

THE STEEL CHARITABLE TRUST

Charity Commission Registered Number 272384

REPORT OF THE TRUSTEES AND ACCOUNTS

YEAR ENDED 31 JANUARY 2020

<u>Contents</u>	<u>Pages</u>
Legal and Administrative Information	1
Report of the Trustees	2
Independent Auditor's Report	5
Statement of Financial Activities	7
Balance Sheet	8
Statement of Cash Flows	9
Notes to the Accounts	10

Registered In England & Wales (Charity Number 272384)

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

Mrs W E Bailey ²

Dr M N P Briggs ³

Mr A W Hawkins (Died 11 February 2019)

Mr P C Lawford - Chairman ^{1 3}

Mr N E W Wright ^{1 2}

¹ Member of Investment Committee

² Member of Risk Committee

³ Member of the Human Resources (HR) Committee

ADMINISTRATION

Ms I Stanger

Trust Manager

istanger@steelcharitabletrust.org.uk

PRINCIPAL ADDRESS

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INDEPENDENT AUDITORS

Haysmacintyre LLP

Chartered Accountants

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London

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PROPERTY ADVISERS

Knight Frank LLP

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BANKERS

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Edinburgh

EH11 3XP

Barclays Bank PLC

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Luton

LU1 2AE

WEBSITE

www.steelcharitabletrust.org.uk

**REPORT OF THE TRUSTEES
YEAR ENDED 31 JANUARY 2020**

The Trustees present their report with financial statements of the Trust for the year ended 31 January 2020. The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments. The format of the financial statements has been presented to comply with the Charities Act 2011, FRS 102 *The Financial Reporting Standard applicable in the UK and Ireland* and the Statement of Recommended Practice *Accounting and Reporting by Charities* (second edition, effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

HISTORY AND OBJECTIVES

The Steel Charitable Trust, which was formed by the late Mr & Mrs W.R.Steel, is constituted under a Trust Deed dated 15 February 1976 and is a registered charity in England & Wales (number 272384).

As stated in the Deed, the object of the Trust is to pay the income and, in so far as the Trustees think fit, the capital of the Trust Fund to such charitable bodies or for such other purposes as shall be exclusively charitable as the Trustees may from time to time decide.

It is the policy of the Trustees to distribute the net income generated in the year by way of grants to a wide range of charitable bodies. The Trustees do not make grants to individuals, expeditions or any entity registered or incorporated outside the United Kingdom. No fundraising is undertaken. There were no policy changes in the year.

GOVERNANCE AND MANAGEMENT

The power of appointment of new and additional trustees is held by the present Trustees.

Mr Wright was appointed by the Settlers and is eligible to serve for life or until he either resigns or becomes ineligible. Mrs Bailey, Dr Briggs and Mr Lawford have been appointed by the Trustees until 22 September 2021, 2022 and 2023 respectively and may put themselves forward for re-appointment at such times.

Future Trustees will initially be invited to serve for a 12-month probationary period. This allows both the new Trustee and the Trustees the opportunity to evaluate their decision. On completion of the 12-month period and, with the mutual agreement of both parties, the position will be confirmed for a term of seven years, which may be renewable. Before new Trustees are invited to serve their probationary period, they are supplied with a history of the Trust, a copy of the Trust Deed, booklets published by the Charity Commission outlining the responsibilities of Charity Trustees, the Guidance Notes for Trustees, a copy of the minutes of the recent Trustees' meetings and a copy of the most recent audited accounts.

The Trustees meet and consult regularly throughout the year to consider the strategic direction of the Trust and relevant matters including grant applications, investment strategy and financial accounts. In addition the Trustees may attend meetings with grant applicants and recipients.

The purpose of the Investment Committee is to monitor the investments and to approve changes in the asset allocation within an agreed strategy. The purpose of the Risk Committee is to monitor the various risks to which the Trust is exposed and to manage the mitigation of such risks. The purpose of the HR Committee is to advise on compliance with employment law and practice, to conduct the annual appraisal of the Trust Manager and to monitor regulations connected to the engagement of the external contractor.

The Trustees delegate the day-to-day administration to the Trust Manager. The remuneration of employees and external contractors is approved by the Trustees.

The Trust is a member of the Association of Charitable Foundations. The Association represents the interests of charitable foundations and grant-making trusts in the United Kingdom and provides information on good practice and changes in the law affecting charities and in particular grant-making charities.

POLICIES AND PROCEDURES FOR GRANT MAKING

The Trust invites applications for grants through its website. Only applications submitted on-line via the website will be considered by the Trustees.

It is the policy of the Trustees to make grants to a wide range of charitable bodies, and particularly in respect of applications supporting the following five categories:

Arts and Heritage
Education
Environment

Health
Social or Economic Disadvantage

REPORT OF THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2020

POLICIES AND PROCEDURES FOR GRANT MAKING (continued)

The Trustees do not make grants to individuals, expeditions, political parties, the promotion of religion or any entity registered or incorporated outside the United Kingdom. Applications from Bedfordshire generally and Luton in particular are welcome. There were no policy changes in the year.

The Trustees have regard to the Charity Commission's guidance on Charity and Public Benefit. They consider that the very full information about the Trust's aims, policies and activities, in the many areas of interest that the Trust supports which are set out in this report and on its website, demonstrate the benefit to its beneficiaries, and through them to the Public, that arise from carrying out those aims.

The Trustees generally meet in March, June, September and December. At these meetings, having reviewed all applications received during a previous three-month period, the Trustees approve the grants to be made to the successful applicants. Payment is then made as soon as practical after the meeting. Unsuccessful applicants are informed accordingly.

ACTIVITIES

During the year the Trust made or committed to make 104 grants totalling £1,252,673, of which 93 grants totalling £1,127,913 were to charities registered in England & Wales, two grants totalling £23,810 were to charities registered in Scotland and nine grants totalling £100,950 were to other charitable organisations in the United Kingdom.

The Trust receives many more applications than it has funds to support. 10% of the applications received were successful in receiving a grant. Each successful application is investigated by the Trust Manager and by one or more of the Trustees, and is approved by the Trustees as a whole. As the Trust makes a considerable number of grants during the year, details of which can be found on our website, the Trustees rely primarily upon their beneficiaries to ensure that such grants are used for their intended purposes. In addition, for single or multiple grants of £20,000 or more, it is a condition that the Trustees require, within ten months of the grant being paid, a report summarising the outputs and outcomes of the grant.

As a result of a review of the Trust's strategy, the Trust's website was redesigned and re-written so as to include the history of the Settlers and the Trust, and to provide greater clarification for completing a grant application.

Also, the Trustees launched a new initiative - Luton Matters - designed to assist organisations whose work brings significant benefits to residents of Luton, Bedfordshire or improvements to the town. The first grant was awarded in April 2020 in Social or Economic Disadvantage; the award in Arts and Heritage, due to be awarded at the same time, was deferred as a result of the COVID-19 crisis. Full details of the scheme are available on the Trust's website under Grants.

FINANCIAL REVIEW

The principal source of income of the Trust is from its investment portfolio. It is the policy of the Trustees to distribute the net income, which may be summarised as follows:

	2020	2019
	£	£
Net income available for distribution	1,407,892	1,350,579
Grants	(1,252,673)	(1,250,780)
Undistributed income	£155,219	£99,799

INVESTMENT POLICY AND PERFORMANCE

The aims are to continue to maximise the income available for distribution to charitable bodies while still aiming for some capital growth over the longer term. All investments held by the Trust have been made in accordance with the powers available to the Trustees.

Investment income received during the year, net of fund managers' fees deducted at source, represented a yield of 4.98% on the value of the investments at 31 January 2019, compared with 4.46% for the previous year.

The investments held at 31 January 2019, excluding Toddington Road Properties Limited, increased in value over the year to 31 January 2020 by 7.20%. This compared with the increase of 6.06% in the FTSE All-Share Index over the same period. At 14 May 2020, the value of these investments had fallen by 23.32% since 31 January 2020; this compared with the decrease of 22.29% in the FTSE All-Share Index over the same period.

RESERVES POLICY

The assets that make up the funds of the Trust are unrestricted, fully expendable and are available as the Reserve Fund of the Trust. However, the Trustees distinguish between capital and income. As indicated above, it is the policy of the Trustees to distribute the net income generated each year by way of grants, while aiming for growth over the longer term in respect of capital. At 31 January 2020, capital funds amounted to £36,044,722 and undistributed income amounted to £155,219.

REPORT OF THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2020

RISK MANAGEMENT

The Trustees review the major strategic, financial and operational risks which the Trust faces and confirm that systems have been established, and/or are under review, to mitigate those risks.

As the principal object of the Trust is to pay its net income to charitable bodies in the form of grants, the major risk facing the Trust is that the income received from its investments might significantly fall, thereby reducing the extent of its grant-making capacity. As a consequence, the policy of the Trustees is that the majority of the investments should be held in unit trusts and/or common investment funds, managed by well known investment fund managers. The Trustees meet the fund managers on a regular basis.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that period. In preparing these financial statements, the Trustees are required to:

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

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

The Trustees are responsible for the maintenance and integrity of the Trust and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each of the Trustees is aware at the time the report is approved:

- * there is no relevant audit information of which the Trust's auditors are unaware; and
- * the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

GENERAL DATA PROTECTION REGULATION (GDPR)

The Trust's compliance with the GDPR is kept under review.

PLANS FOR THE FUTURE


The Trustees will continue to develop the Trust by:

- * distributing the net undistributed income to charitable organisations;
- * making changes to the investment portfolio whenever considered appropriate;

INDEPENDENT AUDITORS

The Trustees have re-appointed Haysmacintyre LLP, Chartered Accountants, to act as Independent Auditors to The Steel Charitable Trust.

Approved by the Trustees on 20 May 2020 and signed on their behalf by:


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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
YEAR ENDED 31 JANUARY 2020**Opinion**

We have audited the financial statements of The Steel Charitable Trust for the year ended 31 January 2020 which comprise 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 January 2020 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 4, 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

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. 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 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.

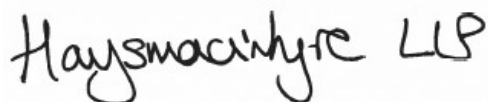
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES - CONTINUED
YEAR ENDED 31 JANUARY 2020**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity 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.

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's Trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP
Statutory Auditors

20 May 2020

10 Queen Street Place
London
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 JANUARY 2020

	Notes	2020 £	2019 £
INCOME FROM:			
Investments	2 a)	1,389,317	1,317,433
Other	2 b)	6,422	6,561
Total Income		1,395,739	1,323,994
EXPENDITURE ON:			
Charitable activities	3	1,339,782	1,340,797
Total Expenditure		1,339,782	1,340,797
NET INCOME/(LOSS), before net gains/(losses) on investments		55,957	(16,803)
Net gains/(losses) on investments	5 a)	5,237,183	(1,641,249)
NET INCOME/(LOSS) AND NET MOVEMENT IN FUNDS		5,293,140	(1,658,052)
Unrestricted funds brought forward		30,906,801	32,564,853
UNRESTRICTED FUNDS AT 31 JANUARY		£36,199,941	£30,906,801

All income and expenditure in the years to 31 January 2020 and 31 January 2019 was unrestricted.

BALANCE SHEET
AT 31 JANUARY 2020

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
FIXED ASSETS			
Investments	5 a)	35,359,943	30,131,933
CURRENT ASSETS			
Cash at bank		998,522	823,119
Debtors	6	8,761	18,135
TOTAL CURRENT ASSETS		1,007,283	841,254
LIABILITIES			
Creditors - Amounts falling due within one year	7	(105,285)	(43,386)
NET CURRENT ASSETS		901,998	797,868
TOTAL ASSETS LESS CURRENT LIABILITIES			
		36,261,941	30,929,801
Creditors - Amounts falling due after more than one year	8	(62,000)	(23,000)
NET ASSETS		£36,199,941	£30,906,801
Representing:			
TRUST FUNDS			
Balance at 1 February		30,807,002	32,447,643
Capital additions	2 b)	537	608
Net gains/(losses) on investments	5 a)	5,237,183	(1,641,249)
Balance at 31 January		36,044,722	30,807,002
Undistributed income	9	155,219	99,799
UNRESTRICTED FUND BALANCES AT 31 JANUARY		£36,199,941	£30,906,801

Approved by the Trustees on 20 May 2020 and signed on their behalf by:

Wendy Bailey

Natalie Briggs

STATEMENT OF CASH FLOWS
YEAR ENDED 31 JANUARY 2020

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
Cash flows from operating activities:			
Net cash provided by operating activities	13	(1,228,972)	(1,355,925)
Cash flows from investing activities:			
Investment income and interest	2 a) & b)	1,395,202	1,323,386
Purchase of investments	5 a)	(990,827)	(2,207,675)
Sale of investments	5 a)	1,000,000	2,232,605
Net cash provided by investing activities		1,404,375	1,348,316
Change in cash and cash equivalents in the year		175,403	(7,609)
Cash and cash equivalents at 1 February 2019		823,119	830,728
Cash and cash equivalents at 31 January 2020		£998,522	£823,119

The notes on pages 10 to 14 form part of these financial statements

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JANUARY 2020**1 ACCOUNTING POLICIES**

a) Statement of compliance

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments. The format of the financial statements has been presented to comply with the Charities Act 2011, FRS 102 *The Financial Reporting Standard applicable in the UK and Ireland* and the Statement of Recommended Practice *Accounting and Reporting by Charities* (second edition, effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have been prepared under the Charities Act 2011 on the historical cost convention, which is consistent with the prior year.

b) Capital

Additions to capital representing realisations of interest assigned to the Trust in land-owning joint ventures are included at the values received by the Trustees.

c) Investments

All investments are unlisted and are recorded at cost and valued at market value or the Trustees' estimate of market value at the year end.

Holdings in unit trusts and common investment funds are valued at the bid price.

d) Income

Dividend income and Income Distributions are recorded when receivable. Interest is recorded when received.

e) Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Single or multi-year grants are accounted for in the year in which the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition.

f) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis and is recognised when there is a legal or constructive obligation to pay. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

g) Allocation of overheads and support costs

Overhead costs have been allocated between support and governance based on time and usage. Governance costs represent all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

h) Funds

All of the funds of the Trust are unrestricted. These may be used in accordance with the charitable objectives at the discretion of the Trustees.

i) VAT

The Trust is not registered for VAT. All expenditure is therefore stated inclusive of VAT where applicable.

j) Going concern

The Trustees consider that there are no material uncertainties which would cast doubt on the Trust's ability to continue as a going concern.

k) Significant judgments and sources estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Trust's accounting policies. The key judgements that have been applied by management relate to the value of the freehold land owned by Toddington Road

l) Cash and cash equivalents

Cash and cash equivalents includes deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

m) Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

n) Employee benefits

- i. Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- ii. Contributions, based on a percentage of salary, are paid into the employee's personal pension plan.

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JANUARY 2020

1 ACCOUNTING POLICIES (continued)

- o) Operating lease
Rentals paid under an operating lease are charged to income in accordance with the terms of the lease.

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
2 INVESTMENT INCOME			
a) Unlisted		1,384,009	1,314,646
Bank interest		5,308	2,787
		£1,389,317	£1,317,433

All income is from investments made in the UK.

- b) Other income represents a distribution of income by the wholly owned unlisted company of £5,885 (2019 £5,953) and additions to capital of £537 (2019 £608).

3 ANALYSIS OF CHARITABLE EXPENDITURE

The Trust undertakes its charitable activities by grant making and awarded grants to a number of institutions in furtherance of its charitable activities. All grants were made to institutions.

Grants provided in previous years	7 & 8	(50,500)	(66,000)
Grants paid in the year		1,150,923	1,266,280
Grants payable in future years	7 & 8	152,250	50,500
Grants total	14	1,252,673	1,250,780
Support and Governance costs	4 a)	87,109	90,017
		£1,339,782	£1,340,797

The grants payable in future years will be paid as and when the various conditions attaching to them have been satisfied.

4 SUPPORT AND GOVERNANCE COSTS

- a) Allocation of support costs and overheads - 2020

	<u>Governance</u> £	<u>Charitable Activities</u> £	<u>Total</u> £
Staff costs	5,821	23,285	29,106
Consultant's costs	5,728	26,154	31,882
Audit	6,480	-	6,480
General expenses	1,653	17,988	19,641
	£19,682	£67,427	£87,109

- a) Allocation of support costs and overheads - 2019

	<u>Governance</u> £	<u>Charitable Activities</u> £	<u>Total</u> £
Staff costs	5,629	24,704	30,333
Consultants' costs	6,869	27,692	34,561
Audit	6,240	-	6,240
General expenses	2,495	16,388	18,883
	£21,233	£68,784	£90,017

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JANUARY 2020

Notes	2020	2019
	£	£
4 SUPPORT AND GOVERNANCE COSTS (continued)		
b) Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel:		
Salary	28,000	27,000
Pension Contributions	840	675
Expenses	266	468
Training	-	2,190
	£29,106	£30,333

There has been one part-time employee during the year. This was equivalent to 0.6 full-time employee (2019: 0.6). All employee time was involved in providing support to the governance and charitable activities of the Trust.

No employee had emoluments in excess of £60,000 in either year.

The Trustees did not receive any remuneration in the year (2019: £Nil). Included under General expenses, the expenses for travel, accommodation and certain office costs, which were reimbursed to or paid on behalf of 4 Trustees, amounted to £1,644 (2019: 5 Trustees £1,674).

5 INVESTMENTS

a) At valuation 1 February	30,131,933	31,798,112
Additions	990,827	2,207,675
Disposals	(1,000,000)	(2,232,605)
Net gains/(losses) on investments	5,237,183	(1,641,249)
At valuation 31 January	£35,359,943	£30,131,933
Comprising:		
M & G Charifund Income units	24,987,499	23,009,583
M & G Charibond Income shares	2,737,348	2,696,030
Hermes Property Unit Trust units	2,085,096	2,101,320
Wholly owned unlisted company	5,550,000	2,325,000
	£35,359,943	£30,131,933

All investments are made in the UK and are unlisted at 31 January 2020 and 31 January 2019.

b) Wholly owned unlisted company - Toddington Road Properties Limited

The main asset owned by Toddington Road Properties Limited is freehold land, which is let under a 99 year lease with effect from 1 March 1966 at a fixed rent. The property was professionally valued by Knight Frank LLP., subject to the current occupational lease, on the basis of Fair Value, as defined by FRS102, as at 24 April 2020, at £5,550,000. The Trustees are satisfied that this valuation has not changed materially since that date. Consolidated accounts have not been prepared, as the group and charity accounts would not be materially different and the income and expenditure of the company is not material.

c) Post Balance Sheet Event

The outbreak of the COVID-19 was declared as a global pandemic on 11 March 2020 by the World Health Organisation. The pandemic has impacted the global financial markets; as a result the investments held by the Trust decreased in value. At 14 May 2020, the value of these investments had fallen by 23.32% since 31 January 2020; this compared with the decrease of 22.29% in the FTSE All-Share Index over the same period.

6 DEBTORS

Prepayments	7,825	17,203
Other debtors	936	932
	£8,761	£18,135

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JANUARY 2020

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
7 CREDITORS PAYABLE WITHIN ONE YEAR			
Independent Auditor's fees		6,480	6,240
Tax and Social Security		424	411
Pension Contributions		210	203
Other creditors		7,921	9,032
Grants payable	3	90,250	27,500
		£105,285	£43,386

8 CREDITORS PAYABLE AFTER MORE THAN ONE YEAR

Grants payable	3	£62,000	£23,000
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9 UNRESTRICTED INCOME AVAILABLE FOR DISTRIBUTION

Investment income	2 a)	1,389,317	1,317,433
Income from wholly owned unlisted company	2 b)	5,885	5,953
		1,395,202	1,323,386
Support and Governance costs	4 a)	(87,109)	(90,017)
		1,308,093	1,233,369
Undistributed income at 1 February		99,799	117,210
Distributable income available for the year		1,407,892	1,350,579
Grants total	3	(1,252,673)	(1,250,780)
		£155,219	£99,799

10 OPERATING LEASE COMMITMENTS

At 31 January 2020, the Trust was committed to make the following estimated payments in respect of an operating lease.

Rent due under Lease			
Within one year		6,587	5,548
Within two to five years		1,326	6,794
Greater than five years		-	-
		£7,913	£12,342

11 FUTURE GRANT COMMITMENTS

At 31 January 2020 there were contingent liabilities relating to total conditional grants of £195,400 (2019 £196,878) payable over the next two years out of income and, if necessary, the capital of the Trust. It is considered that the income and capital of the Trust are adequate to meet these liabilities if they become unconditional.

12 RELATED PARTY TRANSACTIONS

There were no related party transactions in the year ended 31 January 2020.

In the year ended 31 January 2019 a grant of £25,000 was given to Northwood African Education Foundation, a charity of which Mrs W E Bailey is a Trustee.

13 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
Net income/(loss), before net gains on investments		55,957	(16,803)
Investment income and interest	2 a) & b)	(1,395,202)	(1,323,386)
Decrease/(increase) in debtors		9,374	(9,885)
Increase/(decrease) in creditors		100,899	(5,851)
		£(1,228,972)	£(1,355,925)

NOTES TO THE ACCOUNTS
YEAR ENDED 31 JANUARY 2020**14 GRANTS MADE**

A list of the grants made in the year ended 31 January 2020 can be found on our website on the link below:

<https://steelcharitabletrust.org.uk/grants/previous-grants/>

The grants for the year ended 31 January 2019 can be found at the end of the Trust's 2019 accounts on the link below:

http://apps.charitycommission.gov.uk/Accounts/Ends84/0000272384_AC_20190131_E_C.pdf