

THE THREE GUINEAS TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2022

The Peak
5 Wilton Road
London SW1V 1AP

THE THREE GUINEAS TRUST

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THE THREE GUINEAS TRUST

LEGAL AND ADMINISTRATIVE

The Three Guineas Trust was established under a Trust Deed dated 21 November 1996 and became a registered charity with the Charity Commission in England and Wales on 9 December 1996 (registration no. 1059652).

Trustees	C N Sainsbury (Settlor) D Wood D Flynn
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP
Principal Officers	Karen Everett Chief Executive Officer Matthew Williams Executive Elaine Ponte Executive Principal officers are employed part-time
Bankers	Royal Bank of Scotland 119 - 121 Victoria Street London SW1E 6RA
Solicitors	Portrait Solicitors (up to 31 July 2022) 21 Whitefriars Street London EC4Y 8JJ BDB Pitmans LLP (as from 1 August 2022) 1 Bartholomew Close London EC1A 7BL
Auditor	Sayer Vincent LLP Invicta House 108 - 114 Golden Lane London EC1Y 0TL
Investment Managers	Cazenove Capital Management 12 Moorgate London EC2R 6DA
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

The Trustees present their report and the audited financial statements for the year ended 5 April 2022. Legal and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the Trust deed, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts which share a common administration. The remuneration of the staff 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 Settlor, in consultation with existing Trustees, and are provided with relevant information relating to their responsibilities. The Trustees are responsible for the overall direction and supervision of The Three Guineas Trust; they set the Trust's strategy, review proposals and approve grants. The Trustees delegate day-to-day operations to the Trust's Executives.

Trustees are aware of the Charity Governance Code, updated in 2020, which sets out the principles and recommended practice for good governance within the sector. They have reviewed the Trust's governance arrangements against the principles set out in the code. They believe that these arrangements align with the code to an appropriate degree.

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 undertake fundraising from the general public and does not use professional fundraisers or commercial participators.

As we do not approach individuals for the purpose of raising funds, we do not have specific requirements related to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities. The income of the Trust is not bound by any regulatory scheme, and the Trust does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities.

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 also make grants in the field of disability, violence and access to justice. Trustees expect to fund other carefully chosen projects in this field in due course.

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

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REPORT OF THE TRUSTEES (CONTINUED)

Reserves Policy and Going Concern

In the year under review, there was a transfer from expendable endowment of £1,411,283 (2021: £1,924,943) to clear the deficit on unrestricted funds. Whenever it may be necessary in the future, the Trustees are prepared to fund grant commitments from expendable endowment.

Although some grants have been accrued, others totalling £499,870 (2021: £401,832) 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 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 2022, the Trust held total funds of £27.5 million (2021: £26.4 million). The Trustees are not aware of any material uncertainties that would prevent the financial statements from being prepared on a going concern basis.

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.

Investment Policy and Performance

The Trust's expendable endowment is invested in funds which comply with guidelines for socially and environmentally responsible investing, in accordance 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.

During the year to 5 April 2022, the return on the Trust's investment portfolio was 5.7%, compared to the benchmark of 3.6%.

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.

Trustees have identified the uncertainty of financial returns to constitute the Trust's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review investment strategy and monitor financial performance.

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REPORT OF THE TRUSTEES (CONTINUED)

Another major risk is the misuse of funds by a beneficiary. To mitigate this risk, funds are awarded following a thorough assessment and grants are regularly monitored. Grants made for more than one year are subject to an annual review.

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. Trustees consider that the information which follows in this annual report, about the Trust's aims, activities and individual grants demonstrates the public benefit that arise from its grant-making.

Advisers

In the year under review the Trustees were advised by:

Professor Uta Frith
Bethan Rigby
John Pring

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.

Financial Overview of the Past Year

The Trustees met twice during the year to review grants.

The Settlor made a donation of £1.4 million, including Gift Aid, in the year (2021: £1.6 million), which has been added to Expendable Endowment. The net asset value of the Trust increased from £26.4 million at 5 April 2021 to £27.5 million at 5 April 2022.

The total income allocated to unrestricted funds for the year was £267,957 (2021: £305,704).

During the year the Trustees approved 31 grants totalling £1,556,990, 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 £499,870 (2021: £401,832).

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

	Grants Approved		Grants Paid	
	Number	£	Number	£
Autism	23	364,990	35	563,645
Disability, Violence and Access to Justice	8	1,192,000	31	1,212,572
General	-	-	1	5,000
	31	1,556,990	67	1,781,217

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REPORT OF THE TRUSTEES (CONTINUED)

Grants Approved

Autism - £364,990

A2ndvoice CIC - £40,000

Towards to face-to-face support for autistic adults and children.

En-fold - £90,000

Towards to core costs.

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

Autism Bedfordshire	£15,000
Blackpool Tiggers	£10,000
Brentford FC Community Sports Trust	£11,000
CASPA	£10,000
Disability Activity Super Heroes (DASH)	£10,000
Dreadnought Centre	£12,000
Helping Hands Autism Support Group	£10,000
Hillingdon Autistic Care and Support	£14,200
KIDS Yorkshire & Humber	£16,372
KIDS Lincolnshire	£10,000
Killamarsh Autistic & PDA Support Group	£4,900
Lambeth Autism Group	£14,765
National Autistic Society South Belfast	£11,780
PLUS Forth Valley	£11,993
Project Art Works	£12,500
Resources for Autism	£15,000
Spectrum	£10,000
Wecan	£12,995
WHISH Group	£3,330
White Lodge Centre	£10,000
YMCA East Surrey	£9,155

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REPORT OF THE TRUSTEES (CONTINUED)

Disability, Violence and Access to Justice - £1,192,000

Bristol Law Centre - two grants totalling £230,000

Towards the student-led disability benefits advice and representation service and the salary of a development officer.

Disability Rights UK - £250,000

Towards two staff members for the new policy team.

Free our People Campaign (managed by Inclusion London) - £200,000

Towards development and provision of peer advocacy for disabled people detained in assessment and treatment units and other psychiatric institutions.

Inclusion London – three grants totalling £372,000

Towards core costs, Hate Crime Partnership and business and organisational support for Deaf and disabled people's organisations.

Somerset & Avon Rape & Sexual Abuse Support (SARSAS) - £140,000

Towards the specialist support service for autistic women and women with a learning disability.

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REPORT OF THE TRUSTEES (CONTINUED)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees' Report has been approved by the Trustees on 18 January 2023 and signed on their behalf by:

..... TRUSTEE
Dominic Flynn

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 (the 'charity') for the year ended 5 April 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2022 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Three Guineas Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit or otherwise appears to be materially misstated.

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

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 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;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available 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 section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or

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

assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 18 January 2023

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2022

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2022	Total Funds 2021
		£	£	£	£
Income and Endowment from:					
Donations and gifts		-	1,375,000	1,375,000	1,562,500
Investments	3	267,957	-	267,957	305,704
Total Income		267,957	1,375,000	1,642,957	1,868,204
Expenditure on:					
<i>Raising funds:</i>					
Investment management fees		-	95,305	95,305	82,906
<i>Charitable activities:</i>					
<i>Grant-making:</i>					
Grant expenditure	4	1,458,952	-	1,458,952	2,035,114
Grant related support costs	5	220,288	-	220,288	195,533
Cost of grant-making		1,679,240	-	1,679,240	2,230,647
Total Expenditure		1,679,240	95,305	1,774,545	2,313,553
Net (expenditure)/income before gains on investments		(1,411,283)	1,279,695	(131,588)	(445,349)
Net gains on investments	8	-	1,141,304	1,141,304	5,339,007
Transfers between funds	11	1,411,283	(1,411,283)	-	-
Net movement in funds		-	1,009,716	1,009,716	4,893,658
<i>Reconciliation of funds:</i>					
Total funds brought forward		-	26,442,098	26,442,098	21,548,440
Total funds carried forward		-	27,451,814	27,451,814	26,442,098

The notes on pages 16 to 25 form part of these accounts.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

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BALANCE SHEET AS AT 5 APRIL 2022

	<i>Notes</i>	2022	2021
		£	£
FIXED ASSETS			
Tangible fixed assets	7	10,572	14,047
Investments	8	26,244,225	24,922,612
		<u>26,254,797</u>	<u>24,936,659</u>
CURRENT ASSETS			
Debtors	9	303,690	86,459
Cash at bank and in hand		<u>2,043,930</u>	<u>2,911,548</u>
		2,347,620	2,998,007
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	10	<u>1,150,603</u>	<u>1,492,568</u>
		1,150,603	1,492,568
NET CURRENT ASSETS		1,197,017	1,505,439
NET ASSETS		<u><u>27,451,814</u></u>	<u><u>26,442,098</u></u>
CAPITAL FUNDS			
Expendable endowment	11	27,451,814	26,442,098
		<u><u>27,451,814</u></u>	<u><u>26,442,098</u></u>

The financial statements were approved and authorised for issue by the Trustees on 18 January 2023 and were signed on their behalf by

..... TRUSTEE

Dominic Flynn

The notes on pages 16 to 25 form part of these accounts.

THE THREE GUINEAS TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 5 APRIL 2022

Cash flows from operating activities:

	2022	2021
	£	£
Net cash used in operating activities	(955,266)	(2,942,877)
Cash flows from investing activities:		
Dividends and interest	267,957	305,704
Proceeds from sale of investments	5,479,468	5,108,238
Purchase of investments	(5,499,135)	(5,348,883)
Fixed asset additions	-	(14,802)
Net cash provided by investing activities	248,290	50,257
Change in cash and cash equivalents in the year	(706,976)	(2,892,620)
Cash and cash equivalents at the beginning of the year	4,451,590	7,344,210
Cash and cash equivalents at the end of the year	3,744,614	4,451,590
Net movement in funds as per the Statement of Financial Activites	1,009,716	4,893,658
Dividends and interest	(267,957)	(305,704)
Gains on investments	(1,141,304)	(5,339,007)
Depreciation charges	3,475	3,475
Increase in debtors	(217,231)	(79,982)
Decrease in creditors	(341,965)	(2,115,317)
Net cash used in operating activities	(955,266)	(2,942,877)

Analysis of the cash and cash equivalents

	2022	2021	Change in year
Cash at bank and in hand	2,043,930	2,911,548	(867,618)
Cash held by investment manager for reinvestment	1,700,684	1,540,042	160,642
	3,744,614	4,451,590	(706,976)

The notes on pages 16 to 25 form part of these accounts.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS

1. CHARITABLE STATUS

The Three Guineas Trust is an unincorporated charity, registered in England and Wales with the Charity Commission (registration number 1059652). 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 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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

a) Income

Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.

Dividends are included by reference to their due dates.

Interest is included when receivable.

b) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant related support costs.

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

2. ACCOUNTING POLICIES (continued)

The view of the Trustees is that any instalments payable within 12 months of the reporting date are expected to be paid regardless of the status of attached conditions and so these are accrued. Any payments due in more than 12 months from the reporting date, where conditions exist that have not been met at the reporting date, are not accrued but are reported as an unaccrued future commitment.

Grant related support costs represent staff, office and governance costs incurred in managing the grant award programme. They 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.

Contributions to defined contribution pension plans are charged to the Statement of Financial Activities in the period to which they relate.

c) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

d) Fixed assets

Fixed assets are capitalised where the purchase price exceeds £5,000, and depreciated at rates which reflect their useful life to the Trust. Leasehold improvements are depreciated over the outstanding life of the lease at the time the work was completed. The following rates have been used:

(2012) Leasehold improvements - 10% per annum

(2021) Leasehold improvements - 14.28% per annum

e) Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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.

f) Cash and cash equivalents

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.

g) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 2, 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.

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NOTES TO THE ACCOUNTS (continued)

2. ACCOUNTING POLICIES (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 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:

	2022		2021	
	£	%	£	%
Fixed interest	5,223	2	53,260	17
UK equities	114,763	43	134,748	44
Overseas equities	61,204	23	43,001	14
Alternatives	83,720	31	60,149	20
Bank deposit interest	3,047	1	14,546	5
	<u>267,957</u>	<u>100</u>	<u>305,704</u>	<u>100</u>

4. GRANTS PAYABLE

	2022		2021	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at 6 April 2021		1,359,997		3,567,302
Grants not accrued at 6 April 2021	401,832		973,934	
Grants approved in the year	1,556,990		1,463,012	
Grants not accrued at 5 April 2022	<u>(499,870)</u>		<u>(401,832)</u>	
Grants payable for the year		1,458,952		2,035,114
Grants paid during the year		(1,781,217)		(4,242,419)
Commitments at 5 April 2022		<u>1,037,732</u>		<u>1,359,997</u>
Commitments at 5 April 2022 are payable as follows:				
Within one year (note 10)		<u>£ 1,037,732</u>		<u>£ 1,359,997</u>

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 2022 was £499,870 (2021: £401,832).

A list of grants payable is included in Appendix A.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

5. ALLOCATION OF SUPPORT COSTS

	Grant- making	Governance	2022 Total Allocated	2021 Total Allocated
	£	£	£	£
Staff costs	118,714	1,500	120,214	107,119
Share of joint office costs	58,287	-	58,287	46,456
Direct costs including travel	2,823	-	2,823	3,152
Legal and professional fees	8,047	-	8,047	7,851
Advisors' honoraria	20,000	-	20,000	20,000
Depreciation	3,475	-	3,475	3,475
Auditor's remuneration*	-	7,442	7,442	7,480
	<u>211,346</u>	<u>8,942</u>	<u>220,288</u>	<u>195,533</u>

*Auditor's remuneration excluding VAT is £6,200.

Included within support costs for 2021 were governance costs totalling £9,543. This is comprised of staff costs of £2,063 and auditor's remuneration of £7,480.

6. ANALYSIS OF STAFF COSTS

	2022	2021
	£	£
Salaries and wages	97,887	87,370
Social security costs	11,449	10,127
Other pension costs	10,878	9,622
	<u>120,214</u>	<u>107,119</u>

The Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 1.7% (2020/21: 1.6%) 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 2021/22.

The number of staff employed during the period was 8, all on a part-time basis (2020/21: 9). This was equivalent to 0.89 full time employees (2020/21: 1.0). The Trust considers its key management personnel to comprise the Principal Officers. The total employment benefits including employer pension contributions, of these personnel were £72,953 (2021: £70,647). No employee of the charity earned in excess of £60,000 (2020/21: none).

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

7. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2022	2021
	£	£
Cost		
At 6 April 2021	28,402	13,600
Additions	-	14,802
Cost at 5 April 2022	<u>28,402</u>	<u>28,402</u>
Depreciation		
At 6 April 2021	14,355	10,880
Charge for the year	3,475	3,475
At 5 April 2022	<u>17,830</u>	<u>14,355</u>
Net Book Value		
At 5 April 2022	<u>10,572</u>	<u>14,047</u>
Net Book Value		
At 5 April 2021	<u>14,047</u>	<u>2,720</u>

8. FIXED ASSET INVESTMENTS

	2022	2021
	£	£
Market value 6 April 2021	23,382,570	17,802,918
Less: Disposals at proceeds	(5,479,468)	(5,108,238)
Add: Acquisitions at cost	5,499,135	5,348,883
Net gains on investments	1,141,304	5,339,007
Market value 5 April 2022	<u>24,543,541</u>	<u>23,382,570</u>
Investment cash	1,700,684	1,540,042
Total investments	<u>26,244,225</u>	<u>24,922,612</u>

The investments held as at 5 April 2022 were as follows:

	2022		2021	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Fixed interest	3,928,762	3,859,334	3,936,783	3,924,078
UK equities	2,835,420	4,449,820	4,090,085	6,916,520
Overseas equities	10,860,493	14,360,948	7,484,653	10,805,802
Alternatives	1,750,936	1,873,439	1,750,936	1,736,170
	<u>19,375,611</u>	<u>24,543,541</u>	<u>17,262,457</u>	<u>23,382,570</u>

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

9. DEBTORS

	2022	2021
	£	£
Gift Aid debtor	275,000	62,500
Accrued Income	28,690	23,959
	<u>303,690</u>	<u>86,459</u>

10. CREDITORS - amounts falling due within one year

	2022	2021
	£	£
Grants payable within one year	1,037,732	1,359,997
Professional charges	9,452	10,691
Investment management fee	22,981	21,952
Other creditors	80,438	99,928
	<u>1,150,603</u>	<u>1,492,568</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2022
	£	£	£
Fund balances at 5 April 2022 are represented by:			
Tangible fixed assets	-	10,572	10,572
Investments	-	26,244,225	26,244,225
Current assets	1,127,622	1,219,998	2,347,620
Current liabilities	(1,127,622)	(22,981)	(1,150,603)
Total net assets	<u>-</u>	<u>27,451,814</u>	<u>27,451,814</u>
Movement in the year			
Opening balance as at 6 April 2021	-	26,442,098	26,442,098
Total income and endowments	267,957	1,375,000	1,642,957
Cost of raising funds	-	(95,305)	(95,305)
Cost of grant-making	(1,679,240)	-	(1,679,240)
Net gains on investments	-	1,141,304	1,141,304
Transfers between funds	1,411,283	(1,411,283)	-
Closing balance as at 5 April 2022	<u>-</u>	<u>27,451,814</u>	<u>27,451,814</u>

A transfer of £1,411,283 (2021: £1,924,943) was made from Expendable Endowment to Unrestricted Funds to cover the deficit during the year.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

12. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR THE YEAR ENDED 5 APRIL 2021

	Unrestricted Funds	Expendable Endowment	Totals 2021
	£	£	£
Fund balances at 5 April 2021 are represented by:			
Tangible fixed assets	-	14,047	14,047
Investments	-	24,922,612	24,922,612
Current assets	1,470,616	1,527,391	2,998,007
Current liabilities	(1,470,616)	(21,952)	(1,492,568)
Total net assets	-	26,442,098	26,442,098
Movement in the year			
Opening balance as at 6 April 2020	-	21,548,440	21,548,440
Total income and endowments	305,704	1,562,500	1,868,204
Cost of raising funds	-	(82,906)	(82,906)
Cost of grant-making	(2,230,647)	-	(2,230,647)
Net gains on investments	-	5,339,007	5,339,007
Transfers between funds	1,924,943	(1,924,943)	-
Closing balance as at 5 April 2021	-	26,442,098	26,442,098

A transfer of £1,924,943 was made from Expendable Endowment to Unrestricted Funds to cover the deficit during the year.

13. RELATED PARTY TRANSACTIONS

Included within grant-related support costs is a total of £8,047 (2021: £7,851) payable for legal services to Portrait Solicitors, a firm in which Mr D Flynn is a partner.

During the year to 5 April 2022 a donation of £1,375,000, including Gift Aid, (2021: £1,562,500) was received from the Settlor who is a Trustee of The Three Guineas Trust.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2021

	Unrestricted Funds	Expendable Endowment	Total Funds 2021
	£	£	£
Income and Endowment from:			
Donations and gifts	-	1,562,500	1,562,500
Investments	305,704	-	305,704
Total Income	305,704	1,562,500	1,868,204
Expenditure on:			
<i>Cost of generating funds:</i>			
Investment management fees	-	82,906	82,906
<i>Charitable activity:</i>			
Grant-making:			
Grant expenditure	2,035,114	-	2,035,114
Grant related support costs	195,533	-	195,533
Total Expenditure	2,230,647	82,906	2,313,553
Net (expenditure)/income before gains on investments	(1,924,943)	1,479,594	(445,349)
Net gains on investments	-	5,339,007	5,339,007
Transfers between funds	1,924,943	(1,924,943)	-
Net movement in funds	-	4,893,658	4,893,658
<i>Reconciliation of funds:</i>			
Total funds brought forward	-	21,548,440	21,548,440
Total funds carried forward	-	26,442,098	26,442,098

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

APPENDIX A

GRANTS PAYABLE

The amount payable for the year ended 5 April 2022 consisted of the following:

Autism	£
A2ndvoice CIC	25,000
Assert (B&H)	54,000
En-fold	60,000
Project Art Works	38,738
21 grants up to £20,000 were also payable totalling	212,489
Disability, Violence and Access to Justice	
Bristol Law Centre	144,000
Disability Rights UK	150,000
Inclusion London	422,000
Inquest	60,000
Islington Law Centre	43,500
Somerset & Avon Rape & Sexual Abuse Support (SARSAS)	105,000
Stay Safe East	139,225
General	
The Sainsbury Archive	5,000
	<u>1,458,952</u>

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

APPENDIX A (continued)

The amount payable for the year ended 5 April 2021 consisted of the following:

Autism	£
Action-attainment CIC	60,000
Assert	37,632
Autism NI	75,000
Autistic Society of Trinidad and Tobago	20,000
Brentford FC Community Sports Trust	81,000
Project Art Works	214,950
Red2Green	50,000
Sunbeams Play	50,000
21 grants up to £20,000 were also payable totalling	216,444
Disability, Violence and Access to Justice	
Bristol Law Centre	37,703
British Institute of Human Rights	38,300
Disability Law Service	184,000
Harrow Law Centre	100,972
Inclusion London	131,000
Inquest	60,000
Islington Law Centre	58,000
L&Q Living	288,000
Law Centres Network	100,000
Respond	150,000
Stay Safe East	62,113
General	
The Sainsbury Archive	10,000
West London Zone	10,000
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	2,035,114