

CHARITY REGISTRATION NUMBER: 1014869

**E C GRAHAM BELFORD CHARITABLE SETTLEMENT
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
5 APRIL 2017**

DAVID ALLEN
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E C GRAHAM BELFORD CHARITABLE SETTLEMENT
FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2017

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E C GRAHAM BELFORD CHARITABLE SETTLEMENT

TRUSTEES' ANNUAL REPORT

YEAR ENDED 5 APRIL 2017

The trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2017.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name E C Graham Belford Charitable Settlement

Charity registration number 1014869

Principal office 31 Hill Street
London
W1J 5LS

The Trustees Mr A I Thompson
Mr R W H Hutchinson
Mr F N D Parker

Independent examiner Alison Welton FCA
Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

Investment adviser Brewin Dolphin Ltd
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

Rothschild Bank International Limited
St Julian's Court
St Julian's Avenue
St Peter Port
Guernsey
GY1 3BP

Solicitors Forsters LLP
31 Hill Street
London
W1J 5LS

STRUCTURE, GOVERNANCE AND MANAGEMENT

E C Graham Belford Charitable Settlement was constituted by a Deed of Settlement dated 17 July 1991 as varied by a Deed of Variation made 29 September 1992.

The charity is registered with the Charity Commission under number 1014869. The principal office of the charity is 31 Hill Street, London, W1J 5LS.

Following the death of the settlor on 30 April 1996, the power of appointment of new trustees is vested in the present trustees.

The trustees give their time freely and no trustee remuneration was paid in the year. One of the trustees is a solicitor whose firm provides professional and administrative services to the charity. Details of trustee expenses and related party transactions are disclosed in note 12 to the financial statements. The charity has no voluntary, seconded or paid staff.

E C GRAHAM BELFORD CHARITABLE SETTLEMENT

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 5 APRIL 2017

OBJECTIVES AND ACTIVITIES

The objective of the charity is to make donations for charitable purposes.

The trust fund is held on such trusts for the benefit of such charity or charities as the trustees shall appoint in writing and in default of and subject to any such appointment to pay or apply the net income of the fund to or for such charitable purposes as the trustees may from time to time determine.

The trustees' policy is, where possible, to make donations to smaller charities based in the Northumberland area and Northumberland branches of larger charities. The trustees consider charities which have approached them, which have come to their notice and to which they have previously made donations.

RISK MANAGEMENT

The trustees have considered the major risks to which the charity might be exposed. The main risk is of loss of investments from which the charity funds its activities. The trustees consider that the appointment of professional and reputable investment managers to manage the charity's portfolio of investments is the best way of ensuring the safe custody and efficient management of these assets.

PUBLIC BENEFIT

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities and in deciding the donations policy.

ACHIEVEMENTS AND PERFORMANCE

During the year donations totalling £128,200 (2016 - £64,500) were made to charities and for charitable purposes in the Northumberland area.

Income from UK and non-UK quoted investments was higher than in 2016 by £10,685. Investment management costs and support costs have decreased during the year. Overall expenditure in the year increased by £45,958.

Overall there was net expenditure before net gains on investments of £132,073 (2016 - £96,792).

FINANCIAL REVIEW

The main asset of the charity is a portfolio of investments that is managed by Rothschild. The portfolio as at 5 April 2017 was valued at £7,622,149 (2016 - £7,417,562). It produced £63,570 (2016 - £52,950) of income during the year.

The other asset of the charity is a portfolio of investments managed by Brewin Dolphin. The portfolio as at 5 April 2017 was valued at £590,336 (2016 - £533,883). It produced income of £16,594 (2016 - £16,528) during the year.

The charity has also retained a contingent interest in a piece of land that was part of the Belford Estate.

Reserves policy

As the charity carries out no direct charitable activities and does not generally make commitments from year to year to future giving, there is no need to retain reserves for these purposes. However, the trustees aim to maintain reserves at a level which equates to approximately one year of expenditure. The trustees consider that this level will provide sufficient funds to respond to donation applications and to cover administration and support costs.

E C GRAHAM BELFORD CHARITABLE SETTLEMENT

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 5 APRIL 2017

FINANCIAL REVIEW *(continued)*

Investment policy

The trustees have the investment powers of an absolute owner beneficially entitled.

The trustees wish to achieve a balance between income and capital growth with the portfolios held with Rothschild and Brewin Dolphin and the investment managers are permitted to invest as they see fit in accordance with their respective mandates.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees are responsible for maintaining proper accounting records which 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the settlement. 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.

INDEPENDENT EXAMINER

Alison Welton FCA has been re-appointed as independent examiner for the ensuing year.

The trustees' annual report was approved on 26 January 2018 and signed on behalf of the board of trustees by:

Mr A I Thompson
Trustee

Mr R W H Hutchinson
Trustee

Mr F N D Parker
Trustee

E C GRAHAM BELFORD CHARITABLE SETTLEMENT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF E C GRAHAM BELFORD CHARITABLE SETTLEMENT

YEAR ENDED 5 APRIL 2017

I report on the financial statements for the year ended 5 April 2017, which comprise the statement of financial activities, balance sheet and the related notes.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act, and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

ALISON WELTON FCA
Independent Examiner

DAVID ALLEN
Chartered Accountants

Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

26 January 2018

E C GRAHAM BELFORD CHARITABLE SETTLEMENT**STATEMENT OF FINANCIAL ACTIVITIES****5 APRIL 2017**

		2017		2016
	Note	Unrestricted funds £	Total funds £	Total funds £
INCOME				
Investment income	4	80,185	80,185	69,508
TOTAL INCOME		<u>80,185</u>	<u>80,185</u>	<u>69,508</u>
EXPENDITURE				
Expenditure on raising funds:				
Investment management costs	5	(68,036)	(68,036)	(68,755)
Expenditure on charitable activities	6,7	(144,222)	(144,222)	(97,545)
TOTAL EXPENDITURE		<u>(212,258)</u>	<u>(212,258)</u>	<u>(166,300)</u>
NET GAINS ON INVESTMENTS	9	684,504	684,504	682,042
NET INCOME AND NET MOVEMENT IN FUNDS		<u>552,431</u>	<u>552,431</u>	<u>585,250</u>
RECONCILIATION OF FUNDS				
Total funds brought forward		8,133,099	8,133,099	7,547,849
Total funds carried forward		<u>8,685,530</u>	<u>8,685,530</u>	<u>8,133,099</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 7 to 12 form part of these financial statements.

E C GRAHAM BELFORD CHARITABLE SETTLEMENT**BALANCE SHEET****5 APRIL 2017**

		2017		2016	
		£	£	£	£
FIXED ASSETS					
Investments	13		8,212,485		7,951,445
CURRENT ASSETS					
Debtors	14	2,687		–	
Cash at bank and in hand		479,679		190,107	
		482,366		190,107	
CREDITORS: Amounts falling due within one year	15	9,321		8,453	
NET CURRENT ASSETS			473,045		181,654
TOTAL ASSETS LESS CURRENT LIABILITIES			8,685,530		8,133,099
NET ASSETS			8,685,530		8,133,099
FUNDS OF THE CHARITY					
Unrestricted funds			8,685,530		8,133,099
Total charity funds	16		8,685,530		8,133,099

These financial statements were approved by the board of trustees and authorised for issue on 26 January 2018, and are signed on behalf of the board by:

Mr A I Thompson
Trustee

Mr R W H Hutchinson
Trustee

Mr F N D Parker
Trustee

The notes on pages 7 to 12 form part of these financial statements.

E C GRAHAM BELFORD CHARITABLE SETTLEMENT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2017

1. GENERAL INFORMATION

The charity is a registered charity in England and Wales and is unincorporated. The address of the principal office is 31 Hill Street, London, W1J 5LS.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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)) and the Charities Act 2011.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and investments measured at fair value at the reporting date.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Taxation

The charity is a registered charity and as such is exempt from Income Tax and Corporation Tax under the provision of the Income and Corporation Taxes Act 1988.

Fund accounting

Unrestricted funds are income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- investment income is accounted for in the period in which the charity is entitled to receipt.

E C GRAHAM BELFORD CHARITABLE SETTLEMENT

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 5 APRIL 2017

3. ACCOUNTING POLICIES *(continued)*

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs include the costs of the preparation and examination of statutory accounts, the costs of trustee meetings and costs of any legal advice to the trustees on governance or constitutional matters. These costs for both financial periods are recognised as support costs within costs of charitable activities.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken to the statement of financial activities as they arise and are included in gains and losses on the revaluation and disposal of investment assets in the statement of financial activities.

Investments

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Gains and losses on the revaluation and disposal of investment assets

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 opening market value or purchase date if later. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value or purchase date if later.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

E C GRAHAM BELFORD CHARITABLE SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 5 APRIL 2017

4. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Income from listed investments	80,164	80,164	69,479	69,479
Bank interest receivable	21	21	29	29
	<u>80,185</u>	<u>80,185</u>	<u>69,508</u>	<u>69,508</u>

5. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Investment management fees	68,036	68,036	68,155	68,155
Investment property management costs	–	–	600	600
	<u>68,036</u>	<u>68,036</u>	<u>68,755</u>	<u>68,755</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Charitable donations				
Bell View (Belford) Limited	10,000	10,000	10,000	10,000
National Rheumatoid Arthritis Society	5,000	5,000	5,000	5,000
Cramlington Voluntary Youth Project	–	–	10,000	10,000
Berwick Youth Project	10,000	10,000	5,000	5,000
Tynedale Hospice at Home	10,000	10,000	5,000	5,000
Calvert Trust Kielder	–	–	2,000	2,000
Haydon Bridge Youth Drop In	10,200	10,200	5,000	5,000
Hexham Youth Initiative	10,000	10,000	10,000	10,000
Haltwhistle Youth Club (Young and Sweet)	12,500	12,500	12,500	12,500
Tynedale Gymnastics Club	2,000	2,000	–	–
Kirkharle Courtyard – Cascade Project	5,000	5,000	–	–
Rainbow Trust Children’s Charity	10,000	10,000	–	–
Nepacs	4,250	4,250	–	–
Wansbeck CVS T/A Northumberland CVA	10,000	10,000	–	–
Escape Family Support	4,250	4,250	–	–
Riding Mill village	5,000	5,000	–	–
Northumbria Calvert Trust	5,000	5,000	–	–
Children North East	5,000	5,000	–	–
Hexham Community Centre	5,000	5,000	–	–
SAUKT Fundraising income	5,000	5,000	–	–
Support costs	16,022	16,022	33,045	33,045
	<u>144,222</u>	<u>144,222</u>	<u>97,545</u>	<u>97,545</u>

E C GRAHAM BELFORD CHARITABLE SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 5 APRIL 2017

7. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	Total funds 2017	Total fund 2016
	£	£	£	£
Charitable donations	<u>128,200</u>	<u>16,022</u>	<u>144,222</u>	<u>97,545</u>

8. ANALYSIS OF SUPPORT COSTS

	Analysis of support costs activity 1	Total 2017	Total 2016
	£	£	£
Governance costs	<u>16,022</u>	<u>16,022</u>	<u>33,045</u>

9. NET GAINS ON INVESTMENTS

	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2016
	£	£	£	£
Gains/(losses) on the revaluation and disposal of investment assets	<u>684,504</u>	<u>684,504</u>	<u>682,042</u>	<u>682,042</u>

10. INDEPENDENT EXAMINATION FEES

	2017	2016
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>600</u>	<u>600</u>

11. STAFF COSTS

The average head count of employees during the year was Nil (2016: Nil).

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

12. TRUSTEE REMUNERATION AND EXPENSES

No remuneration has been paid to employees, including the members of the committee, during the current or previous year. No expenses were reimbursed to the trustees during the current or previous year.

Mr A I Thompson, trustee, was also a partner in Gowling WLG (UK) LLP, who provided legal services to the charity during the year. Included within legal fees is £12,302 (2016 - £29,534) for services provided by Gowling WLG (UK) LLP, of which £885 (2016 - £3,683) is included in accruals at the balance sheet date.

E C GRAHAM BELFORD CHARITABLE SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 5 APRIL 2017

13. INVESTMENTS

	Listed investments £
Cost or valuation	
At 6 April 2016	7,951,445
Additions	1,391,434
Disposals	(2,022,294)
Fair value movements	891,900
At 5 April 2017	<u>8,212,485</u>
Impairment	
At 6 April 2016 and 5 April 2017	
Carrying amount	
At 5 April 2017	<u>8,212,485</u>
At 5 April 2016	<u>7,951,445</u>

All investments shown above are held at valuation.

Listed investments

The aggregate market value of listed investments is £8,212,485 (2016: £7,951,445).

Financial assets held at fair value

Valuations were prepared on the basis of the middle market price at the close of business on the valuation date. For certain securities, the price may be on a different basis, for example last trade or bid price.

14. DEBTORS

	2017 £	2016 £
Other debtors	<u>2,687</u>	<u>–</u>

15. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	<u>3,600</u>	–
Accruals and deferred income	<u>5,721</u>	<u>8,453</u>
	<u>9,321</u>	<u>8,453</u>

16. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 6 April 2016 £	Income £	Expenditure £	Gains and losses £	At 5 April 2017 £
General funds	<u>8,133,099</u>	<u>80,185</u>	<u>(212,258)</u>	<u>684,504</u>	<u>8,685,530</u>

E C GRAHAM BELFORD CHARITABLE SETTLEMENT
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 5 APRIL 2017

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Total Funds 2017 £
Investments	8,212,485	8,212,485
Current assets	482,366	482,366
Creditors less than 1 year	(9,321)	(9,321)
Net assets	<u>8,685,530</u>	<u>8,685,530</u>

18. CONTINGENT ASSET

The trust has retained an interest in a piece of land that was part of the Belford Estate. If the developers had obtained planning permission on this land before 28 February 2010 an additional payment of £500,000 would have become payable. If planning permission is obtained in future the sum of £500,000 is increased subject to any increase in the Retail Price Index since 28 February 2010.