica's work with young adults to provide practical training and support for the workplace.

2. Initiatives that give young people a stake in society and support their own social change efforts and seek to influence others

In line with the principles of the Listening Fund and the Young Trustees movement, we have funded a number of initiatives and organisations that are focused on creating opportunities for young people to engage with issues and decisions that affect them.

Report of the Trustees for the year ended 31 December 2019

For example, in April 2019, we commissioned ‘Help us move on’: the culmination of research with policy makers, statutory and voluntary youth services and over 450 young people across Hampshire, about the barriers preventing young people from making a positive transition to adult life. The research and analysis was conducted by local young people who have direct and immediate experience of the issues, making a persuasive and credible case founded in their experience.

The report reveals two themes that young people felt overwhelmingly strongly about: education, training and employment (ETE), and housing, and that these are often closely inter-related. Additionally, an overarching and recurrent theme throughout the research was that young people do not feel listened to. It was always clear to Blagrove that this work would be the beginning of a longer and deeper piece of advocacy and policy work in Hampshire, and in the summer of 2019 we agreed a grant for No Limits to employ and manage a Social Justice Advocate and three Youth Advocates to advocate for change on the issues the young people raised. The long-term goal is to improve services for young people, with a particular focus on housing and employment services. Their work is supported by expertise from the Southern Policy Centre.

Over the course of 2019 we also developed our strategy for supporting young people to directly influence and lead change through our policy and influencing work, guided by bespoke commissioned research. During that period we continued to make a wide range of grants in terms of both issue areas and ways of influencing. In addition to funding the youth led movements mentioned above, other examples of work supported in this area in 2019 include:

Youth Employment UK

This small CIC was founded in 2011 with the explicit aim of ensuring young people’s voices and experiences were heard in the midst of policy and decision-making in response to the youth unemployment crisis. Our grant has funded an additional junior policy post to increase their capacity to liaise with MPs, provide the secretariat for and maximise outcomes of the Youth Employment All Party Parliamentary Group; and to work alongside their large group of youth ambassadors to research and develop Youth Employment UK’s manifesto for wider influencing.

My Life My Say

MLMS was founded to politically engage large numbers of diverse young people on issues that they care about the most. They have done this primarily through well attended ‘democracy cafes’ across the country, convening the APPGs on ‘A Better Brexit for Young People’, and a series of discussion events attended by thousands of young people and high-profile MPs and influencers. Our unrestricted funding is supporting them to scale their work enabling young people to be heard through formal and informal influencing channels.

JUSTICE

Alongside the Barrow Cadbury Trust, we are jointly funding an expert working group inquiry into disproportionately (in terms of the representation and negative experiences of BAME young men) in the criminal justice system. This funding is complementary to our funding to Nothing Without Young People, a youth led movement working on related issues, and is an acknowledgement that we need support a range of approaches, perspectives and skillsets to achieve change on any one issue.

Report of the Trustees for the year ended 31 December 2019

Plans for the future

During 2020 Paul Neave and Diana Leat both stood down from the Board and we recruited two new trustees – Daze Aghaji and Boudicca Pepper, who commenced their tenure in March. During 2020 the coronavirus pandemic has had a significant impact on all aspects of our work – notably on the young people we support, the charities that they are involved with and on our own income for the year upon which we are reliant to deliver our charitable purpose. In response, we have initiated some significant work around youth unemployment – both capturing the experiences and solutions presented by young people, as well investing in expert led policy thinking – both unplanned, but prioritized as a response to Covid19. We have also made some additional new grants to existing partners to support them to weather the storm. On-going financial monitoring of our income, cash flow and investments in the light of Covid-19 is taking place (see financial review).

Other areas of our work have continued unchanged – if anything, the work that we are doing on enabling young people to lead change, has been given renewed emphasis and we launched a new fund ‘Challenge and Change’ in June to support them directly. Other areas that we will continue to work on during 2020 are:

- Communications: we recognize that our website and communications are primarily geared towards the sector rather than young people, and we have invested very small sums on our website and development which we’d like to address by the end of the year.
- We hope to launch phase 2 of the Listening Fund, subject to further contributions from other funders – decisions have been delayed due to Covid-19.
- We actioned the decision to move our investments from Rathbones to Greenbank Rathbones in line with our Responsible Investment policy. We also participated in a collaborative event with two other Foundations to identify the fund managers who excel at ESG investing – and plan to move the rest of our investments in a phased and responsible manner.
- We would like to invest in some work towards the end of the year that enables a closer look at the impact we are having and the learning we are developing as we evolve our strategy. We plan to commission some support to help us do this towards the year’s end.
- To invite our legal advisors to a Board meeting to discuss further the legal framework of our work and issues directly relevant to our mission, to ensure wider Board understanding and discussion.

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.

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

Report of the Trustees for the year ended 31 December 2019

objectives. During Covid-19, the Board has met more regularly given the fast paced nature of the situation, via zoom meetings. This includes reporting on returns from investments in securities and properties, grant strategies, approving grant applications and any other adjustments to costs, as well as the identification and management of risk.

The Trustees and the Trust Director have developed a budget for the year 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. Where necessary the Trust seeks out other external professional advice.

During 2019 we recruited a new Chair and Finance trustee and said goodbye and thank you to our long-standing Chair Julian Whately. We implemented a light touch trustee skills audit and agreed to recruit a further 2 new trustees in preparation for further trustee resignations end March 2020, with over 30 strong applications received by January 2020.

We established a time-bound Board Finance and Investment Committee for better oversight and scrutiny of key aspects of our financial management and investments where necessary. In particular, time was spent reviewing our property management and portfolio, refining and documenting a clear and transparent process for decisions and drawing this up into a clear policy. As well as the agreed move from Rathbones to Greenbanks for a proportion of our portfolio in a phased way during 2020, we are also working with the Friends Provident Foundation and Joffe Foundation to tender for new investment managers for the remainder of our portfolio and to help send a strong market signal re: the importance of ESG in investments.

We also successfully implemented the phased transition away from Rathbones support including setting up a new bank account, and taking on the services of Frome Accountancy for payroll and accountancy and VAT returns for our property portfolio. We moved to 30 Percy St – the first time the team has ever had its own base to work from – albeit this is a temporary arrangement. We have also adopted a finance software package Xero, which will facilitate better bookkeeping and enable us to run quarterly expenditure reports and report to the Board against budgeted annual expenditure moving forwards and recruited a new team member to assist with overall administration and governance.

As the scale of our operational work has grown and in particular we are managing funds on behalf of others and/or involved in joint initiatives, ensuring that our core management and finance capacity is robust and rigorous has been essential and 2019 was an important year for this.

Financial review

Income for 2019 totaled £2,754,556 (2018: £2,242,436) with £2,289,863 (2018: £1,922,436) from the investment portfolio and rent on the investment properties. Expenditure totaled £2,617,639 (2018:

Report of the Trustees for the year ended 31 December 2019

£2,408,770). After the net gain on listed investments of £2,585,314 (2018 loss: £1,160,407) the net position was a surplus of £2,722,231 (2018 deficit: £1,326,741).

Our investments have been negatively impacted by the pandemic with our equities and fixed income portfolio's dropping by over 20% in March 2020 and High St retail outlets across the UK being forced to close their doors, increasing the risk of rents not being paid in full. At the time of writing there has been some recovery in the equities markets, but the future remains uncertain about dividend payouts. Many of our properties are high street commercial buildings - some are with large corporates e.g. banks, but others are with smaller independent retailers e.g. charity shops, so the level of risk to which they have been exposed by Covid-19 varies hugely.

The Blaggrave Finance and Investment Committee (FIC) has been meeting more regularly to help monitor the investments as well as staying in regular communication with our investment managers and property manager receiving regular updates. Our risk profile was adjusted in our equity and fixed income portfolios to reflect the pandemic, and shared with the Board in March during a finance focused trustee meeting. In addition we are in negotiations with some of our tenants who have requested rent holidays and/or deferred rent payments. We will continue to monitor regularly but have also taken advantage of some of the equity market bounce back by pulling out £300,000 in cash

to ensure we have sufficient cashflow for the rest of this financial year. We are planning on the basis of up to a 30% drop in income, though it may be less.

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 Regional Grants Manager and Policy Manager would both receive marginal rises based on rates of inflation and following their appraisals. This decision would be held off for the Director until a full appraisal was undertaken with the new Blaggrave Chair, allowing for some time for them to start working together. This has now taken place in 2020 and an incremental rise in line with the rest of the team and backdated to January 2020 was agreed.

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 review performance to ensure the best outcome for the Trust, and as highlighted earlier in this report are actively engaging with both other Trust and Foundations and new fund managers for a planned move of our investments to align more closely with our mission.

Report of the Trustees for the year ended 31 December 2019

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 trustees were aware during 2019 of the need to free up some cash in order to honor our on-going and new commitments during 2020. In 2020 we drew down £300,000 from our Investec portfolio in order to ensure healthy cash flow - increasingly important given covid-19 where we face the dual situation of wishing to ensure sustained support for our voluntary sector partners in the light of falling investment returns. We will need to review this regularly and are satisfied that we are maintaining an appropriate level of liquidity whilst ensuring that excessive funds are not accumulated. We are also in the process of negotiating the sale of one of our properties with an offer on the table of £750,000. Initial discussions with the Board suggest we will re-invest a proportion and maintain some for cash.

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

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 where necessary.

During the year, a comprehensive analysis of risk was developed and shared with the Board, to highlight key risks. In February 2020 a follow on shorter risk assessment document was developed and shared with the Board, including the inclusion of implications relating to covid-19. This was intended to be discussed at an away day in March which was cancelled due to Covid-19, but the Director and CEO are monitoring this and further discussions on risk are planned for later in 2020.

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:

Report of the Trustees for the year ended 31 December 2019

- 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.

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 2020 and signed by:

Peter Babudu
Chair of Trustees

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

Opinion

We have audited the financial statements of The Blgrave Trust (the charitable incorporated organisation – 'charity') for the year ended 31 December 2019 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 2019 and of its incoming resources and application of resources, for the period 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

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 report of the trustees, 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

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 Act 2011 requires us to report to you if, in our opinion:

- The information given in the report of the trustees is inconsistent in any material respect with the financial statements;
- Sufficient 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 report of the trustees, 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 144/145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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:

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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.

Date:

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 2019

	Note	Restricted funds £	Unrestricted Trust capital £	Trust income £	2019 Total £	2018 Total £
Income from:						
Grant		455,000	-	-	455,000	320,000
Other income		-	-	9,693	9,693	-
Investments						
Investment properties		-	-	1,148,717	1,148,717	1,021,454
Listed securities		-	-	1,138,627	1,138,627	900,640
Gross interest		-	-	2,519	2,519	342
Total income		455,000	-	2,299,556	2,754,556	2,242,436
Expenditure on:						
Raising funds						
Investment properties		-	-	260,956	260,956	235,928
Listed securities		-	146,601	-	146,601	150,616
Charitable activities						
Grant making		436,525	-	1,757,994	2,194,519	2,020,246
Linkenholt Countryside Adventure		-	-	15,563	15,563	1,980
Total expenditure	3	436,525	146,601	2,034,513	2,617,639	2,408,770
Net income/(expenditure) before net gains/(loss) on investments		18,475	(146,601)	265,043	136,917	(166,334)
Net gains/(loss) on investments	11	-	2,585,314	-	2,585,314	(1,160,407)
Net movement in funds	5	18,475	2,438,713	265,043	2,722,231	(1,326,741)
Reconciliation of funds:						
Total funds at start of the year		85,547	38,732,771	628,054	39,446,372	40,773,113
Total funds at end of the year	16a	104,022	41,171,484	893,097	42,168,603	39,446,372

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 2019

	Note	£	31 December 2019 £	£	31 December 2018 £
Fixed assets:					
Tangible assets	9		77,253		82,813
Investment properties	10		13,115,128		13,115,128
Investments	11		28,702,291		26,199,743
			<u>41,894,672</u>		<u>39,397,684</u>
Current assets:					
Debtors	12	241,546		53,727	
Cash at bank and in hand		738,680		630,495	
		<u>980,226</u>		<u>684,222</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	(691,169)		(617,532)	
			<u>289,057</u>		<u>66,690</u>
Net current assets					
			<u>42,183,729</u>		<u>39,464,374</u>
Total assets less current liabilities					
Creditors: amounts falling due after one year	14		(15,126)		(18,002)
			<u>42,168,603</u>		<u>39,446,372</u>
Total net assets					
The funds of the charity:					
Restricted funds	16		104,022		85,547
Unrestricted funds:					
Trust capital		41,171,484		38,732,771	
Trust income		893,097		628,054	
		<u>42,064,581</u>		<u>39,360,825</u>	
Total unrestricted funds			<u>42,064,581</u>		<u>39,360,825</u>
Total charity funds	16		<u>42,168,603</u>		<u>39,446,372</u>

Approved by the trustees on 16 July 2020 and signed on their behalf by

P Babudu
Trustee

The Blagrave Trust

Statement of cash flows

For the year ended 31 December 2019

	Note	31 December 2019		31 December 2018	
		£	£	£	£
Cash flows from operating activities					
Net cash used in operating activities	17	(2,259,254)		(1,765,772)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		2,287,344		1,922,094	
Proceeds from the sale of fixed assets					
Purchase of fixed assets		(2,671)		-	
Proceeds from sale of investments		2,925,878		2,169,087	
Purchase of investments		(2,687,314)		(2,187,719)	
Purchase of investment properties		-		(22,551)	
Movement in cash held by investment broker		(155,798)		50,750	
Net cash provided by investing activities		2,367,439		1,931,661	
Change in cash and cash equivalents in the year		108,185		165,889	
Cash and cash equivalents at the beginning of the year		630,495		464,606	
Cash and cash equivalents at the end of the year		738,680		630,495	

1 Accounting policies

a) Statutory information

The Blgrave Trust is a charitable incorporated organisation (CIO) registered with the Charity Commission in England & Wales. The registered office and operational address is 4th Floor, 18 St. Cross Street, London EC1N 8UN.

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) – (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) 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) 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 Blgrave Trust operates a defined contribution scheme for its employees.

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

Notes to the financial statements

For the year ended 31 December 2019

2 Detailed comparatives for the statement of financial activities

	Restricted £	Trust capital £	Trust income £	2018 Total £
Income from:				
Grant	320,000	-	-	320,000
Investments				
Investment properties	-	-	1,021,454	1,021,454
Listed securities	-	-	900,640	900,640
Other income	-	-	-	-
Gross interest	-	-	342	342
Total income	320,000	-	1,922,436	2,242,436
Expenditure on:				
Raising funds				
Investment properties	-	-	235,928	235,928
Listed securities	-	150,616	-	150,616
Charitable activities				
Grant making	434,453	-	1,585,793	2,020,246
Linkenholt Countryside Adventure	-	-	1,980	1,980
Total expenditure	434,453	150,616	1,823,701	2,408,770
Net (expenditure)/income before net gains on investments	(114,453)	(150,616)	98,735	(166,334)
Net loss on investments	-	(1,160,407)	-	(1,160,407)
Net (expenditure)/income	(114,453)	(1,311,023)	98,735	(1,326,741)
Transfers between funds	-	-	-	-
Net movement in funds	(114,453)	(1,311,023)	98,735	(1,326,741)
Reconciliation of funds:				
Total funds at start of the year	200,000	40,043,794	529,319	40,773,113
Total funds at end of the year	85,547	38,732,771	628,054	39,446,372

The Blagrave Trust

Notes to the financial statements

For the year ended 31 December 2019

3a Analysis of expenditure (current year)

	Raising funds– investment properties £	Raising funds– listed securities £	Charitable activities		Governance costs £	Support costs £	31 Dec 2019 Total £	31 Dec 2018 Total £
			Grant making £	Linkenholt Countryside Adventure £				
Grants awarded (note 4)	-	-	1,997,321	-	-	-	1,997,321	1,797,099
Staff costs (note 6)	-	-	-	-	-	132,555	132,555	109,074
Investment manager fees	-	113,735	-	-	-	-	113,735	113,425
Investment property manager fees	126,614	-	-	-	-	-	126,614	105,950
Investment property expenses	101,476	-	-	-	-	-	101,476	92,787
Consultancy	-	-	-	-	-	57,692	57,692	57,511
Linkenholt Countryside Adventure lease costs	-	-	-	15,563	-	-	15,563	1,980
Travel and subsistence	-	-	-	-	-	10,875	10,875	17,311
Rental and IT	-	-	-	-	-	3,782	3,782	4,153
Administrative costs–Rathbones	-	-	-	-	-	5,508	5,508	13,440
Administrative costs–general	-	-	-	-	-	3,027	3,027	43,771
Conference and networking	-	-	-	-	-	11,992	11,992	3,844
Subscription and membership costs	-	-	-	-	-	9,270	9,270	2,987
Governance	-	-	-	-	1,961	-	1,961	3,360
Depreciation	-	-	-	-	-	8,231	8,231	7,787
Audit, accountancy and legal	-	-	-	-	8,450	9,587	18,037	34,291
	228,090	113,735	1,997,321	15,563	10,411	252,519	2,617,639	2,408,770
Support costs	31,565	31,565	189,389	-	-	(252,519)	-	-
Governance costs	1,301	1,301	7,809	-	(10,411)	-	-	-
Total expenditure 2019	260,956	146,601	2,194,519	15,563	-	-	2,617,639	
Total expenditure 2018	235,928	150,616	2,020,246	1,980	-	-		2,408,770

The Blgrave Trust

Notes to the financial statements

For the year ended 31 December 2019

3b Analysis of expenditure (prior year)

	Raising funds– investment properties £	Raising funds– listed securities £	Charitable activities		Governance costs £	Support costs £	Year ended 31 Dec 2018 Total £
			Grant making £	Linkenholt Countryside Adventure £			
Grants awarded (note 4)	-	-	1,797,099	-	-	-	1,797,099
Staff costs (note 6)	-	-	-	-	-	109,074	109,074
Investment manager fees	-	113,425	-	-	-	-	113,425
Investment property manager fees	105,950	-	-	-	-	-	105,950
Investment property expenses	92,787	-	-	-	-	-	92,787
Consultancy	-	-	-	-	-	57,511	57,511
Linkenholt Countryside Adventure lease costs	-	-	-	1,980	-	-	1,980
Travel and subsistence	-	-	-	-	-	17,311	17,311
Rental and IT	-	-	-	-	-	4,153	4,153
Administrative costs–Rathbones	-	-	-	-	-	13,440	13,440
Administrative costs–general	-	-	-	-	-	43,771	43,771
Conference and networking	-	-	-	-	-	3,844	3,844
Subscription and membership costs	-	-	-	-	-	2,987	2,987
Governance	-	-	-	-	3,360	-	3,360
Depreciation	-	-	-	-	-	7,787	7,787
Audit, accountancy and legal	-	-	-	-	10,250	24,041	34,291
	198,737	113,425	1,797,099	1,980	13,610	283,919	2,408,770
Support costs	35,491	35,490	212,938	-	-	(283,919)	-
Governance costs	1,700	1,701	10,209	-	(13,610)	-	-
Total expenditure year ended 31 December 2018	235,928	150,616	2,020,246	1,980	-	-	2,408,770

The Blagrove Trust

Notes to the financial statements

For the year ended 31 December 2019

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 2019. All grants were to institutions, as listed below:

	2019 £	2018 £
Unrestricted grants:		
Core grants – supporting young people facing disadvantage		
Small Grants	6,412	–
1625 Independent	25,000	–
QEST	12,000	–
EBP South	–	32,000
Active Communities	20,000	–
Audio Active	30,000	–
Youth Options	30,000	–
Beat Routes	15,000	–
Motiv8 South Ltd	20,000	–
Artswork	–	25,000
Ways to work	–	15,000
Princes Trust	–	50,000
Step by Step	–	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
Wealden Works	10,000	20,000
The Roberts Centre	25,000	25,000
It's your choice	25,000	25,000
No5 Young People	20,000	–
Role Models Project	10,000	–
Spear Brighton Trust	10,000	–
Turner Community	25,000	–
Team Domencia	25,000	–
The Platform Project	10,000	–
Unloc	40,000	–
Learning Links	–	16,200
Hasting and Rother mediation	–	13,000
Xtrax	12,000	–
Yellow Brick Road	20,000	–
Tall Ships Youth Trust	–	10,000
Ufton Court	–	20,000
Jamie's farm	20,000	26,000
A Band of Brothers	30,000	30,000
Youth Adventure Trust	25,000	25,000
Empire Fighting Chance	25,000	25,000
Learning 2 Work	15,000	15,000
Off the record	20,000	20,000
Personal Support Unit	10,000	10,000
Student Hubs	–	10,000
Dallaglio Rugby Works	24,000	24,000
Amber Foundation	30,000	30,000
Yellow Submarine	24,000	20,000
Enthum House	20,000	20,000
No Limits	95,000	30,000
Yellow Door	30,000	30,000
YMCA	50,000	50,000
Policy and Influence		
ECPAT	–	20,000
The Shelia McKechnie Foundation	5,000	5,000
Southern Policy Centre	24,000	20,000
Advocacy Academy	20,000	20,000
Funding Young People Directly	–	10,000
Lankelly/Blagrove Work	–	10,000
Just for Kids Law	50,000	50,000
Young Women's Trust	45,000	45,000
Campaign Academy	23,400	–
Catch 22	25,000	–
Homeless Link	20,000	–
Justice	15,000	–
My Life My Say	30,000	–
Natasha Adams	18,001	–
Youth Employment	20,000	–
Sub-total	1,204,813	917,200

The Blagrave Trust

Notes to the financial statements

For the year ended 31 December 2019

4	Grants awarded (continued)	2019 £	2018 £
	Sub-total carried forward (unrestricted)	1,204,813	917,200
	Children England	25,000	25,000
	Resonance	-	10,000
	Youth voice and empowerment		
	Fixers	-	60,000
	The Source/Creating Futures	30,000	30,000
	British Youth Council	50,050	50,000
	YES (Youth Engagement Slough)	40,000	40,000
	Youth Access	30,000	30,000
	Common Purpose	10,000	-
	Straight Talking UK	-	20,000
	Isle of Wight Youth Trust	30,000	30,000
	Berkshire Youth	20,000	20,000
	Social Change Agency	80,000	35,000
	The Listening Fund	-	130,000
	Total unrestricted grants	1,519,863	1,397,200
	Restricted grants:		
	Listening Fund		
	Become	19,629	19,576
	Carefree	20,000	20,000
	CASY	7,440	8,440
	Centre63	15,000	15,020
	Drive Forward Foundation	16,107	16,107
	Gendered Intelligence	19,978	19,978
	Investing in Children	18,213	16,312
	It's Your Choice	-	19,992
	Just for Kids Law	20,000	20,000
	KRAN	17,740	17,740
	LEAP CC	20,000	20,000
	London Black Women's Project	18,447	18,477
	Prison Reform Trust	20,000	20,000
	Spark Inside	20,000	20,000
	Step by Step	19,221	19,404
	The Beatfrees	20,000	20,000
	The Change Foundation	13,754	13,754
	The Foyer Federation	19,739	19,739
	The Magdalene Group	13,432	17,218
	The Mix	19,583	19,577
	Trelya	19,177	18,567
	Youth Access	19,998	19,998
		377,458	399,899
	Opportunity Fund		
	Grant Commitment	100,000	-
		100,000	-
	Total restricted grants	477,458	-
	Total grants at the end of the year:	1,997,321	1,797,099
	5 Net (expenditure) / income for the year		
	This is stated after charging:	2019 £	2018 £
	Depreciation	8,231	7,787
	Auditors' remuneration (excluding VAT):		
	Audit	7,400	7,250
	Other services	-	9,250

The Blagrove Trust

Notes to the financial statements

For the year ended 31 December 2019

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

Staff costs in the year were as follows:

	2019 £	2018 £
Salaries and wages	119,347	93,550
Social security costs	11,189	13,235
Employer's contribution to defined contribution pension schemes	2,019	2,289
	<u>132,555</u>	<u>109,074</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2019 No.	2018 No.
£60,000 – £69,999	<u>-</u>	<u>1</u>

The trustees received no remuneration for their role as trustees in the year (2018: £Nil). Related party transactions with trustees are disclosed in note 7 below. During 2019, 4 trustees (2018:3) were reimbursed expenses totalling £1,165 (2018:£1,320).

The average number of employees (head count based on number of staff employed) during the year was 3.2 (2018: 2.25).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £117,783 (2018: £109,074).

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 £5,508 (2018: £17,980).

T Jackson-Stops (Trustee) provided property consultancy services to the CIO. During 2019 he was paid fees of £1,394 (2018: £6,000).

C Cannock is the CEO of Isle of Wight Youth Trust. During 2019 Isle of Wight Youth Trust received an unrestricted grant of £30,000 (2018: £30,000).

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 £
Cost			
At the start of the year	10,771	146,648	157,419
Additions in year	2,671	-	2,671
Disposals in year	-	-	-
	<u>13,442</u>	<u>146,648</u>	<u>160,090</u>
Depreciation			
At the start of the year	8,949	65,657	74,606
Charge for the year	899	7,332	8,231
	<u>9,848</u>	<u>72,989</u>	<u>82,837</u>
Net book value			
At the end of the year	<u>3,594</u>	<u>73,659</u>	<u>77,253</u>
At the start of the year	<u>1,822</u>	<u>80,991</u>	<u>82,813</u>

All of the above assets are used for charitable purposes.

The Blagrave Trust

Notes to the financial statements

For the year ended 31 December 2019

10 Investment properties

	2019 £	2018 £
Fair value at the start of the year	13,115,128	13,092,577
Additions in the year	-	22,551
Fair value at the end of the year	<u>13,115,128</u>	<u>13,115,128</u>

The Trustees valued the investment properties on an open market basis at 31 December 2019 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. The properties were not externally valued in this financial year but internal valuation was undertaken by Arkwrights Property on our behalf and in conjunction with Tim Jackson Stops – the trustee with specific oversight and expertise in this area as a Chartered Surveyor. Property valuation is undertaken on the basis of rental yields, and taking into account market conditions and submitted to the FIC for review.

11 Listed investments

	2019 £	2018 £
Fair value at the start of the year	25,877,789	27,019,564
Additions at cost	2,687,314	2,187,719
Disposal proceeds	(2,925,878)	(2,169,087)
Net (loss)/gain on change in fair value	2,585,314	(1,160,407)
	<u>28,224,539</u>	<u>25,877,789</u>
Cash held by investment broker pending reinvestment	477,751	321,953
Fair value at the end of the year	<u>28,702,290</u>	<u>26,199,742</u>
Historic cost at the end of the year	<u>19,950,393</u>	<u>22,805,187</u>

Total investments comprise:

	2019 £	2018 £
Listed investments	28,224,539	25,877,789
Cash held for investment	477,751	321,953
Investment in dormant subsidiary	1	1
	<u>28,702,291</u>	<u>26,199,743</u>

12 Debtors

	2019 £	2018 £
Trade debtors	197,016	37,065
Prepayments	12,246	12,063
Accrued income – rents in advance	22,274	1
Other Debtors	6,088	-
Taxation	3,922	4,598
	<u>241,546</u>	<u>53,727</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.

The Blgrave Trust

Notes to the financial statements

For the year ended 31 December 2019

13 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	41,506	28,250
Accruals	48,110	58,181
Grant commitments	322,886	308,932
Deferred income	267,291	217,571
Taxation and social security	11,376	4,598
	<u>691,169</u>	<u>617,532</u>

14 Creditors: amounts falling due after one year

	2019 £	2018 £
Annuity provision	<u>15,126</u>	<u>18,002</u>

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

	Trust capital £	Trust income £	Restricted fund £	Total funds £
Tangible fixed assets	77,253	-	-	77,253
Investment properties	13,115,128	-	-	13,115,128
Investments	28,702,291	-	-	28,702,291
Net current (liabilities)/assets	(708,062)	893,097	104,022	289,057
Annuity obligations	(15,126)	-	-	(15,126)
Net assets at 31 December 2019	<u>41,171,484</u>	<u>893,097</u>	<u>104,022</u>	<u>42,168,603</u>

15b Analysis of net assets between funds (prior 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
Pension obligations	(18,002)	-	-	(18,002)
Net assets at 31 December 2018	<u>38,732,771</u>	<u>628,054</u>	<u>85,547</u>	<u>39,446,372</u>

The Blgrave Trust

Notes to the financial statements

For the year ended 31 December 2019

16a Movements in funds (current year)

	At 1 January 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 Dec 2019 £
Restricted funds					
The Listening Fund	85,547	455,000	(436,525)	-	104,022
Unrestricted funds					
Trust capital	38,732,771	2,585,314	(146,601)	-	41,171,484
Trust income	628,054	2,299,556	(2,034,513)	-	893,097
Total unrestricted funds	39,360,825	4,884,870	(2,181,114)	-	42,064,581
Total funds	39,446,372	5,339,870	(2,617,639)	-	42,168,603

16b Movements in funds (prior year)

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

Purpose of restricted funds

Listening fund – this a pooled fund to invest in learning and scaling practices at an organisation level that enables young people to be agents of change, listens to and responds to their needs, and analyses the difference this makes.

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

	31-Dec 2019 £	31-Dec 2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	2,722,231	(1,326,741)
Depreciation charges	8,231	7,787
(Gains)/Losses on investments	(2,585,314)	1,160,407
Dividends, interest and rent from investments	(2,287,344)	(1,922,094)
(Increase)/Decrease in debtors	(187,819)	38,909
(Decrease)/Increase in creditors	70,761	275,960
Net cash used in operating activities	(2,259,254)	(1,765,772)

18 Post balance sheet event

COVID-19 has had a significant impact on the value of our investments. Since the Trust's financial year end, listed investments have fallen in value to £25,683,242 as at mid June 2020. It is deemed likely that the investment properties owned by the Trust would also have been affected by the present economic uncertainty, this is currently being expressed by existing tenants requesting rent holidays, however, a formal estimate of this movement in fair value cannot be determined by the Trustees.