

THE THREE GUINEAS TRUST

ANNUAL REPORT

5 APRIL 2020

The Peak
5 Wilton Road
London SW1V 1AP

THE THREE GUINEAS TRUST

CONTENTS	PAGE
1 The Trustees' Report	2-7
2 Statement of Trustees' Responsibilities	8
3 Independent Auditors Report	9-11
4 Statement of Financial Activities	12
5 Balance Sheet	13
6 Cash Flow Statement	14
7 Notes to the Accounts	15-21

THE THREE GUINEAS TRUST

REPORT OF THE TRUSTEES

Legal and Administrative

The Three Guineas Trust (No. 1059652) was established under a Trust Deed dated 21 November 1996 and became a registered charity on 9 December 1996.

Trustees	C N Sainsbury (Settlor) D Wood D Flynn	
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP	
Principal Officers	R Bell K Everett M Williams	Director (to 11 November 2019) Chief Operating Officer Executive
	Principal officers are employed part-time	
Bankers	Child & Co 1 Fleet Street London EC4Y 1BD	
Solicitors	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ	
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Investment Managers	Cazenove Capital Management 12 Moorgate London EC2R 6DA	
Investment Powers	The Trust Deed empowers the Trustees to appoint investment advisers who have discretion to invest the funds of the Trust within guidelines established by the Trustees.	
Objects	The objects of the Trust as given in the Trust Deed are for general charitable purposes.	

THE THREE GUINEAS TRUST

REPORT OF THE TRUSTEES (CONTINUED)

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts which share a common administration. The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

Trustees are appointed by the existing Trustees and are provided with relevant information relating to their responsibilities as Trustees.

The Trustees are aware of the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The Trust and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under SI 62A of the Charities Act 2011.

Scope of Grant-making

The Trustees accept applications for practical projects in the field of autism. Proposals are considered alongside those that result from their own research and contacts with expert individuals and organisations working in this field. The Trustees are keen that schemes supporting autistic adults and young people include them in decision-making.

Trustees make grants in the field of disability, violence and access to justice. This year they made six new grants in this area. Trustees expect to fund other carefully chosen projects in this field in due course.

The year under review concluded with the Covid-19 emergency. Trustees made several one-off grants in response to this.

Trustees do not generally fund research, especially if this is on autistic people. Grants are not normally made to individuals.

Reserves Policy

The Trustees are ready to fund grant commitments from expendable endowment whenever this may be necessary in the future. In the year under review, there was a transfer from expendable endowment of £3,600,373 (2019: £1,018,606) to clear the deficit on unrestricted funds.

Although some grants have been accrued, others totalling £973,934 have not been provided for in the Statement of Financial Activities as they are due to be paid more than twelve months after the year end. They represent funds earmarked for continued support to existing grant holders where formal commitments have been made but the grant conditions have not been met at the balance sheet date.

THE THREE GUINEAS TRUST

REPORT OF THE TRUSTEES (CONTINUED)

The Trustees regularly review cash flow projections for income and expenditure, to ensure that the level of disposable net assets is adequate and that the Trust is in a position to meet all its commitments. As at 5 April 2020, the Trust held total funds of £21.5 million (2019: £26.5 million).

Investment Policy and Performance

The Trust's expendable endowment is invested in funds which comply with guidelines for socially and environmentally responsible investing, in compliance with the conditions of the Settlor under which the assets were gifted to the Trust. The Trustees regularly meet the investment manager to discuss strategy and review performance. The Trustees will continue to monitor performance against relevant indices but do not seek to track any particular index.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to manage such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Trustees have identified as a key risk the misuse of funds by a beneficiary charity. The intention is that this is general mitigation which includes normally restricting grants to charities registered with the Charity Commission or equivalent bodies. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on public benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. The Charity Commission consider the full information which follows in this annual report, about the Trust's aims, activities and achievements in the many areas of interest that the Trust supports demonstrates the benefit to its grant holders and through them to the Public that arise from those activities.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The Covid-19 pandemic has not had a significant impact on the Charity's finances. The impact of the market turmoil in the period to 5th April 2020 contributed to a reduction of 12.5% in the value of the investment portfolio for the year. Valuations have improved since 5th April 2020 but uncertainty remains.

The Charity's principal source of income is investment income and this may be lower in the future. Nevertheless, the endowment assets of the Trust remain significant, and these will continue to return income which the Trust will continue to pay out for charitable purposes in accordance with the Trust's objects.

THE THREE GUINEAS TRUST

REPORT OF THE TRUSTEES (CONTINUED)

Financial Review

The Trustees met twice during the year to make grants and to review investments.

The asset value of the Trust decreased from £26.5 million at 5 April 2019 to £21.5 million at 5 April 2020. The decrease in value was attributed to the net operating deficit of £2.24 million and to the £2.74 million largely unrealised loss recorded on the Trust's investment portfolio as a result of Covid-19. The investment portfolio has improved and at the end of December 2020 the value had increased by 26%.

Total incoming resources on unrestricted funds for the year were £428,929 (2019: £401,580), a 6.8% increase on the previous year.

During the year the Trustees approved 35 grants totalling £4,617,903, some payable over more than one year. At the end of the year, outstanding grant payments which are not provided for in the accounts amounted to £973,934 (see note 4).

The table below shows grants approved and payments made. Payments made relate to grants approved in this and earlier years.

Trustees made one-off grants totalling £2,250,000 in response to Covid-19.

	Grants approved		Grants paid	
	Number	£	Number	£
Autism	24	912,720	32	603,382
Disability, Violence and Access to Justice	7	1,435,183	18	755,685
General	4	2,270,000	4	55,500
	35	4,617,903	54	1,414,567

Future Plans

The Trustees will continue to fund projects that support autistic people and their families. They will also continue to fund projects that give access to justice, and projects that prevent or ameliorate violence against disabled people.

Advisers

In the year under review the Trustees were advised by:

Professor Uta Frith
Bethan Rigby
John Pring

THE THREE GUINEAS TRUST

REPORT OF THE TRUSTEES (CONTINUED)

Grants Approved

Autism - £912,720

Assert (B&H) - £271,213

Towards on-going service delivery and development of the organisation (2 grants).

Autism Northern Ireland - £265,000

Towards employing a fundraising officer and family support worker.

Sunbeams Play - £150,000

Towards running costs.

Project Artworks - £60,000

Towards the running costs of Parachute Club, an arts-based programme for adults with autism.

Grants were also made to the following beneficiaries towards summer activity programmes for children with autism:

Autism Bedfordshire	£10,000
Blackpool Tiggers	£10,000
Brentford FC Community Sports Trust	£9,932
Disabilities & Self-Help (DASH)	£10,000
Dreadnought Centre	£10,000
Halton Autistic Family Support Group	£10,000
Helping Hands Autism Support Group	£5,000
KIDS Yorkshire & Humber	£10,000
KIDS Lincolnshire	£5,000
Killamarsh Autistic and PDA Support Group	£10,000
Lambeth Autism Group	£4,895
National Autistic Society South Belfast	£9,000
Project Art Works	£8,000
Resources for Autism (2 grants)	£20,000
Spectrum	£9,000
Wecan	£10,000
White Lodge Centre	£8,000
YMCA East Surrey	£7,680

THE THREE GUINEAS TRUST

REPORT OF THE TRUSTEES (CONTINUED)

Disability, Violence and Access to Justice - £1,435,183

Harrow Law Centre - £152,508

Towards the welfare rights tribunal service.

Inclusion London - £81,000

To support disabled people's organisations response to the coronavirus pandemic.

Inquest - £180,000

Towards senior caseworker to support families before, during and after inquests.

Islington Law Centre - £174,000

Towards the employment of a welfare benefit's solicitor.

Respond - £450,000

Towards core costs and toward leadership of the therapeutic team (2 grants).

Stay Safe East - £397,675

Towards core costs, especially to assist with succession planning for the Chief Executive.

General - £2,270,000

Firm Foundation - £20,000

Towards running costs.

London Community Foundation - £250,000

In response to Covid-19.

National Emergencies Trust - £1,000,000

In response to Covid-19.

Trussell Trust - £1,000,000

In response to Covid-19.

Approved by the Trustees on 7th January 2021 and signed on their behalf by:



TRUSTEE

THE THREE GUINEAS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE ACCOUNTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity 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 charity and of its net outgoing resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE THREE GUINEAS TRUST

Independent Auditor's Report to the Trustees of the Three Guineas Trust

Opinion

We have audited the financial statements of the Three Guineas Trust for the year ended 5 April 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 5 April 2020 and of its 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 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 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.

THE THREE GUINEAS TRUST

Independent Auditor's Report to the Trustees of the Three Guineas Trust (continued)

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- 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 trustees' responsibilities statement [set out on page 8], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and 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

THE THREE GUINEAS TRUST

Independent Auditor's Report to the Trustees of the Three Guineas Trust (continued)

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 charity'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 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.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

London

18 January 2021

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE THREE GUINEAS TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2020

	Notes	Unrestricted Funds	Expendable Endowment	Total Funds 2020	Total Funds 2019
		£	£	£	£
Income and Endowment from:					
Donations and gifts		-	1,437,500	1,437,500	1,250,000
Investments	3	373,200	-	373,200	373,929
Interest and other income		55,729	-	55,729	27,651
Total Income		428,929	1,437,500	1,866,429	1,651,580
Expenditure on:					
<i>Raising funds:</i>					
Investment management fees		-	81,910	81,910	109,452
<i>Charitable activity:</i>					
<i>Grant-making:</i>					
Grant expenditure	4	3,877,752	-	3,877,752	1,249,060
Grant related support costs	5	151,550	-	151,550	171,126
Total Expenditure		4,029,302	81,910	4,111,212	1,529,638
Net operating (deficit)/ surplus		(3,600,373)	1,355,590	(2,244,783)	121,942
(Loss)/gains on investment assets		-	(2,736,822)	(2,736,822)	1,221,160
Transfers between funds		3,600,373	(3,600,373)	-	-
Net movement in funds		-	(4,981,605)	(4,981,605)	1,343,102
<i>Reconciliation of funds:</i>					
Total funds brought forward		-	26,530,045	26,530,045	25,186,943
Total funds carried forward		-	21,548,440	21,548,440	26,530,045


The notes on pages 15 to 21 form part of these accounts.

THE THREE GUINEAS TRUST

BALANCE SHEET AS AT 5 APRIL 2020

	Notes	2020	2019
		£	£
FIXED ASSETS			
Tangible fixed assets	7	2,720	4,080
Investments	8	19,405,682	21,840,366
		19,408,402	21,844,446
CURRENT ASSETS			
Debtors	9	6,477	7,267
Short-term deposits		2,580,552	5,151,763
Cash at bank and in hand		3,160,894	706,267
		5,747,923	5,865,297
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	10	3,607,885	1,179,698
		3,607,885	1,179,698
NET CURRENT ASSETS		2,140,038	4,685,599
NET ASSETS		21,548,440	26,530,045
CAPITAL FUNDS			
Expendable endowment	11	21,548,440	26,530,045
		21,548,440	26,530,045

The financial statements were approved and authorised for issue by the Trustees on 7th January 2021 and were signed on their behalf by :



TRUSTEE

The notes on pages 15 to 21 form part of these accounts.

THE THREE GUINEAS TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 5 APRIL 2020

RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net cash (used in) operating activities	(1,251,946)	(972,275)
Cash flows from investing activities:		
Proceeds from sale of investments	2,237,467	3,873,003
Purchase of investments	(1,528,391)	(4,060,703)
Net cash provided by investing activities	709,076	(187,700)
Cash flows from financing activities:		
Receipt of expendable endowment	1,437,500	1,250,000
Net cash provided by financing activities	1,437,500	1,250,000
Change in cash and cash equivalents in the year	894,630	90,025
Cash and equivalents brought forward	6,449,580	5,957,975
	7,344,210	6,048,000
Net movement in funds as per statement of financial activities	(4,981,605)	1,343,102
Deduct gift of endowment	(1,437,500)	(1,250,000)
Loss/(gains) on investments	2,736,822	(1,221,160)
Depreciation charges	1,360	1,360
Decrease in debtors	790	222,336
Increase/(decrease) in creditors	2,428,187	(67,913)
Net cash used in operating activities	(1,251,946)	(972,275)

Analysis of the balance of cash as shown in the balance sheet

	2020	2019	Change in year
Cash at bank and in hand	3,160,894	706,267	2,454,627
Short-term deposits	2,580,552	5,151,763	(2,571,211)
Investment cash held as Fixed Asset Investments (Note 8)	1,602,764	591,550	1,011,214
	7,344,210	6,449,580	894,630

The notes on pages 15 to 21 form part of these accounts.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS

1. CHARITABLE STATUS

The Three Guineas Trust is an unincorporated charity (Charity registration number 1059652), registered in England and Wales. The address of the registered office is 5 Wilton Road, London, SW1V 1AP.

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The 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 (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS 102.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The Covid-19 pandemic has not had a significant impact on the Charity's finances. The impact of the market turmoil in the period to 5th April 2020 contributed to a reduction of 12.5% in the value of the investment portfolio for the year. Valuations have improved since 5th April 2020 but uncertainty remains.

The Charity's principal source of income is investment income and it is likely to be lower going forward. Nevertheless the endowment assets of the Trust remain significant, and these will continue to return income which the Trust will continue to pay out to its beneficiaries in accordance with the Trusts objects of the Trust Deed. In the opinion of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity.

a) Income Recognition

- (i) Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is included when receivable.

b) Expenditure on Charitable activities

The Trustees consider that grant-making is the Trust's sole charitable activity. Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for within the Statement of Financial Activities. Grants approved subject to conditions that have not been met at the year end are noted as a commitment (see note 4).

c) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities. Investments are shown at mid market value.

Disposals are accounted for using proceeds value.

d) Cost of administration

These costs include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

2. ACCOUNTING POLICIES (continued)

e) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include statutory audit and legal fees where relevant.

f) Depreciation

Fixed assets are depreciated at rates which reflect their useful life to the Trust.

Leasehold improvements - 10% per annum

g) Financial Instruments

The Trust 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals.

Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the charity held financial assets at fair value of £17,803k (2019: £21,249k)

h) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

i) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2020		2019	
	£	%	£	%
Fixed interest	58,966	16	44,838	12%
UK equities	213,378	57	214,139	57%
Overseas equities	55,869	15	77,734	21%
Alternatives	44,987	12	37,218	10%
	373,200	100	373,929	100%

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

4. GRANTS PAYABLE

	2020	2019
	£	£
Reconciliation of grants payable:		
Commitments at 6 April 2019	1,104,117	1,208,590
Grants not accrued at 6 April 2019	233,783	331,070
Grants approved in the year	4,617,903	1,151,773
Grants cancelled or refunded	-	-
Grants not accrued at 5 April 2020	(973,934)	(233,783)
Grants payable for the year	3,877,752	1,249,060
Grants paid during the year	(1,414,567)	(1,353,533)
Commitments at 5 April 2020	3,567,302	1,104,117
Commitments at 5 April 2020 are payable as follows:		
	£	£
Within one year (note 10)	3,567,302	1,104,117

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued as expenditure at 5 April 2020 was £973,934 (2019: £233,783).

Grants payable in the year were:

	£
Autism	
Assert (B&H)	195,949
Autism NI	190,000
Project Arworks	68,000
Resources for Autism	20,000
Sunbeams Play	100,000
University of Bath	10,000
Plus 18 other grants	138,511
Disability, Violence and Access to Justice	
Bristol Law Centre	67,528
Cheshire without Abuse	50,626
Harrow Law Centre	101,672
Inquest	60,000
Islington Law Centre	72,500
Respond	300,000
SARSAS	36,629
Stay Safe East	196,337
General	
Firm Foundation	20,000
London Community Foundation	250,000
National Emergencies Trust	1,000,000
Trussel Trust	1,000,000
	3,877,752

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

5. ALLOCATION OF SUPPORT COSTS

	Grant- making	Governance	2020 Total Allocated	Grant- making	2019 Governance
	£	£	£	£	£
Staff costs	74,238	2,768	77,006	64,920	2,768
Share of joint office costs	23,664	-	23,664	20,985	-
Direct costs including travel	3,171	-	3,171	29,941	-
Legal and professional fees	22,533	-	22,533	27,336	-
Advisors' honoraria	20,000	-	20,000	20,000	-
Depreciation	1,360	-	1,360	1,360	-
Auditors' remuneration	-	3,816	3,816	-	3,816
	144,966	6,584	151,550	164,542	6,584

During the year no Trustee received any remuneration or expenses for their services as trustees (2019: NIL). Included in the direct costs of £3,171 is nothing in the current year (2019: £11,986) for a beneficiary sharing and learning seminar and nothing (2019: £14,866) for organisational support for beneficiaries.

Included in legal and professional fees is £13,473 incurred for the Novarca review of investment management charges (2019: £15,850).

6. ANALYSIS OF STAFF COSTS

	2020	2019
	£	£
Salaries and wages	60,805	54,879
Social security costs	6,726	6,374
Other pension costs	9,475	6,435
	77,006	67,688

As mentioned in Note 2(d), the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 1.1% (2019: 1%) of the total support and administration costs of these trusts have been allocated to the Three Guineas Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2019/20.

The number of staff employed during the period was 10, all on a part-time basis (2019: 8). This was equivalent to 0.7 full time employees (2019: 0.8). The Trust considers its key management personnel to comprise the Principal Officers. The total employment benefits including employer pension contributions, of these personnel were £49,925 (2019: £48,774). No employee of the charity earned in excess of £60,000 (2019: nil).

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

7. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2020	2019
	£	£
Cost		
At 6 April 2019	13,600	13,600
At 5 April 2020	13,600	13,600
Depreciation		
At 6 April 2019	9,520	8,160
Charge for the year	1,360	1,360
At 5 April 2020	10,880	9,520
Net Book Value		
At 5 April 2020	2,720	4,080
At 5 April 2019	4,080	5,440

8. FIXED ASSET INVESTMENTS

	2020	2019
	£	£
Market value 6 April 2019	21,248,816	19,839,956
Less: Disposals at proceeds	(2,237,467)	(3,873,003)
Add: Acquisitions at cost	1,528,391	4,060,703
Net(loss)/gain on valuation	(2,736,822)	1,221,160
Market value 5 April 2020	17,802,918	21,248,816
Investment cash	1,602,764	591,550
Total investments	19,405,682	21,840,366

The investments held as at 5 April 2020 were as follows:

	2020		2019	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
UK fixed interest	3,506,559	3,530,961	2,521,176	2,558,645
UK equities	5,256,916	7,109,183	6,009,226	10,871,765
Overseas equities	5,243,063	5,991,652	5,597,662	6,938,664
Alternatives	1,185,076	1,171,122	826,793	879,742
	15,191,614	17,802,918	14,954,857	21,248,816
Investment cash	1,602,764	1,602,764	591,550	591,550
Total investments	16,794,378	19,405,682	15,546,407	21,840,366

During the year the classification of cash held by the investment managers for reinvestment in the portfolio has been included within fixed asset investments as it is a longer term investment.

9. DEBTORS

	2020	2019
	£	£
Income tax recoverable	-	-
Prepayments and Accrued Income	6,477	7,267
	6,477	7,267

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

10. CREDITORS - amounts falling due within one year

	2020	2019
	£	£
Grants payable within one year	3,567,302	1,104,117
Professional charges	7,141	7,147
Investment management fee	20,469	18,528
Other creditors	12,973	49,906
	3,607,885	1,179,698

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2020
	£	£	£
Fund balances at 5 April 2020 are represented by:			
Tangible fixed assets	-	2,720	2,720
Investments	-	19,405,682	19,405,682
Current assets	3,587,416	2,160,507	5,747,923
Current liabilities	(3,587,416)	(20,469)	(3,607,885)
Total net assets	-	21,548,440	21,548,440

Movement in the year

Opening balance as at 5 April 2019	-	26,530,045	26,530,045
Total income and endowments	428,929	1,437,500	1,866,429
Cost of raising funds	-	(81,910)	(81,910)
Cost of grant-making	(4,029,302)	-	(4,029,302)
Net (loss)/gain on investments	-	(2,736,822)	(2,736,822)
Transfers between funds	3,600,373	(3,600,373)	-
Closing balance as at 5 April 2020	-	21,548,440	21,548,440

ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2019
	£	£	£
Fund balances at 5 April 2019 are represented by:			
Tangible fixed assets	-	4,080	4,080
Investments	-	21,840,366	21,840,366
Current assets	1,161,170	4,704,127	5,865,297
Current liabilities	(1,161,170)	(18,528)	(1,179,698)
Total net assets	-	26,530,045	26,530,045

Movement in the year

Opening balance as at 5 April 2019	-	25,186,943	25,186,943
Total income and endowments	401,580	1,250,000	1,651,580
Cost of raising funds	-	(109,452)	(109,452)
Cost of grant-making	(1,420,186)	-	(1,420,186)
Net (loss)/ gains on investments	-	1,221,160	1,221,160
Transfers between funds	1,018,606	(1,018,606)	-
Closing balance as at 5 April 2019	-	26,530,045	26,530,045

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS continued

12. RELATED PARTY TRANSACTIONS

Included within grant-related support costs is a total of £9,060 (2019: £11,486) payable for legal services to Portrait Solicitors, a firm in which Mr D Flynn is a partner.

During the year to 5 April 2020 a donation of £1,437,500, including Gift Aid, (2019: £1,250,000) was received from the Settlor who is a Trustee of The Three Guineas Trust.

13. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2019

	Unrestricted Funds	Expendable Endowment	Total Funds 2019
	£	£	£
Income and Endowment from:			
Donations and gifts	-	1,250,000	1,250,000
Investments	373,929	-	373,929
Bank deposit interest and other income	27,651	-	27,651
Interest on short term deposits	-	-	-
Total Income	401,580	1,250,000	1,651,580
Expenditure on:			
<i>Cost of generating funds:</i>			
Investment management fees	-	109,452	109,452
<i>Charitable activity:</i>			
Grant-making:			
Grant expenditure	1,249,060	-	1,249,060
Grant related support costs	171,126	-	171,126
Total Expenditure	1,420,186	109,452	1,529,638
Net operating surplus / (deficit)	(1,018,606)	1,140,548	121,942
Gains on investment assets	-	1,221,160	1,221,160
Transfers between funds	1,018,606	(1,018,606)	-
Net movement in funds	-	1,343,102	1,343,102
<i>Reconciliation of funds:</i>			
Total funds brought forward	-	25,186,943	25,186,943
Total funds carried forward	-	26,530,045	26,530,045