

BELVEDERE TRUST

**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Sayers Butterworth LLP

BELVEDERE TRUST

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BELVEDERE TRUST

Legal and administrative information for the year ended 31 March 2018

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

BELVEDERE TRUST

Trustees' annual report for the year ended 31 March 2018

The Trustees present their annual report together with the audited financial statements for the year 1 April 2017 to 31 March 2018.

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

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

OBJECTIVES AND ACTIVITIES

The Trust was set up to apply funds of the company towards, or in furtherance, or in advancement, or for the benefit of such one or more charities, charitable institutions or charitable purposes as the Trustees shall in their absolute discretion select and to undertake any other charitable purpose. There has been no change in these objectives during the year. During the year the Trustees have considered and made grants to the organisations as detailed in note 5.

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

PLANS FOR THE FUTURE

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

In July 2018 the building contract was signed and construction has commenced. It is expected that the development will be completed in Spring 2019.

Planning is being undertaken in respect of the Public Exhibition Space within the building. The Exhibition Space will be used for charitable purposes.

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

The Trust retains two investment portfolios, we aim to donate the income to charitable causes.

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

GOING CONCERN

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

BELVEDERE TRUST

Trustees' annual report (continued) for the year ended 31 March 2018

RESERVES POLICY

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

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

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

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

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

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

The charity had two wholly owned subsidiaries in the year, Belvedere Investment Holdings Limited, a company registered in England and Wales (dissolved 3 April 2018) and The Box Office New Inn Broadway Limited, a Company registered in England and Wales.

INVESTMENT POLICY

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

Unlisted investments comprise the entire share capital of the charity's subsidiaries, Belvedere Investment Holdings Limited and The Box Office New Inn Broadway Limited.

Listed investments comprise two separate portfolios of securities, one managed by Smith & Williamson and the other by Cazenove.

GRANT MAKING POLICY

The charity has established its grant making policy to achieve its objects for the public benefit to apply funds of the charity towards those charitable activities which the Trustees consider in line with the charity's objectives.

BELVEDERE TRUST

Trustees' annual report (continued) for the year ended 31 March 2018

Applications for grants received by the charity are considered by the Trustees and discussed at Trustees' meetings held on a quarterly basis.

REFERENCE AND ADMINISTRATIVE DETAILS

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

THE TRUSTEES

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

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

MAJOR RISKS

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

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

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

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

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW

Donations received in the year totalled £3,750,050 (2017: £3,076,677).

Investment income for the year was £183,071 (2017: £24,454).

Grants totalling £147,750 (2017: £43,750) were made during the year, the beneficiaries are listed in note 5 to the accounts. Support costs amounting to £13,370 (2017: £550) were incurred in relation to the 4-6 New Inn Broadway project. Governance costs amounted to £70,516 (2017: £41,740).

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

Total funds held by the Trust at the year end was £21,455,008 (2017: £17,819,999).

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also directors of Belvedere Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United

BELVEDERE TRUST

Trustees' annual report (continued) for the year ended 31 March 2018

Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

PROVISION OF INFORMATION TO AUDITOR

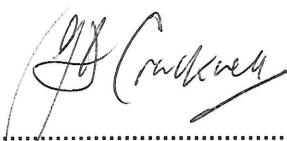
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

AUDITOR

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

This report was approved by the Trustees, on 18th August 2018 and signed on their behalf by:


.....
J D Cracknell
Trustee

Registered office:
2nd Floor
2 Back Lane,
London,
NW3 1HL

BELVEDERE TRUST

Independent auditor's report to the members of Belvedere Trust

OPINION

We have audited the financial statements of Belvedere Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2018 set out on pages 9 to 23. 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 of the parent charitable company's affairs as at 31 March 2018 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

BASIS FOR OPINION

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

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included

BELVEDERE TRUST

Independent auditor's report to the members of Belvedere Trust

in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent Charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Group strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

BELVEDERE TRUST

Independent auditor's report to the members of Belvedere Trust

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.



Andrew Burch (Senior statutory auditor)

for and on behalf of

Sayers Butterworth LLP

Chartered Accountants & Statutory Auditor

3rd Floor
12 Gough Square
London
EC4A 3DW

Date: 18th August 2018

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

BELVEDERE TRUST

Consolidated statement of financial activities (incorporating income and expenditure account) for the year ended 31 March 2018

	Note	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:				
Donations	2	3,750,050	3,750,050	3,076,677
Investments	3	183,071	183,071	24,454
TOTAL INCOME		<u>3,933,121</u>	<u>3,933,121</u>	<u>3,101,131</u>
EXPENDITURE ON:				
Raising funds:				
Investment management		70,461	70,461	-
Charitable activities:				
Other charitable activities	4	161,120	161,120	44,300
Governance	6	70,516	70,516	41,740
TOTAL EXPENDITURE		<u>302,097</u>	<u>302,097</u>	<u>86,040</u>
NET INCOME BEFORE INVESTMENT GAINS		<u>3,631,024</u>	<u>3,631,024</u>	<u>3,015,091</u>
Net gains on investments		3,985	3,985	67,646
NET INCOME		<u>3,635,009</u>	<u>3,635,009</u>	<u>3,082,737</u>
NET MOVEMENT IN FUNDS		<u>3,635,009</u>	<u>3,635,009</u>	<u>3,082,737</u>
RECONCILIATION OF FUNDS:				
Total funds brought forward		17,819,999	17,819,999	14,737,262
TOTAL FUNDS CARRIED FORWARD		<u><u>21,455,008</u></u>	<u><u>21,455,008</u></u>	<u><u>17,819,999</u></u>

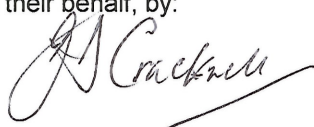
The notes on pages 13 to 23 form part of these financial statements.

BELVEDERE TRUST
Registered number: 03868725

**Consolidated balance sheet
as at 31 March 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	9		3,839,198		3,033,472
Investments	10		10,015,690		10,067,646
			13,854,888		13,101,118
CURRENT ASSETS					
Debtors	11	102,115		59,790	
Cash at bank and in hand		7,609,566		4,784,514	
		7,711,681		4,844,304	
CREDITORS: amounts falling due within one year	12	(111,561)		(125,423)	
NET CURRENT ASSETS			7,600,120		4,718,881
NET ASSETS			21,455,008		17,819,999
CHARITY FUNDS					
Unrestricted funds	13		21,455,008		17,819,999
TOTAL FUNDS			21,455,008		17,819,999

The financial statements were approved and authorised for issue by the Trustees on *18th August 2018* and signed on their behalf, by:



.....
J D Cracknell
Trustee

The notes on pages 13 to 23 form part of these financial statements.

BELVEDERE TRUST
Registered number: 03868725

Charity balance sheet
as at 31 March 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	9		331		3,033,472
Investments	10		13,728,037		10,080,746
			<u>13,728,368</u>		<u>13,114,218</u>
CURRENT ASSETS					
Debtors	11	88,165		59,791	
Cash at bank		7,551,079		4,768,913	
		<u>7,639,244</u>		<u>4,828,704</u>	
CREDITORS: amounts falling due within one year	12	(37,762)		(122,923)	
NET CURRENT ASSETS			<u>7,601,482</u>		<u>4,705,781</u>
NET ASSETS			<u>21,329,850</u>		<u>17,819,999</u>
CHARITY FUNDS					
Unrestricted funds			<u>21,329,850</u>		<u>17,819,999</u>
TOTAL FUNDS			<u>21,329,850</u>		<u>17,819,999</u>

The financial statements were approved and authorised for issue by the Trustees on 18th August 2018 and signed on their behalf, by:

.....
J D Cracknell
Trustee

The notes on pages 13 to 23 form part of these financial statements.

BELVEDERE TRUST

**Consolidated statement of cash flows
for the year ended 31 March 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>3,391,933</u>	<u>3,018,476</u>
Cash flows from investing activities:			
Dividends and interest from investments		183,071	24,454
Purchase of tangible fixed assets		(805,893)	(733,472)
Cash held as part of investment portfolio - movement		1,048,571	(1,412,291)
Net purchase of investments		<u>(992,630)</u>	<u>(8,587,709)</u>
Net cash used in investing activities		<u>(566,881)</u>	<u>(10,709,018)</u>
Change in cash and cash equivalents in the year		2,825,052	(7,690,542)
Cash and cash equivalents brought forward		<u>4,784,514</u>	<u>12,475,056</u>
Cash and cash equivalents carried forward	19	<u><u>7,609,566</u></u>	<u><u>4,784,514</u></u>

The notes on pages 13 to 23 form part of these financial statements.

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

1.2 Basis of consolidation

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

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

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

1.3 Investments

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

Investments in subsidiary undertakings are valued at cost less provision for impairment.

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

1. ACCOUNTING POLICIES (continued)

1.4 Income

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

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

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

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

1.5 Expenditure

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

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity. These costs include wholly or mainly attributable support costs and an apportionment of general overheads.

Governance costs comprise all costs identified as wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulation.

1.6 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land and development costs	-	Not depreciated
Fixtures and fittings	-	3 years straight line
Office equipment	-	3 years straight line

1.7 Operating leases

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

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Debtors

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

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

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

1.12 Unrestricted funds

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

1. ACCOUNTING POLICIES (continued)

1.13 Critical accounting estimates and areas of judgment

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

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	3,750,050	3,750,050	3,076,677

3. INVESTMENT INCOME

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income - listed investments	164,757	164,757	5,615
Interest receivable	18,314	18,314	18,839
Total	183,071	183,071	24,454

4. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Support costs: Premises costs	13,370	13,370	550
Grants to institutions (see note 5)	147,750	147,750	43,750
	161,120	161,120	44,300

BELVEDERE TRUST

**Notes to the financial statements
for the year ended 31 March 2018**

5. GRANTS TO INSTITUTIONS

	2018	2017
	£	£
Garsington Opera	5,000	5,000
Wallace Collection Young Curator	10,000	10,000
Mousetrap Project	-	12,500
Ballet Central Romeo & Juliet	-	12,500
Lymphoma Association	-	250
Fledglings	-	250
North London Hospice	-	250
Syndale RDA	-	250
Handicap International UK	-	250
Polka Children Theatre	-	250
Support Dogs	-	500
Libertys Owl Raptor and Reptile Centre	-	500
Surfers Against Sewage	-	250
British Disabled Angling Society	-	250
Sight Savers	-	250
Campaign for National Parks	-	500
Re-Cycle	500	-
Family Action	250	-
HART Wildlife	500	-
Sportability	250	-
Street Doctors	500	-
Asthma UK	500	-
Respite Association	500	-
The Classical Road Show	2,500	-
Teach a Man to Fish	2,000	-
Info Sounds	500	-
V&A / RCA History of Design Scholarship	35,000	-
The New Soundtrack to Europe	25,000	-
PDSA	500	-
V&A / RCA Owen Jones	25,000	-
Demand	1,000	-
War Child	1,000	-
Orbis Operation Sight	1,000	-
GOSH Sight & Sound Centre	1,000	-
The Old Vic Baylis Director	5,000	-
Farplace Animal Rescue	250	-
Wallace Collection Out of Frame	20,000	-
National Youth Music Theatre	10,000	-
	147,750	43,750

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

6. GOVERNANCE COSTS

	Unrestricted funds 2018 £	Total funds 2017 £
Audit fees	21,500	19,500
Accountancy fees	16,954	9,650
VAT payable	1,979	1,132
Other administration costs	6,120	11,458
Legal and professional fees	12,528	-
Admin support	4,438	-
Management charge	6,832	-
Depreciation	165	-
	<u>70,516</u>	<u>41,740</u>

7. NET INCOME

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	165	-
Auditor's remuneration - audit	<u>21,500</u>	<u>19,500</u>

8. TRUSTEES' REMUNERATION AND EXPENSES

During the year none of the Trustees received remuneration for their services. The Trustees received no reimbursed expenses during the year.

There are no direct employees of the Belvedere Trust.

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

9. TANGIBLE FIXED ASSETS

Group	Freehold land and development costs £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 April 2017	3,033,472	1,741	239	3,035,452
Additions	805,395	285	211	805,891
At 31 March 2018	3,838,867	2,026	450	3,841,343
Depreciation				
At 1 April 2017	-	1,741	239	1,980
Charge for the year	-	95	70	165
At 31 March 2018	-	1,836	309	2,145
Net book value				
At 31 March 2018	3,838,867	190	141	3,839,198
At 31 March 2017	3,033,472	-	-	3,033,472

Charity	Freehold land and development costs £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 April 2017	3,033,472	1,741	239	3,035,452
Additions	713,558	285	211	714,054
Disposals	(3,747,030)	-	-	(3,747,030)
At 31 March 2018	-	2,026	450	2,476
Depreciation				
At 1 April 2017	-	1,741	239	1,980
Charge for the year	-	95	70	165
At 31 March 2018	-	1,836	309	2,145
Net book value				
At 31 March 2018	-	190	141	331
At 31 March 2017	3,033,472	-	-	3,033,472

On 9 March 2018, Belvedere Trust transferred the freehold land and development at 4-6 New Inn Broadway to its wholly owned subsidiary The Box Office New Inn Broadway Limited.

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

10. INVESTMENTS

Group	Listed securities		
	£		
Market value			
At 1 April 2017			10,067,646
Acquisitions at cost			4,392,093
Disposal proceeds			(3,399,463)
Movement in cash held as part of portfolio			(1,048,571)
Unrealised gains on revaluation in the year			64,250
Realised loss on disposals			(60,265)
At 31 March 2018			10,015,690

Charity	Listed securities	Subsidiary undertakings	Total
	£	£	£
Market value			
At 1 April 2017	10,067,646	183,701	10,251,347
Additions	4,392,093	3,712,347	8,104,440
Disposals	(3,399,463)	-	(3,399,463)
Cash held as part of portfolio	(1,048,571)	-	(1,048,571)
Revaluations	64,250	-	64,250
Realised loss on disposals	(60,265)	-	(60,265)
At 31 March 2018	10,015,690	3,896,048	13,911,738
Impairment			
At 1 April 2017	-	170,601	170,601
Charge for the year	-	13,100	13,100
At 31 March 2018	-	183,701	183,701
Net book value			
At 31 March 2018	10,015,690	3,712,347	13,728,037
At 31 March 2017	10,067,646	13,100	10,080,746

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

10. INVESTMENTS (continued)

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

At the year end, Belvedere Trust owned 100% of the Ordinary share capital of Belvedere Investment Holdings Limited, a company incorporated in England and Wales whose principal activity was that of receiving fees in connection with a residual interest agreement. The Company was dissolved on 3 April 2018. Belvedere Trust also owns 100% of the Ordinary share capital of The Box Office New Inn Broadway Limited, a company incorporated in England and Wales whose principal activity is that of the development of an exhibition space and commercial units at 4-6 New Inn Broadway, London.

11. DEBTORS

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Other debtors	87,954	59,702	74,004	59,703
Prepayments and accrued income	14,161	88	14,161	88
	102,115	59,790	88,165	59,791

12. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	43,083	99,575	6,361	99,575
Other creditors	-	-	100	-
Accruals	68,478	25,848	31,301	23,348
	111,561	125,423	37,762	122,923

13. STATEMENT OF FUNDS

	Brought Forward	Incoming Resources	Expenditure	Gains on investments	Carried forward
	£	£	£	£	£
Unrestricted Funds					
General Funds	17,819,999	3,933,121	(302,097)	3,985	21,455,008
Total	17,819,999	3,933,121	(302,097)	3,985	21,455,008

BELVEDERE TRUST

Notes to the financial statements for the year ended 31 March 2018

14. CAPITAL COMMITMENTS

At 31 March 2018 the Group and Charity had capital commitments as follows:

	<u>Group</u>		<u>Charity</u>	
	2018	2017	2018	2017
	£	£	£	£
Contracted for but not provided in these financial statements	8,298,575	-	-	-

15. CONTROLLING PARTY

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

16. RELATED PARTY TRANSACTIONS

During the year rent and service charges of £17,774 (2017: £Nil) were charged by The Belvedere Realty Investments Limited, a company of which P A Klaber is a director.

During the year admin and IT support fees of £74,591 (2017: £12,515) were charged to Belvedere Trust by N Roditi & Co, a business of the spouse of a trustee. At 31 March 2018 Belvedere Trust owed N Roditi & Co £Nil (2017: £Nil).

During the year the charity received a donation of £3,750,000 (2017: £3,076,677) from the spouse of P A Klaber, a trustee of the charity.

During the year the subsidiary The Box Office New Inn Broadway Limited was recharged a management charge in relation to a recharge of salary of £6,832 from The Belvedere Realty Investments Limited, a company of which P A Klaber is a director.

17. COMPANY LIMITED BY GUARANTEE

As a company limited by guarantee, the Company has no issued share capital.

As stated in the Memorandum of Association clause 9.1, each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

BELVEDERE TRUST

**Notes to the financial statements
for the year ended 31 March 2018**

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group
	2018 £
	2017 £
Net income for the year (as per Statement of Financial Activities)	3,635,009
Adjustment for:	
Realised (gain)/losses on investments	60,265
Dividends and interest from investments	(183,071)
Unrealised (gains)/losses on revaluation of investments	(64,250)
(Increase)/decrease in debtors	(42,323)
Increase/(decrease) in creditors	(13,862)
Depreciation	165
Net cash provided by operating activities	3,391,933

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group
	2018 £
	2017 £
Cash in hand	7,609,566
Total	7,609,566

20. FINANCIAL INSTRUMENTS - GROUP

	2018 £	2017 £
Financial assets measured at fair value through income and expenditure	10,015,690	10,067,646
Financial assets measured at amortised cost	7,711,420	4,844,214
	17,727,110	14,911,860
Financial liabilities measured at amortised cost	88,061	105,923

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

Financial assets measured at amortised cost comprise accrued income and cash at bank.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.