

BELVEDERE TRUST

(A company limited by guarantee)

**Trustees' report and consolidated financial statements
for the year ended 31 March 2020**

BELVEDERE TRUST
(A company limited by guarantee)

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**Reference and administrative details of the Charity, its Trustees and advisers
for the year ended 31 March 2020**

Trustees	J D Cracknell P A Klaber L Hene Viscount Mackintosh of Halifax J B K Roditi A R Gabriele (appointed 16 April 2020)
Company registered number	03868725
Charity registered number	1078667
Registered office	2nd Floor 2 Back Lane London NW3 1HL
Company secretary	J D Cracknell
Independent auditor	Sayers Butterworth LLP Chartered Accountants & Statutory Auditor 3rd Floor 12 Gough Square London EC4A 3DW
Bankers	Royal Bank of Scotland 62/63 Threadneedle Street PO Box 412 London EC2R 8LA Cayman National Bank Ltd 200 Elgin Avenue 1097GT Grand Cayman Cayman Islands
Investment managers	Smith & Williamson 25 Moorgate London EC2R 6AY Cazenove Capital 12 Moorgate London EC2R 6DA

BELVEDERE TRUST
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Trustees' report
for the year ended 31 March 2020

The Trustees present their annual report together with the audited financial statements for the year 1 April 2019 to 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document. The financial statements also comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

The Trust was set up to apply funds of the company towards, or in furtherance, or in advancement, or for the benefit of such one or more charities, charitable institutions or charitable purposes as the Trustees shall in their absolute discretion select and to undertake any other charitable purpose. There has been no change in these objectives during the year. During the year the Trustees have considered and made grants to the organisations as detailed in note 8.

The Trustees have given due regard to the public benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011.

PLANS FOR THE FUTURE

In February 2018 the land on which the mixed commercial development will be built was transferred to the Trust's 100% subsidiary The Box Office New Inn Broadway ("TBONIB"). The construction of the development is being undertaken by TBONIB financed by monies provided by the Trust.

Construction of the commercial development suffered minor delays during the year ended 31 March 2020 and following completion of the main construction works was handed to TBONIB by the building contractor on 21st March 2020. Thereafter internal fitting out was due to follow with the aim that the lettable floors would be available in May/June 2020. The progress of fitting out has been affected by the Covid-19 lock down (see the Covid-19 paragraph below). It is now envisaged that the commercial development will not be available for letting until 2021.

Construction of the ground floor Public Exhibition Space to be used for charitable purposes has progressed within the same time scale as the commercial development. The installation of display units and the AV information system has been affected by the Covid -19 lock down and is not expected to be completed until the end of 2020. As a result of the ongoing effect of Covid-19 and in particular social distancing restrictions it is not envisaged that the Public Exhibition Space will be opened to the public until at least mid 2021.

The Trust is still working closely with the London Borough of Hackney to enhance the Public Realm within the vicinity of the development.

During the year the Trust received a cash donation of £1 million which has been applied towards the construction of both the commercial development and the Public Exhibition Space.

The Trust retains two investment portfolios, we aim to donate the income to charitable causes. During the year the Trust received a donation in the form of 500,000 shares in Ocado plc. There is a 5 year restriction on the Trust's ability to realise the shares but there is no restriction as to the charitable purpose of the proceeds when

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Trustees' report (continued)
for the year ended 31 March 2020

the Ocado shares are realised. Any dividends received from Ocado in the interim will be applied to charitable causes.

The Trustees will also continue to research and identify eligible grant applicants to whom to apply the charity's funds in order to achieve its objects for the public benefit. In February 2018 the land on which the mixed commercial development will be built was transferred to the Trust's 100% subsidiary The Box Office New Inn Broadway ("TBONIB"). The construction of the development is being undertaken by TBONIB financed by monies provided by the Trust.

The Trustees will also continue to research and identify eligible grant applicants to whom to apply the charity's funds in order to achieve its objects for the public benefit.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

RESERVES POLICY

It is the policy of the Trust that unrestricted funds which have not been designated for a specific use should normally be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is a registered charity, number 1078667, and was established by Declaration of Trust dated 22nd October 1999. The Trust is a company limited by guarantee and its governing document is its Memorandum and Articles of Association. The Trust was incorporated on 26th October 1999.

The organisation's affairs are conducted by the Trustees who meet throughout the year and who have the power to appoint new Trustees at their discretion. The charity does not have a formal programme for the induction and training of new Trustees. The Trustees are required to be re-elected at every third annual general meeting in accordance with the Trust's governing document.

The Trust is UK based with its headquarters in London. A board of Trustees administers the Trust. The day to day management of the charity has been delegated to J D Cracknell, who is also a Trustee.

None of the Trustees has any beneficial interest in the charity.

The directors of the charitable company (the Charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as Trustees. The Trustees' report is a directors' report as required by s417 of the Companies Act 2006 and as such all of the Trustees are the directors of Belvedere Trust for the purposes of company law.

All Trustees are also members of the Belvedere Trust. Each member, in accordance with paragraph 9 of the Memorandum and Articles of Association, has undertaken to contribute such amount as may be required (not exceeding £1) to the charity's assets if it should be wound up while he/she is a member or within one year after he/she ceased to be a member, for payment of the charity's debts and liabilities contracted before he/she ceased to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the

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Trustees' report (continued)
for the year ended 31 March 2020

rights of the contributories among themselves.

The charity had one wholly owned subsidiary in the year, The Box Office New Inn Broadway Limited, a Company registered in England and Wales.

INVESTMENT POLICY

Grants received in advance and not expected to be spent in the short term are invested on the money market or placed as fixed deposits.

Unlisted investments comprise the entire share capital of the charity's subsidiary, The Box Office New Inn Broadway Limited.

Listed investments comprise two separate portfolios of securities, one managed by Smith & Williamson and the other by Cazenove. The Trust also has a holding in Ocado plc of which a further 500,000 shares were donated to the Trust in the year ended 31 March 2020. These Ocado shares were gifted to the Trust on condition that the shares should not be realised within a period of five years from the date of the gift.

GRANT MAKING POLICY

The charity has established its grant making policy to achieve its objects for the public benefit to apply funds of the charity towards those charitable activities which the Trustees consider in line with the charity's objectives. Applications for grants received by the charity are considered by the Trustees and discussed at Trustees' meetings held on a quarterly basis.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of legal and administrative information on page 1 of the financial statements.

THE TRUSTEES

The Trustees who served the charity during the year were as follows:

J D Cracknell
L Hene
P A Klaber
Viscount Mackintosh of Halifax
J B K Roditi

MAJOR RISKS

The Trustees have assessed the major risks to which the Trust is exposed, and the following major risks and arrangements to avoid or mitigate those risks were identified.

Funding risk – the Trust is funded by way of receiving donations and income from investments. The 4-6 New Inn Broadway project has attracted a significant level of funding and its progress and costs have been closely monitored by the Trustees to ensure that sufficient funding will be in place to enable the completion of this project.

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Trustees' report (continued)
for the year ended 31 March 2020

Grant programmes are designed with sufficient flexibility to accommodate changes and grants are only made following recommendations and research by the Trust's Charitable Grants Committee.

Investment risk – the Trust maintains its cash funds in low risk bank accounts or on Treasury Deposit. Investment in shares are managed by professional investment managers operating within a pre-designated risk mandate. Meetings are held with the Investment managers on a regular basis.

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW

Donations received in the year totalled £7,875,000 (2019: £6,928,000).

Investment income for the year was £235,277 (2019: £246,060).

Other income for the year was £5,414 (2019: £Nil).

Grants totalling £151,600 (2019: £125,200) were made during the year to the beneficiaries listed in note 8 to the accounts. Support costs amounting to £5,402 (2019: £2,006) were incurred in relation to the 4-6 New Inn Broadway project. Governance costs amounted to £136,464 (2019: £97,121). Other costs amounted to £40,018 (2019: £Nil).

The Trust aims to distribute its investment income to charitable causes. Reserves being kept high to cover the cost of the development of the Commercial Property. Thereafter it is envisaged that donations to charitable causes may well increase.

Total funds held by the Trust and its subsidiary at the year end were £36,320,108 (2019: £30,865,493).

COVID-19

The Covid -19 pandemic has had an impact on the Trust's ability, through its subsidiary TBONIB to complete the fitting out and letting of the commercial development. The first Covid-19 lock down from March to July 2020 has delayed completion of the project and it is now envisaged that the commercial floors within the development will not be let until 2021.

The Covid-19 pandemic has also had a serious impact on the operation of the ground floor Public Exhibition Space.

Fitting out of the floor has been delayed but more importantly it is not certain how the Public Exhibition Space will operate within the Government's rules on social distancing. Given this uncertainty it has been decided to delay the opening of the Public Exhibition Space until at least the summer of 2021.

On a more positive note the Trust has been directing an element of its charitable giving to supporting charities that give aid, mainly in the form of food parcels to those members of society that are experiencing hardship caused by the effects of Covid-19.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also directors of Belvedere Trust for the purposes of company law) 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).

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under

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Trustees' report (continued)
for the year ended 31 March 2020

company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 Group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and provisions of the trust deed. They are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Group's auditor in connection with preparing its report and to establish that the Group's auditor is aware of that information.

AUDITOR

The auditor, Sayers Butterworth LLP, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

This report was approved by the Trustees, on *25th September 2020* and signed on their behalf by:


J D Cracknell
Trustee

BELVEDERE TRUST
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Independent auditor's report to the Members of Belvedere Trust

Opinion

We have audited the financial statements of Belvedere Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2020 and of the Group's incoming resources and application of resources, including its income and expenditure 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 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company'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.

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Independent auditor's report to the Members of Belvedere Trust (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company 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 Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Group's and the parent charitable company'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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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Independent auditor's report to the Members of Belvedere Trust (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Sayers Butterworth LLP

Chartered Accountants & Statutory Auditor

3rd Floor

12 Gough Square

London

EC4A 3DW

Date: 25th September 2020

Sayers Butterworth LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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Consolidated Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 March 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	4	7,875,000	7,875,000	6,928,000
Investments	5	235,277	235,277	246,060
Other income	6	5,414	5,414	-
Total income		8,115,691	8,115,691	7,174,060
Expenditure on:				
Raising funds:				
Investment management		57,178	57,178	55,913
Charitable activities	7	293,466	293,466	224,327
Other expenditure		40,018	40,018	-
Total expenditure		390,662	390,662	280,240
Net (losses)/gains on investments		(2,270,414)	(2,270,414)	2,516,665
Net movement in funds		5,454,615	5,454,615	9,410,485
Reconciliation of funds:				
Total funds brought forward		30,865,493	30,865,493	21,455,008
Net movement in funds		5,454,615	5,454,615	9,410,485
Total funds carried forward		36,320,108	36,320,108	30,865,493

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 33 form part of these financial statements.

BELVEDERE TRUST
(A company limited by guarantee)
Registered number: 03868725

Consolidated balance sheet
as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	13,946,013	7,164,936
Investments	13	21,205,923	16,908,184
		<u>35,151,936</u>	<u>24,073,120</u>
Current assets			
Debtors	14	243,415	261,463
Cash at bank and in hand		1,641,348	7,249,961
		<u>1,884,763</u>	<u>7,511,424</u>
Creditors: amounts falling due within one year	15	(696,591)	(719,051)
Net current assets		<u>1,188,172</u>	<u>6,792,373</u>
Total assets less current liabilities		<u>36,340,108</u>	<u>30,865,493</u>
Creditors: amounts falling due after more than one year	16	(20,000)	-
Total net assets		<u><u>36,320,108</u></u>	<u><u>30,865,493</u></u>
Charity funds			
Unrestricted funds	18	36,320,108	30,865,493
Total funds		<u><u>36,320,108</u></u>	<u><u>30,865,493</u></u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

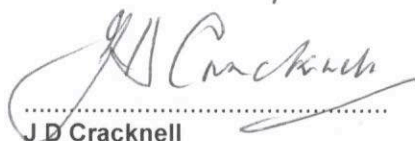
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

BELVEDERE TRUST
(A company limited by guarantee)
Registered number: 03868725

Consolidated balance sheet (continued)
as at 31 March 2020

The financial statements were approved and authorised for issue by the Trustees on
28th September 2020 and signed on their behalf by:


.....

J D Cracknell

The notes on pages 16 to 33 form part of these financial statements.

BELVEDERE TRUST
(A company limited by guarantee)
Registered number: 03868725

Charity balance sheet
as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	-	166
Investments	13	35,018,270	26,920,531
		<u>35,018,270</u>	<u>26,920,697</u>
Current assets			
Debtors	14	55,722	62,202
Cash at bank and in hand		1,422,805	3,869,505
		<u>1,478,527</u>	<u>3,931,707</u>
Creditors: amounts falling due within one year	15	(96,115)	(31,801)
Net current assets		<u>1,382,412</u>	<u>3,899,906</u>
Total assets less current liabilities		<u>36,400,682</u>	<u>30,820,603</u>
Creditors: amounts falling due after more than one year	16	(20,000)	-
Total net assets		<u><u>36,380,682</u></u>	<u><u>30,820,603</u></u>
Charity funds			
Unrestricted funds	18	36,380,682	30,820,603
Total funds		<u><u>36,380,682</u></u>	<u><u>30,820,603</u></u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

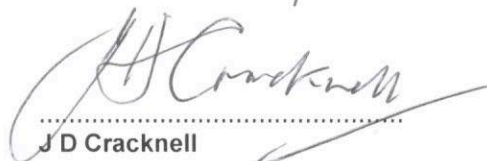
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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Registered number: 03868725

Charity balance sheet (continued)
as at 31 March 2020

The financial statements were approved and authorised for issue by the Trustees on
25th September 2020 and signed on their behalf by:


J D Cracknell

The notes on pages 16 to 33 form part of these financial statements.

BELVEDERE TRUST
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Consolidated statement of cash flows
for the year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	7,512,983	7,096,443
Cash flows from investing activities		
Dividends and interests from investments	235,277	246,060
Purchase of tangible fixed assets	(6,788,720)	(3,326,279)
Cash held as part of investment portfolio - movement	(246,385)	270,849
Net purchase of investments	(6,321,768)	(4,646,678)
Net cash used in investing activities	(13,121,596)	(7,456,048)
Change in cash and cash equivalents in the year	(5,608,613)	(359,605)
Cash and cash equivalents at the beginning of the year	7,249,961	7,609,566
Cash and cash equivalents at the end of the year	1,641,348	7,249,961

The notes on pages 16 to 33 form part of these financial statements

BELVEDERE TRUST
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Notes to the financial statements
for the year ended 31 March 2020

1. General information

Belvedere Trust is a private limited charitable company, incorporated in the United Kingdom and registered in England and Wales. The registered office address is 2nd Floor, 2 Back Lane, London, NW3 1HL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Belvedere Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Basis of consolidation

The financial statements consolidate the accounts of Belvedere Trust and all of its subsidiary undertakings ('subsidiaries').

The results of the subsidiaries acquired during the year are included from the effective date of acquisition.

The results of subsidiaries sold are included up to the effective date of disposal.

2.3 Going concern

After making the necessary enquiries, the trustees have a reasonable expectation that the charity has adequate reserves to continue in existence for the foreseeable future. On this basis the charity continues to adopt the going concern basis in preparing its financial statements.

In spite of the global effect of COVID-19 on the economy, in the directors opinion, there has been no material impact on the going concern of the charity.

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Notes to the financial statements
for the year ended 31 March 2020

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Bank interest is recognised as it is earned and the dividends when receivable.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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Notes to the financial statements
for the year ended 31 March 2020

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land and development costs	- Not depreciated
Fixtures and fittings	- 3-4 years straight line
Office equipment	- 3-4 years straight line
Computer equipment	- 4 years straight line
Other fixed assets	- 4 years straight line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and 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.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

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Notes to the financial statements
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2. Accounting policies (continued)

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £
Donations	7,875,000	7,875,000
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	<i>6,928,000</i>	<i>6,928,000</i>

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**Notes to the financial statements
for the year ended 31 March 2020**

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Income from local listed investments	231,713	231,713
Interest receivable	3,564	3,564
Total 2020	235,277	235,277
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Income from local listed investments	239,603	239,603
Interest receivable	6,457	6,457
<i>Total 2019</i>	<i>246,060</i>	<i>246,060</i>

6. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Festival ticket sales	4,478	4,478	-
Recharges	936	936	-
Total	5,414	5,414	-

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**Notes to the financial statements
for the year ended 31 March 2020**

7. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Expenditure on charitable activities	136,464	151,600	5,402	293,466

	<i>Activities undertaken directly 2019 £</i>	<i>Grant funding of activities 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Expenditure on charitable activities	<i>97,121</i>	<i>125,200</i>	<i>2,006</i>	<i>224,327</i>

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Governance costs (note 9)	136,464	97,121

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Premises costs	5,402	2,006

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**Notes to the financial statements
for the year ended 31 March 2020**

8. Grants to institutions

	2020	2019
	£	£
3H - Helping Hands for Holidays	-	1,000
Childhood Eye Cancer Trust	-	1,000
The Emery Walker Trust	-	10,700
Endeavour Training - BOOST project	-	1,000
Garsington Opera	20,000	10,000
The Geffrye Museum	-	1,000
Great Western Air Ambulance	-	500
Gurkha Welfare Trust	-	1,000
Gwent Wildlife Trust	-	1,000
Hot Line Meals Service	-	1,000
International Spinal Research Trust	-	1,000
Jermyn Street Theatre	-	5,000
Jubilee Sailing Trust	-	1,000
Kingswood Trust - Learn and Grow project	-	1,000
The Legacy Rainbow House	-	1,000
London Air Ambulance	2,000	1,000
Low Mill Outdoor Centre	-	1,000
The Movement for Non-Mobile Children	-	1,000
NARA - The Breathing Charity	-	1,000
North London Hospice	-	1,000
Nottinghamshire Clubs for Young People	-	1,000
Oesophageal Patients Association	-	1,000
Out N About Disabled Travel	-	1,000
Royal Collection Trust	40,000	10,000
Shakespeare Schools Foundation	-	1,000
SMA Support UK	-	1,000
Sparks Charity	-	1,000
St. Endellion Parochial Church	-	25,000
Starfish Malawi	-	1,000
Success Stories	-	1,000
Surfers Against Sewage	-	1,000
Treloar Trust	-	1,000
Wallace on the Ward Project	25,000	31,000
Wallace Collection - Translation project	-	5,500
Warm Hut	-	1,000
Youth on the Move	-	500
Climbing Out	1,000	-

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**Notes to the financial statements
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Countess Mountbatten Hospice	1,000	-
Crohns & Colitis UK	1,000	-
Dorothy House	1,000	-
Exeter Community Transport Assoc	1,000	-
Friends of Chelsea Children's Hospital School	5,000	-
Great Ormond Street Hospital	1,000	-
Handicapped Children Action Group	1,000	-
Legs4Africa	1,000	-
Leukaemia & Myeloma Research	1,000	-
Lifelites	1,000	-
Little Havens Hospice	1,000	-
Marine Conservation Society	1,000	-
Millefs Coins at British Museum	10,000	-
Minehead Museum	600	-
National Emergency Trust	10,000	-
Noah's Place	1,000	-
Pain Relief Foundation	1,000	-
Pioneer Theatres Limited	1,000	-
Pregnancy Crisis Care	1,000	-
Reading Rep Theatre	1,000	-
South Lincolnshire Soc Blind	1,000	-
St John's Ambulance	1,000	-
St Pauls Advice Centre	1,000	-
Surfers Against Sewage	2,000	-
Temwa	1,000	-
The Jubilant Trust	10,000	-
V&A Young Patrons	3,000	-
Wakefield Hospice	1,000	-
West Dean College	1,000	-
Young Enterprise	1,000	-
	151,600	125,200

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**Notes to the financial statements
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9. Governance costs

	Unrestricted funds 2020	<i>Total funds 2019</i>
	£	£
Audit remuneration	24,925	26,025
Accountancy fees	19,932	20,584
VAT payable	-	256
Other administration costs	7,559	8,998
Legal and professional fees	2,442	4,226
Admin support	8,724	6,264
Staff salaries and pension costs	33,312	23,520
Management charge	-	6,707
Depreciation	7,643	541
Exhibition items - conservation	525	-
Exhibition items - insurance	165	-
Repairs and renewals	127	-
Sales promotion - festival costs	31,110	-
	136,464	97,121

10. Staff costs

	Group 2020	<i>Group 2019</i>
	£	£
Wages and salaries	32,597	23,250
Contribution to defined contribution pension schemes	715	270
	33,312	23,520

The average number of persons employed by the Charity during the year was as follows:

	Group 2020 No.	<i>Group 2019 No.</i>	Company 2020 No.	<i>Company 2019 No.</i>
Employees including directors	6	6	5	5

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**Notes to the financial statements
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10. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

11. Trustees' remuneration and expenses

During the year, no Trustee received any remuneration or other benefits (2019 - £NIL).

During the year, no Trustee expenses have been incurred (2019 - £NIL).

12. Tangible fixed assets

Group

	Freehold land and developme nt costs £	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2019	7,163,643	2,026	1,953	-	-	7,167,622
Additions	6,760,320	15,351	-	12,110	939	6,788,720
At 31 March 2020	13,923,963	17,377	1,953	12,110	939	13,956,342
Depreciation						
At 1 April 2019	-	1,931	755	-	-	2,686
Charge for the year	-	3,933	447	3,028	235	7,643
At 31 March 2020	-	5,864	1,202	3,028	235	10,329
Net book value						
At 31 March 2020	13,923,963	11,513	751	9,082	704	13,946,013
At 31 March 2019	7,163,643	95	1,198	-	-	7,164,936

The Freehold land was valued by a Director on an open market basis at 31 March 2020.

The historic cost of the Freehold land was £2,300,000 (2019: £2,300,000) and development costs £11,487,206 (2019: £4,863,643).

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**Notes to the financial statements
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12. Tangible fixed assets (continued)

Company

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2019	2,026	450	2,476
At 31 March 2020	<u>2,026</u>	<u>450</u>	<u>2,476</u>
Depreciation			
At 1 April 2019	1,931	379	2,310
Charge for the year	95	71	166
At 31 March 2020	<u>2,026</u>	<u>450</u>	<u>2,476</u>
Net book value			
At 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>
<i>At 31 March 2019</i>	<u>95</u>	<u>71</u>	<u>166</u>

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**Notes to the financial statements
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13. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2019	16,908,184
Acquisition at cost	9,864,318
Disposal proceeds	(3,542,550)
Unrealised loss on revaluation in the year	(2,120,210)
Realised loss on disposals	(150,204)
Movement in cash held as part of portfolio	246,385
At 31 March 2020	21,205,923
Net book value	
At 31 March 2020	21,205,923
<i>At 31 March 2019</i>	<i>16,908,184</i>

Charity	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2019	10,012,347	16,908,184	26,920,531
Acquisition at cost	3,800,000	9,864,318	13,664,318
Disposal proceeds	-	(3,542,550)	(3,542,550)
Unrelaised loss on revaluation in the year	-	(2,120,210)	(2,120,210)
Realised loss on disposals	-	(150,204)	(150,204)
Movement in cash held as part of portfolio	-	246,385	246,385
At 31 March 2020	13,812,347	21,205,923	35,018,270
Net book value			
At 31 March 2020	13,812,347	21,205,923	35,018,270
<i>At 31 March 2019</i>	<i>10,012,347</i>	<i>16,908,184</i>	<i>26,920,531</i>

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13. Fixed asset investments (continued)

The listed investments held by the group and charity represents securities held in the UK and foreign listed entities.

Group and charity investments include listed shares with a value at 31 March 2020 of £12,200,000 which were donated to Belvedere Trust on condition that no shares will be sold for the first five years after they are registered in the Trust's name and that in each subsequent year, 20 % of the initial holding can be sold by the Trust at its discretion.

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
The Box Office New Inn Broadway Limited	11001779	2nd Floor, 2 Back Lane, London, NW3 1HL	Development of an exhibition space and commercial units at 4-6 New Inn Broadway, London.

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the period were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the period £	Net assets £
The Box Office New Inn Broadway Limited	4,491	109,953	(105,462)	13,751,776

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**Notes to the financial statements
for the year ended 31 March 2020**

14. Debtors

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Due within one year				
Trade debtors	3,020	299	141	-
Other debtors	144,832	253,922	166	62,202
Prepayments and accrued income	95,563	7,242	55,415	-
	243,415	261,463	55,722	62,202

15. Creditors: Amounts falling due within one year

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Trade creditors	370,813	463,705	-	-
Other taxation and social security	554	561	-	-
Other creditors	38,000	-	38,000	-
Accruals and deferred income	287,224	254,785	58,115	31,801
	696,591	719,051	96,115	31,801

16. Creditors: Amounts falling due after more than one year

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Other creditors	20,000	-	20,000	-

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**Notes to the financial statements
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17. Financial instruments

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	21,205,923	<i>16,908,184</i>	21,205,923	<i>16,908,184</i>

Financial assets measured at fair value through income and expenditure comprise investments.

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds					
General Funds - all funds	30,865,493	8,115,691	(390,662)	(2,270,414)	36,320,108

Statement of funds - prior year

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2019 £</i>
Unrestricted funds					
General Funds - all funds	<i>21,455,008</i>	<i>7,174,060</i>	<i>(280,240)</i>	<i>2,516,665</i>	<i>30,865,493</i>

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**Notes to the financial statements
for the year ended 31 March 2020**

19. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	<i>Group 2019 £</i>
Net income for the period (as per Statement of Financial Activities)	5,454,615	9,410,485
Adjustments for:		
Depreciation charges	7,643	541
Realised (gains)/losses on investments	150,204	80,178
Unrealised (gains)/losses on revaluation of investments	2,120,210	(2,596,843)
Dividends, interests and rents from investments	(235,277)	(246,060)
Decrease/(increase) in debtors	18,048	(159,348)
Increase/(decrease) in creditors	(2,460)	607,490
Net cash provided by operating activities	7,512,983	7,096,443

20. Analysis of cash and cash equivalents

	Group 2020 £	<i>Group 2019 £</i>
Cash in hand	1,641,348	7,249,961
Total cash and cash equivalents	1,641,348	7,249,961

21. Analysis of changes in net debt

	At 1 April 2019 £	Cash flows £	Changes in market value and exchange rate movements £	At 31 March 2020 £
Cash at bank and in hand	7,249,961	(3,488,403)	(2,120,210)	1,641,348
	7,249,961	(3,488,403)	(2,120,210)	1,641,348

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Notes to the financial statements
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22. Capital commitments

	Group 2020 £	<i>Group 2019 £</i>
Contracted for but not provided in these financial statements		
Construction of freehold property	236,243	<i>6,207,822</i>

23. Operating lease commitments

At 31 March 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	<i>Group 2019 £</i>
Not later than 1 year	-	<i>34,020</i>
Later than 1 year and not later than 5 years	-	<i>118,125</i>
	-	<i>152,145</i>

24. Members' liability

Each member of the charitable company is liable to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

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Notes to the financial statements
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25. Related party transactions

During the year the charity received a cash donation of £1,250,000 (2019: £2,500,000) and was gifted shares in a listed company worth £6,625,000 (2019: £4,428,000) from the spouse of P A Klaber, a trustee of the charity. The shares were gifted on condition that no shares will be sold for the first five years after they are registered in the Trust's name and that in each subsequent year, 20% of the initial holding can be sold by the Trust at its discretion.

During the year admin and IT support fees of £4,452 (2019: £3,276) were charged to Belvedere Trust by N Roditi & Co, a business of the spouse of a trustee. At 31 March 2020 Belvedere Trust owed N Roditi & Co £Nil (2019: £Nil).

During the year the subsidiary The Box Office New Inn Broadway Limited was charged a management charge in relation to a recharge of salary of £Nil (2019: £6,707), was charged rent and service charges of £54,264 (2019: £63,342) and recovered recharges of £14,471 from The Belvedere Realty Investments Limited, a company of which P A Klaber and Viscount Mackintosh of Halifax are directors.

During the year admin, IT support fees and travel recharges of £70,172 (2019: £61,629) were charged and £21,765 (2019: £Nil) in recharges was received by The Box Office New Inn Broadway Limited by N Roditi & Co, a business of the spouse of a trustee. At 31 March 2020 The Box Office New Inn Broadway Limited owed N Roditi & Co £Nil (2019: £88).

26. Controlling party

There was no ultimate controlling party throughout the current and previous period.