

Charity Registration No. 1149282

**THE BETTY MESSENGER CHARITABLE FOUNDATION
TRUSTEES' REPORT AND CONSOLIDATED
ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022**



Sobell Rhodes LLP
The Kinetic Centre
Theobald Street
Elstree, Borehamwood
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THE BETTY MESSENGER CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Steven Jaffe Robert Wallis (resigned on 3rd March 2022) Jennifer Hirsch
Senior management team	Steven Jaffe Robert Wallis (resigned on 3rd March 2022) Jennifer Hirsch
Charity Number	1149282
Principal address	The Art Stables C/O The Sternberg Centre 80 East End Road London N3 2SY
Auditors	Sobell Rhodes LLP The Kinetic Centre Theobald Street Elstree, Borehamwood Hertfordshire United Kingdom WD6 4PJ
Investment Managers	Schroder Unit Trusts Ltd 31 Gresham Street London EC2V 7QA Investec Wealth & Investment Ltd 2 Gresham Street London EC2V 7QP CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

THE BETTY MESSENGER CHARITABLE FOUNDATION

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**THE BETTY MESSENGER CHARITABLE FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 5 APRIL 2022**

The Trustees present their annual report and financial statements of the Foundation for the year ended 5th April 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Foundation's Trust Deed, the Charities Act 2011, and the Statement of Recommended Practice; Accounting and Reporting by Charities 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Betty Messenger Charitable Foundation is an unincorporated trust established by a Trust Deed dated 17th September 2010 and registered with the Charity Commission on 11th October 2012. The Trustees have the power to spend or retain both capital and income. The Foundation does not actively fundraise and seeks to continue its charitable work through careful stewardship of its existing resources and providing funding for its charitable purposes.

The Foundation owns the entire share capital of Messenger Estates (Holdings) Limited which in turn owns the entire share capital of Messenger Estates Limited.

The Trustees who served during the year are as follows:

Jennifer Hirsch

Steven Jaffe

Robert Wallis (resigned on 3rd March 2022)

Robert Wallis, one of the founding Trustees, stepped down after 10 years of service on the board.

The Trustees wish to acknowledge the significant contribution he has made over that time. In particular, his expertise in property management and investment ensured that significantly greater amounts were realised from the disposal of those assets, resulting in more funds available for the beneficiaries. Robert has helped to develop some of the charities supported by the Foundation through his mentoring. He also used his facilitation skills for different sessions including one for new charities and the Foundation's board strategy days.

The Trustees wish him all the best for his future endeavors.

The Trustees, with the active involvement of our part-time Grants and Governance Officer, deal with the day-to-day management of the Foundation, including administration of grants, and the processing of applications. The Trustees undertake much of the work themselves and only employ such professional support as is necessary to operate effectively, so as to maximise the funds available for the beneficiaries.

The Trustees comply with the Foundation's Conflicts of Interest Policy to ensure best practice when carrying out the Foundation's activities. The Foundation has reviewed its activities to ensure compliance with the GDPR. An exercise was undertaken to benchmark the Foundation against the principles of the Charity Governance Code and the Trustees were satisfied that they could either apply the principles or explain why they have taken a different approach.

OBJECTIVES AND ACTIVITIES

The objects of the Foundation are for the Trustees to determine such charitable purposes as shall, from time to time be in accordance with its objectives. In settling their grant making strategy and when reviewing the Foundation's aims and objectives, they have due regard to the guidelines laid down by the Charity Commission.

**THE BETTY MESSENGER CHARITABLE FOUNDATION
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Public Benefit and impact

The objects of the Foundation are for the Trustees to determine such charitable purposes as shall, from time to time be in accordance with its objectives. In setting their grant making strategy and when reviewing the Foundation's aims and objectives and when planning future activities and setting the grant making policy, they have due regard to the guidelines laid down by the Charity Commission.

The Foundation is mindful of its obligations to meet the Public Benefit criterion and to be transparent, to this end it makes grants to UK based registered charities for activities and projects and, seeks to demonstrate its impact. Though the number of beneficiaries supported by the Foundation's funding is important when monitoring and evaluating its grants, the qualitative impact on individuals is also where the Trustees seek to understand their impact.

Over the course of the last year, the Trustees have continued to refine the Foundation's grant making strategy to focus on specific areas. In general terms this means direct support to alleviate those suffering from disease which includes end of life care, community or educational initiatives that support the health and wellbeing, creating opportunities for them that would otherwise be unobtainable and support for smaller charities, though capital projects will also be considered. The Foundation continues to be concerned with individuals who "fall through the gaps" of other support.

Although the Foundation is small in terms of the number of people involved, the Trustees are aspirational to be proactive in seeking out opportunities to make a difference and to maximise the Foundation's impact. To focus their activities in achieving these aspirations, the Trustees hold regular Away Day events as explained later under the Grant Making Policy and Strategy section.

The Trustees therefore offer some examples of where and how we are seeking to implement this strategy and make an impact, as follows:

Charity of The Year Award

The Trustees are always considering different ways to support charities and decided that making an annual award could be a useful way for charities to raise their profile and demonstrate recognition of their work when applying to other funders. Unfortunately, the impact of COVID-19 meant that no awards were made for 2021-2022.

Food Bank Aid - www.foodbankaid.org.uk

The trustees have supported Food Bank Aid which is a grassroots charity tackling the daily challenge of food poverty in North London. Operating as a central donation and distribution hub, they collect and purchase food, toiletries and household goods and distribute them to food banks where the need is most. The charity has been invited to apply for a final grant.

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Refugee Education UK - www.reguk.org.uk

The trustees have supported this charity on their journey as REUK has grown from a small volunteer-led local project into a national organisation supporting hundreds of refugee and asylum-seeking children and young people across the UK. Barriers to education are real: REUK want all refugee children and young people to be able to access the level of education that is right for them – from primary school through to university. The charity has been invited to apply for a final grant.

Grant Making Policy and Strategy

The continuing effect of the Covid-19 pandemic on the world was a major factor influencing strategy and our activities. Visiting grant applicants and continuing projects has always been a feature of our grant making policy. Since the start of lockdown, Trustees have been able to maintain these visits virtually through video conference facilities. Also, trustee meetings continued throughout this period as well as other meetings, e.g. with our investment advisors. The Trustees considered it crucial to continue maintaining our work which is needed more than ever during this crisis.

The Trustees decided to respond to the impact of Covid-19 in two ways. Firstly, by contacting our existing projects to see whether assistance was required to help them over the crisis. Having made the initial investment in these projects, it made sense to ensure that where possible they continued. Secondly, opportunities were found to provide support where most needed through a series of small grants typically around £2,000. Many of these grants were made to perceived areas of specific need at this time, for example, small local food banks and domestic violence charities.

Reviewing our grant making policy overall this year, it had become increasingly clear that the most successful projects are those where relationships based on trust have been built up with the key people involved. Usually, this will be the CEO and Chair of the trustee board. An important element is communication so that the Foundation is aware of progress and any problems that may arise. This light touch and informal monitoring is often more informative and effective than formal reviewing written reports, though these are still required.

The Trustees have found that sometimes an initial small donation can lead to the beginning of a better understanding of the grant recipient charity and a continuing relationship to support their work.

The Trustees have established their grant making strategy to achieve their objects as previously explained. The Trustees also have a grant making policy which covers eligibility criteria and the whole process of application so as to facilitate due diligence and be fair to applicants.

The Trustees monitor the grants to ensure that they meet the aims and objectives of the Foundation and public benefit, by insisting upon periodic updates from recipients and assessing the outcomes. Overall grant making is monitored through a specially designed management tool to track grants committed and paid in the year compared with the budget which is linked to the strategic focus areas.

**THE BETTY MESSENGER CHARITABLE FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 5 APRIL 2022**

The Trustees play a very active role in the Foundation and review their strategy, policy and criteria regularly. Although they have a central policy, flexibility is retained to allow for reaction to changes in the community as seen at the beginning of the Covid-19 pandemic. The Trustees believe the current governance structure allows them to respond to need in the community faster and more efficiently than larger foundations. The Trustees are also proactive and seek out charities and projects that meet their criteria. The Trustees continue to commit a proportion of their income to multi-year grants. The Trustees keep the value of these continuing grants under review to avoid over-committing their resources.

In the short term, the Trustees will continue to make grants and donations that fall within their aims and objectives. In the long term, the Trustees reviewed their strategy to consider various options including whether all the objectives could be achieved in line with the full depletion of capital and income. After review and discussion towards the end of the year, the Trustees concluded that the most effective way to achieve their objectives was to spend out the funds.

To that end, the Final Grants Programme was written and approved for implementation and is summarised as follows:

'The Trustees of the Betty Messenger Charitable Foundation (BMCF) have decided that the Foundation will cease its activities as a grant making charity and close after meeting its existing obligations and spending out its funds in an orderly manner. The Trustees aspire to complete this over the next 18 months. Grantees who hold multi-year grants will be contacted in due course. Therefore, no new multi-year applications are invited.

The Trustees wish to provide clear guidance to grantees and applicants about the expectations and processes of how the Final Grants Programme (FGP) will be implemented. The FGP will be carried out on the basis of direct awards to organisations who will be invited to apply for a final grant. It is therefore a closed programme where the Trustees will approach the organisations to offer a final grant, so there will be no open application invitation/competition process. For existing multi-year grant holders who have not received the total amount of their grant by the time the Foundation is approaching closure, a single payment, subject to the same conditions of the existing grant, will be made at that point for the balance of the outstanding grant.

The new additional final grants under this programme will be paid as a single unrestricted amount.'

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

The Trustees meet on a monthly basis. On top of on-going grant commitments, the Trustees authorised several further grants in the year, in addition to ad hoc donations. These are detailed within the body of the financial statements.

The Foundation has focused its grants on charities that are involved in areas defined by its current grant making strategy.

Aside from small grants, which are subject to less stringent criteria, all successful applicants are requested to provide a report on the use of the funding provided and how it has benefitted the target groups. A standard reporting format is provided, and we expect the financial information to be provided on a timely basis, and in a format that enables the Foundation to assess how the funds are being expended.

As part of the recipient's commitments, if there is inadequate financial accountability and/or there has been a material underspend, the Foundation reserves the right to withhold future funding.

THE BETTY MESSENGER CHARITABLE FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 5 APRIL 2022

Income from investments during the year amounted to £458,065 and rental income from the Group's investment properties amounted to £Nil.

Fund raising expenditure was £596,826 (2021 - £251,893). As noted in the accounts, because the Foundation does not undertake any fundraising activities the expenditure shown against the description 'Raising funds' is purely to comply with charity accounting requirements and the expenditure actually relates to investment and governance costs.

By reviewing the periodic reports of the recipients, the Trustees are able to assess the added value and impact that their funding has made. This in turn, enables the Trustees to assess whether the beneficiaries have been able to benefit the wider community through for example, their advances in research.

RISK MANAGEMENT

The Trustees have identified the risks to which the Foundation is exposed and have implemented procedures to mitigate those risks. The principle risk to the Foundation is considered to be a dramatic downturn in capital value.

The Trustees consider the major financial risk to be a variability of returns on their investments. Spreading the investments with three established fund managers helps to mitigate this risk, as does their different approaches with one picking stocks, one investing in funds of funds, and the other investing in a specialist charity fund. The fund managers engaged are respected and established specialists in the charity sector and are mindful of our requirements and risk profile. Their respective performances are monitored monthly with daily online access. The Trustees meet with their fund managers at least twice a year to review performance.

The impact at the beginning of the Covid-19 pandemic on the investment portfolio was dramatic however, since then it has recovered back towards its original position. In terms of sustainability and going concern, the Trustees consider that in the event of another serious market downturn, they would be able to continue meeting their ongoing multi-year grant commitments, because there is no endowment restriction, and the capital can be spent. If necessary, future grant making would have to be curtailed. There were no other risks or negative impact of Covid-19 in addition to what has been reported.

The major operational risk faced by the Foundation is misuse of grant funding by recipients. The Trustees have implemented procedures to manage this risk including a thorough review of all applications, including a financial assessment, and effective monitoring of grants made including visits to projects. To mitigate this risk, grants are only made to UK registered charities.

To manage the risks, with the assistance of our Grants and Governance Officer, we maintain a Risk Register which is reviewed annually by the Trustees. We have also established reporting requirements in order to not only measure the outcomes, but also to evaluate actual expenditure against budget for those projects we have funded. We, as a policy, will not advance further funding if there are significant underspends or reporting by the recipients is found to be inadequate.

**THE BETTY MESSENGER CHARITABLE FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 5 APRIL 2022**

FINANCIAL REVIEW

The Foundation's work is not solely dependent upon income from its investments, and if necessary, will use the capital fund. The Trustees policy is to maximise income from their investments. This policy is kept under review and if the need arises, the Trustees will reconsider this decision.

Most of the Foundation's income derives from its listed investments. Given the climate of uncertainty brought about by Covid-19, long range forecasts of stock market performance and its impact upon dividend income has been sought from its investment advisors. This has enabled the Foundation to take an informed view through to April 2022.

During the year the Group's primary income source was from income from its investments. Rental income has now ceased.

All the funds are unrestricted. There are no funds in deficit at the date of the financial statements. The Charity's financial position at the balance sheet date is sufficient to meet ongoing expenditure and commitments.

The Trustees' power to invest are unrestricted. At the balance sheet date, the Group has cash of £500,941 on current and deposit accounts. The Group recorded a surplus of £598 (2021 - surplus of £4,371,009) for the year, primarily as a result of the rise in the value of its investments.

INVESTMENT POLICY

The capital fund of the Foundation consists of both stock exchange and fund of funds investments, which enables the fund managers to be flexible on their holdings. There is no restriction on the type of investments that the fund managers may wish to make.

The Trustees are satisfied with the fund managers' performance and measure their performance against the funds own internal benchmarks and benchmarks provided by ARC.

The Trustees have continued to dispose of their property portfolio and are reviewing options for the remaining property with appropriate professional advice.

RESERVES POLICY

The Trustees have given consideration as how best to benefit those groups and individuals to whom its policies are targeted to help in the short and medium term. They keep under review the number of grants, which include payments in future years, to ensure that they have sufficient funds to meet needs as they arise.

Total reserves held by the Group at the year end was £20,983,566 (2021: £20,982,968).

The Foundation has an unrestricted capital and income fund of £19,987,300, which includes known liabilities for future approved grants. The figure for 2021 was £20,063,570.

The Trustees have considered the level of reserves, which adequately meets future grants already committed, and the overhead running expenses of the Foundation.

**THE BETTY MESSENGER CHARITABLE FOUNDATION
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FOR THE YEAR ENDED 5 APRIL 2022**

The principal funding source remains the legacy from the estate of the late Betty Messenger. No other funding is received by the Foundation.

FUTURE PLANS

The Trustees are continuing to dispose of all the properties held by the Foundation and its subsidiary. They plan to complete this process in the near future.

The Trustees look forward to continuing to make grants in accordance with their stated objectives and identify opportunities to make a positive impact on the lives of those who "fall through the gaps" in society. The Trustees anticipate that for the foreseeable future their work in responding to the Covid-19 pandemic will continue to be a significant feature.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the applicable Charities SORP and FRS102.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume the Foundation will continue in existence.

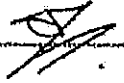
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provision of the Trust Deed.

They are also responsible for safeguarding the assets of the Foundation and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Foundation and the financial information included in the Foundation's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

THE BETTY MESSENGER CHARITABLE FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 5 APRIL 2022

Agreed by the Trustees on 21/10/22 2022 and signed on behalf by:


..... Steven Jaffa FCA


..... Jennifer Hirsch

THE BETTY MESSENGER CHARITABLE FOUNDATION

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE BETTY MESSENGER CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of The Betty Messenger Charitable Foundation for the year ended 5 April 2022 which comprise Group Statement of Financial Activities, the Group and the Parent Charity Balance Sheets, the Group Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 5 April 2022, and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); 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 trustees' 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE BETTY MESSENGER CHARITABLE FOUNDATION

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE BETTY MESSENGER CHARITABLE FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the parent charity's 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.

Respective responsibilities of trustees and auditor

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. The Trustees are responsible for assessing the group's and charity's ability to continue as a going concern.

We have been appointed auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications on the financial statements.

Auditor's responsibilities for the audit of the financial statements

We enquired with the Management to obtain an understanding of the legal and regulatory frameworks that are applicable to the Charity. The most significant framework which are directly relevant to the Charity are the 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The objectives of our audit, in respect of fraud, are to identify and assess the risk of material misstatement of the financial statement due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility of the prevention and detection of fraud rests with both those charged with governance of the Charity and management.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. 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.

THE BETTY MESSENGER CHARITABLE FOUNDATION
INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF THE BETTY MESSENGER CHARITABLE FOUNDATION

Sobell Rhodes LLP

Sobell Rhodes LLP, Statutory Auditor

The Kinetic Centre
Theobald Street
Elstree, Borehamwood
Hertfordshire
United Kingdom
WD6 4PJ

Date: *10/1/2023*

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

THE BETTY MESSENGER CHARITABLE FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2022

	Notes	2022 Unrestricted Funds £	2022 Total Funds £	2021 Total Funds £
Income from:				
Investments	2	458,065	458,065	583,554
Total	2	<u>458,065</u>	<u>458,065</u>	<u>583,554</u>
Expenditure on:				
Raising funds	3	596,826	596,826	251,893
Charitable activities - grant making	3	981,497	981,497	90,166
Total		<u>1,578,323</u>	<u>1,578,323</u>	<u>342,059</u>
Net gains/(losses) on investments		1,120,855	1,120,855	4,129,514
Net Income / (expenditure)		<u>598</u>	<u>598</u>	<u>4,371,009</u>
Net movement in funds		<u>598</u>	<u>598</u>	<u>4,371,009</u>
Reconciliation of funds:				
Total funds brought forward		20,982,968	20,982,968	16,611,959
Total funds carried forward		<u>20,983,566</u>	<u>20,983,566</u>	<u>20,982,968</u>

All amounts relate to continuing activities of the group.

The notes on pages 14 to 27 form part of these financial statements.

THE BETTY MESSENGER CHARITABLE FOUNDATION

BALANCE SHEETS
AS AT 5 APRIL 2022

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	5	-	-	-	-
Investments	6	<u>21,572,836</u>	<u>21,643,915</u>	<u>20,574,679</u>	<u>20,733,258</u>
Total fixed assets		<u>21,572,836</u>	<u>21,643,915</u>	<u>20,574,679</u>	<u>20,733,258</u>
Current assets					
Debtors	8	-	11,663	4,200	4,200
Cash at bank and in hand		<u>500,941</u>	<u>415,131</u>	<u>494,672</u>	<u>408,968</u>
Total current assets		<u>500,941</u>	<u>426,794</u>	<u>498,872</u>	<u>413,168</u>
Creditors					
Amounts falling due within one year	9	<u>(740,211)</u>	<u>(540,537)</u>	<u>(736,251)</u>	<u>(535,652)</u>
Net current assets		<u>(239,270)</u>	<u>(113,743)</u>	<u>(237,379)</u>	<u>(122,484)</u>
Total assets less current liabilities		<u>21,333,566</u>	<u>21,530,172</u>	<u>20,337,300</u>	<u>20,610,774</u>
Creditors: amounts falling due in greater than one year		<u>(350,000)</u>	<u>(547,204)</u>	<u>(350,000)</u>	<u>(547,204)</u>
Total net assets		<u>20,983,566</u>	<u>20,982,968</u>	<u>19,987,300</u>	<u>20,063,570</u>
Income funds					
Unrestricted income funds	11	<u>20,983,566</u>	<u>20,982,968</u>	<u>19,987,300</u>	<u>20,063,570</u>
Total funds	11	<u>20,983,566</u>	<u>20,982,968</u>	<u>19,987,300</u>	<u>20,063,570</u>

The financial statements were approved by the trustees on 21/10/22 and signed on their behalf by:


Steven J. J. J.


Jennifer Hirsch

The notes on page 14 to 27 form part of these financial statements.

THE BETTY MESSENGER CHARITABLE FOUNDATION

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 5 APRIL 2022**

	Notes	<u>2022</u> £	<u>2021</u> £
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities	15	(1,564,189)	(1,256,931)
Cash flows from investing activities:			
Dividends and interest from investments		458,065	583,555
Purchase of investments		(458,065)	(5,583,554)
Proceeds on disposal investments		1,650,000	6,500,000
Net cash provided by / (used in) Investing activities		1,650,000	1,500,001
Net movement in cash and cash equivalents in the reporting period		85,810	243,069
Cash and cash equivalents at the beginning of the reporting period		415,131	172,062
Cash and cash equivalents at the end of the reporting period		500,941	415,131
Analysis of cash and cash equivalents			
		<u>2022</u> £	<u>2021</u> £
Cash in hand		500,941	415,131
Total cash and cash equivalents		500,941	415,131

The notes on pages 14 to 27 form part of these financial statements.

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022

1. Accounting policies

Company Information

The Betty Messenger Charitable Foundation is a charity domiciled in England and Wales. The registered office is 14 David Mews, London, W1U 6EQ. The charity registration number is 1149282.

a) Basis of Preparation

The financial statements have been prepared in accordance with 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 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland).

Betty Messenger Charitable Foundation 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 note(s).

b) Going concern

The trustees consider that there are no material uncertainties about Betty Messenger Charitable Foundation's ability to continue as a going concern.

c) Group financial statements

The financial statements consolidated the results of the charity and its wholly owned subsidiaries Messenger Estates (Holdings) Limited and Messenger Estates Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has been included in the notes to the financial statements and is presented on page 11.

d) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022

e) Income (continued)

For legacies, entitlement is taken on a case by case basis as the earlier of the date on which: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity.

Rental income is derived from investment properties and is accounted for in the period in which the charity is entitled to the income on an accruals basis.

f) Grants payable

Grants payable represent amounts awarded by the charity during the year for charitable purposes. Grants payable are shown under creditors in the balance sheet and represent the full liability to pay grants to recipients over the full duration of their research projects. The grants are recognised as being payable once the recipient has met the conditions for receipt and the grant has been minuted at the trustees' meeting.

h) Tangible fixed assets

All assets are capitalised at their historical cost when purchased.

Depreciation is provided to write off the cost or revaluated amount, less an estimated residual value, of all fixed assets evenly over their expected economic useful lives on a straight line basis as follows:

Fixtures and Fittings	15% straight line
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The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

i) Investments

Listed securities are stated at open market value. The shares in the subsidiary company are stated at cost less any provision for diminution of value.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date. Rent deposits recoverable are all held by Independent Authorities in accordance with law.

k) 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.

l) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial Instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially recognised at transaction price (including transaction costs). The charity and group only have 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.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity does not acquire put options, derivatives or other complex financial instruments.

n) Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

o) Judgements and key sources of estimation uncertainty

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

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022

p) Judgements and key sources of estimation uncertainty (continued)

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The assets that have a significant judgement in the reporting period are the investment properties. These have been valued by the Trustees at the reporting date using available market data and post year end sales information.

q) Concessionary Loan

The charity has taken advantage of section 34 of FRS 102 to recognise any loans to its subsidiary as a concessionary loan as the charity and subsidiary form a public benefit entity group. As such the charity initially recognises and measures a loan at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

THE BETTY MESSENGER CHARITABLE FOUNDATION

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022**

2) Investment Income	2022	2021
	£	£
Income from listed investments	458,065	583,554
Interest receivable	-	-
	<u>458,065</u>	<u>583,554</u>

3) Expenditure

	Direct costs	Support costs	2022
	£	£	£
Raising funds - Investment property	537,955	58,871	596,826
Charitable activities - Grant making (note 4)	981,497	-	981,497
	<u>1,519,452</u>	<u>58,871</u>	<u>1,578,323</u>

	Direct costs	Support costs	2021
	£	£	£
Raising funds - Investment property	208,497	43,396	251,893
Charitable activities - Grant making (note 4)	90,166	-	90,166
	<u>298,663</u>	<u>43,396</u>	<u>342,059</u>

The Foundation does not undertake any fundraising activities although expenditure is shown against the description 'Raising funds', this is purely to comply with charity accounting requirements and the expenditure relates to - 'Investment property management costs'.

Allocation of Support costs

	Total	Basis of allocation	Raising funds	Grant Making
2022				
Governance Costs	58,871	on percentage of time spent	5,887	52,984
2021				
Governance Costs	43,396	on percentage of time spent	4,340	39,056

THE BETTY MESSENGER CHARITABLE FOUNDATION

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022**

3) Expenditure (continued)

	2022	2021
	£	£
Governance costs		
Audit fee	10,000	9,000
Accountancy fee	5,480	4,420
Legal and professional fees	43,197	29,976
Trustees expenses	193	-
	58,871	43,396

4) Grants Payable

	2022	2021
	£	£
North London Hospice	(147,203)	-
Honeypot Covid Grant	100,000	50,000
Watford Workshop	65,000	-
Evelyn Community Store (Covid Fund)	-	5,000
Small Charities Coalition (Covid Fund)	3,700	61,300
Action Tutoring	25,000	25,000
Noah's Ark	350,000	-
Refugee Support Network	235,000	-
Sawmill Trust	-	(51,134)
CST	300,000	-
Motor Neurone Disease Association	50,000	-
	981,497	90,166

All grants are payable to institutions. The grants paid during the year are £979,902.

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022

5) Tangible Fixed Assets

Group

Fixtures,
fittings and
equipment
£

Cost or valuation

At 6 April 2021 214,017

Additions -

Disposals -

At 5 April 2021 214,017

Depreciation

At 6 April 2021 214,017

Depreciation charge -

Eliminated on disposal -

At 5 April 2021 214,017

Net book value at 5 April 2022 -

Net book value at 5 April 2021 -

THE BETTY MESSENGER CHARITABLE FOUNDATION

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022**

6) Fixed asset investments

Group	Investment Properties £	Listed securities £	Total £
Cost or valuation			
At 6 April 2021	1,200,000	20,443,915	21,643,915
Additions	-	458,065	458,065
Transfers/Disposals	-	(1,650,000)	(1,650,000)
Changes in fair value	87,500	1,033,355	1,120,855
Value At 5 April 2022	1,287,500	20,285,336	21,572,836
Historical cost			
At 5 April 2022	315,000	18,211,452	18,526,452
At 5 April 2021	315,000	19,152,736	19,467,736
Charity			
	Shares in subsidiary companies £	Listed securities £	Total £
Cost or valuation			
At 6 April 2021	289,343	20,443,915	20,733,258
Additions	-	458,065	458,065
Transfers/Disposals	-	(1,650,000)	(1,650,000)
Changes in fair value	-	1,033,355	1,033,355
Value At 5 April 2022	289,343	20,285,336	20,574,679
Historical cost			
At 5 April 2022	289,343	18,211,452	18,500,795
At 5 April 2021	289,343	19,152,736	19,442,079

Investment properties were subject to independent, professional valuation at 12th August 2022. The valuation was undertaken by Aitchison Raffety who are registered under Royal Institution of Chartered Surveyors.

THE BETTY MESSENGER CHARITABLE FOUNDATION

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022**

7) Fixed asset investments (continued)

Holdings of more than 20%

The charity holds more than 20% of the share capital directly or indirectly of the following companies:

Company	County of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Messenger Estates (Holdings) Limited - Company number 07253414	England and Wales	Ordinary	100
Messenger Estates Limited - Company number 00465048	England and Wales	Ordinary	100

The principal activity of these undertakings from the last relevant financial year was as follows:

Principal Activity	
Messenger Estates (Holdings) Limited	Intermediate holding company
Messenger Estates Limited	Property investment and letting

Messenger Estates Limited is a wholly owned subsidiary of Messenger Estates (Holdings) Limited.

8) Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Prepayments and accrued income	-	11,663	-	-
Other debtors	-	-	4,200	4,200
	-	11,663	4,200	4,200

Any loan between The Betty Messenger Charitable Foundation and Messenger Estates Limited is a concessionary loan at zero interest and with no repayment terms attached.

9) Creditors : amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Other creditors	725,451	526,702	725,451	526,652
Accruals	14,760	13,835	10,800	9,000
	740,211	540,537	736,251	535,652

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022

10) Creditors : amounts falling due in greater than one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Grant commitments > 1 year	350,000	547,204	350,000	547,204
	350,000	547,204	350,000	547,204

11) Unrestricted funds

Charity

	Balance at 5 April 2021	Income	Expenditure	Gains/Losses	Balance at 5 April 2022
	£	£	£	£	£
General funds	20,063,570	458,065	(1,567,691)	1,033,355	19,987,300

	Balance at 5 April 2020	Income	Expenditure	Gains/Losses	Balance at 5 April 2021
	£	£	£	£	£
General funds	15,692,446	583,554	(341,944)	4,129,514	20,063,570

Group

	Balance at 5 April 2021	Income	Expenditure	Gains/ (Losses)	Transfers	Balance at 5 April 2022
	£	£	£	£		£
General funds	20,982,968	458,065	(1,578,323)	1,120,855	-	20,983,566
Total Funds	20,982,968	458,065	(1,578,323)	1,120,855	-	20,983,566

	Balance at 5 April 2020	Income	Expenditure	Gains/ (Losses)	Transfers	Balance at 5 April 2021
	£	£	£	£	£	£
General funds	16,611,959	583,554	(342,059)	4,129,514	-	20,982,968
Total Funds	16,611,959	583,554	(342,059)	4,129,514	-	20,982,968

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022

12) Parent and Subsidiary Accounts

Investment in subsidiaries

The consolidated statement of financial activities includes the results of Betty Messenger Charitable Foundation's (charity number 1149282) wholly owned subsidiary Messenger Estates Limited (company number 00465048). The summary performance of Messenger Estates Limited alone is as follows:

	2022	2021
	£	£
<u>Income</u>		
Income from investments	-	-
Donations	30,500	25,000
<u>Expenditure</u>		
Raising funds	(41,132)	(25,115)
Charitable activities	-	-
Other gains/ (losses)	87,500	-
Net Income / (expenditure) including movement in funds	<u>76,868</u>	<u>(115)</u>
<u>Reconciliation of funds</u>		
Total funds brought forward	<u>1,167,741</u>	<u>1,167,856</u>
Total funds carried forward	<u>1,244,609</u>	<u>1,167,741</u>

THE BETTY MESSENGER CHARITABLE FOUNDATION

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022**

12) Related party transactions (continued)

Balance sheet of Messenger Estates Limited

	2022	2021
	£	£
<u>Fixed Assets</u>		
Investment Properties	1,287,500	1,200,000
Tangible assets	-	-
	1,287,500	1,200,000
<u>Current Assets</u>		
Debtors	-	11,662
Cash at bank and in hand	6,270	6,164
	6,269	17,826
<u>Liabilities</u>		
Creditors : amounts falling due within one year	8,160	9,085
Net current assets	- 1,891	8,741
Total assets less current liabilities	1,285,609	1,208,741
Creditors: amounts falling due in greater than one year	-	-
Total net assets	1,285,608	1,208,741
<u>Unrestricted funds</u>		
Ordinary share capital	41,000	41,000
General funds	1,244,609	1,167,741
Total funds	1,285,608	1,208,741

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022

12) Related party transactions (continued)

Financial performance of the foundation

The consolidated statement of financial activities includes the results of the Foundation's wholly owned subsidiary Messenger Estates Ltd. The summary performance of the Foundation alone is as follows:

	2022	2021
	£	£
Income	458,065	583,554
Expenditure	<u>(1,567,691)</u>	<u>(341,944)</u>
Net expenditure before investment gains / (losses)	(1,109,626)	241,610
Gains/(losses) on investment assets	<u>1,033,355</u>	<u>4,129,514</u>
Net movement in funds	(76,270)	4,371,124
Total funds brought forward	<u>20,063,570</u>	<u>15,692,446</u>
Total funds carried forward	<u>19,987,300</u>	<u>20,063,570</u>
Represented by:		
Unrestricted funds	<u>19,987,300</u>	<u>20,063,570</u>

13) Trustees remuneration and expenses

The trustees received reimbursement of subsistence expenses of £193 (2021: £nil).

No Trustee, nor any persons connected with them, have received any remuneration or other benefits from the Charity during the year

14) Related party transactions

The Charity has taken exemption not to disclose inter-company transactions and balances with 100% group companies

THE BETTY MESSENGER CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2022

15) Net cash (outflow)/ inflow from operating activities

	2022	2021
	£	£
Net movement in funds	598	4,371,009
(Gains)/losses on Investments	(1,120,855)	(4,129,514)
Dividends and Interest from investments	(458,065)	(583,554)
Depreciation and impairment of tangible fixed assets	-	-
Decrease/(Increase) in debtors	11,663	(1)
Increase/(decrease) in creditors	2,470	(914,871)
	<u>(1,564,189)</u>	<u>(1,256,932)</u>

16) Post balance sheet events

The Trustees made a decision in January 2022 that the foundation will anticipate ceasing its activities effective 18 months from the accounts approval date.