

**BELVEDERE TRUST**  
(A company limited by guarantee)  
**TRUSTEES' REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**BELVEDERE TRUST**  
**(A company limited by guarantee)**

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**BELVEDERE TRUST**  
**(A company limited by guarantee)**

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**Legal and administrative information**  
**for the year ended 31 March 2019**

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<b>Trustees</b>	J D Cracknell L Hene P A Klaber Viscount Mackintosh of Halifax J B K Roditi
<b>Company registered number</b>	03868725
<b>Charity registered number</b>	1078667
<b>Registered office</b>	2nd Floor 2 Back Lane London NW3 1HL
<b>Company secretary</b>	J D Cracknell
<b>Independent auditor</b>	Sayers Butterworth LLP Chartered Accountants & Statutory Auditor 3rd Floor 12 Gough Square London EC4A 3DW
<b>Bankers</b>	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
<b>Investment managers</b>	Smith & Williamson 25 Moorgate London EC2R 6AY  Cazenove Capital 12 Moorgate London EC2R 6DA

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**BELVEDERE TRUST**  
**(A company limited by guarantee)**

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**Trustees' annual report**  
**for the year ended 31 March 2019**

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The Trustees present their annual report together with the audited financial statements for the year 1 April 2018 to 31 March 2019.

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 is being undertaken by TBONIB financed by monies provided by the Trust.

Construction of the commercial development is progressing to schedule and the construction phase of the development should be completed in November 2019. The internal fitting out will follow with the lettable floors of the development being available in February/March 2020.

Construction of the ground floor Public Exhibition Space to be used for charitable purposes is progressing within the same timescale of the commercial part of the development. We are working on an operational plan for the Exhibition Space; primarily the display of exhibits, the activities to be performed within the Exhibition Space and timings and classification of visitors. It is envisaged that the Exhibition Space will open in March 2020.

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. During the year the Trust received a donation in the form of 500,000 shares in Ocado plc. There is a 5 year restriction on the Trust's ability to realise the shares but there is no restriction as to the charitable purpose of the proceeds when the Ocado shares are realised. Any dividends received from Ocado in the interim will be applied 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.

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**BELVEDERE TRUST**  
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**Trustees' annual report (continued)**  
**for the year ended 31 March 2019**

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## **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.

## **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 one wholly owned subsidiary in the year, 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 subsidiary, The Box Office New Inn Broadway Limited.

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

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**Trustees' annual report (continued)**  
**for the year ended 31 March 2019**

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other by Cazenove. The Trust also has a holding in Ocado plc which was donated to the Trust in the year ended 31 March 2019. These Ocado shares were gifted to the Trust on condition that the shares should not be realised within a period of five years from the date of the gift.

### **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. 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 £6,928,000 (2018: £3,750,050).

Investment income for the year was £246,060 (2018: £183,071).

Grants totalling £125,200 (2018: £147,750) were made during the year, the beneficiaries are listed in note 5 to the accounts. Support costs amounting to £2,006 (2018: £13,370) were incurred in relation to the 4-6 New Inn Broadway project. Governance costs amounted to £97,121 (2018: £70,516).

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**BELVEDERE TRUST**  
**(A company limited by guarantee)**

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**Trustees' annual report (continued)**  
**for the year ended 31 March 2019**

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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 and its subsidiary at the year end were £30,865,493 (2018: £21,455,008).

### **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 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.

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**BELVEDERE TRUST**  
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**Trustees' annual report (continued)**  
**for the year ended 31 March 2019**

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**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.

**SMALL COMPANIES NOTE**

In preparing this report, the Trustees have taken advantage of the small companies exemptions, provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees, on 10/07/19 and signed on their behalf by:



.....  
**J D Cracknell**  
**Trustee**

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



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**BELVEDERE TRUST**  
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**Independent auditor's report to the members of Belvedere Trust**

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**OPINION**

We have audited the financial statements of Belvedere Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 set out on pages 10 to 28. 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 2019 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 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.

**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 in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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**Independent auditor's report to the members of Belvedere Trust**

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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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement, 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.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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](http://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 charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone

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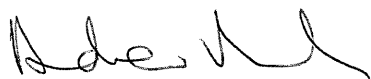
**BELVEDERE TRUST**  
**(A company limited by guarantee)**

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**Independent auditor's report to the members of Belvedere Trust**

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other than the charitable company and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



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: 10/09/2019

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

**BELVEDERE TRUST**  
(A company limited by guarantee)

**Consolidated statement of financial activities**  
(incorporating income and expenditure account)  
for the year ended 31 March 2019

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>INCOME FROM:</b>				
Donations	2	6,928,000	6,928,000	3,750,050
Investments	3	246,060	246,060	183,071
<b>TOTAL INCOME</b>		<b>7,174,060</b>	<b>7,174,060</b>	<b>3,933,121</b>
<b>EXPENDITURE ON:</b>				
Raising funds:				
Investment management		55,913	55,913	70,461
Charitable activities:				
Other charitable activities	4	127,206	127,206	161,120
Governance	6	97,121	97,121	70,516
<b>TOTAL EXPENDITURE</b>		<b>280,240</b>	<b>280,240</b>	<b>302,097</b>
<b>NET INCOME BEFORE INVESTMENT GAINS</b>		<b>6,893,820</b>	<b>6,893,820</b>	<b>3,631,024</b>
Net gains on investments		2,516,665	2,516,665	3,985
<b>NET INCOME</b>		<b>9,410,485</b>	<b>9,410,485</b>	<b>3,635,009</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>9,410,485</b>	<b>9,410,485</b>	<b>3,635,009</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		21,455,008	21,455,008	17,819,999
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>30,865,493</b>	<b>30,865,493</b>	<b>21,455,008</b>

The notes on pages 14 to 28 form part of these financial statements.

**BELVEDERE TRUST**  
**(A company limited by guarantee)**  
**Registered number: 03868725**

**Consolidated balance sheet**  
**as at 31 March 2019**

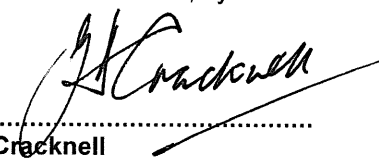
	Note	£	2019 £	£	2018 £
<b>FIXED ASSETS</b>					
Tangible assets	9		7,164,936		3,839,198
Investments	10		16,908,184		10,015,690
			<u>24,073,120</u>		<u>13,854,888</u>
<b>CURRENT ASSETS</b>					
Debtors	11	261,463		102,115	
Cash at bank and in hand		7,249,961		7,609,566	
		<u>7,511,424</u>		<u>7,711,681</u>	
<b>CREDITORS:</b> amounts falling due within one year	12	<u>(719,051)</u>		<u>(111,561)</u>	
<b>NET CURRENT ASSETS</b>			<u>6,792,373</u>		<u>7,600,120</u>
<b>NET ASSETS</b>			<u>30,865,493</u>		<u>21,455,008</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	13		30,865,493		21,455,008
<b>TOTAL FUNDS</b>			<u>30,865,493</u>		<u>21,455,008</u>

The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 10/09/2019 and signed on their behalf, by:

  
 .....  
**J D Cracknell**  
**Trustee**

The notes on pages 14 to 28 form part of these financial statements.

**BELVEDERE TRUST**  
**(A company limited by guarantee)**  
**Registered number: 03868725**

**Charity balance sheet**  
**as at 31 March 2019**

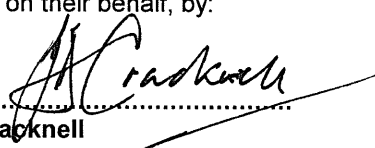
	Note	£	2019 £	£	2018 £
<b>FIXED ASSETS</b>					
Tangible assets	9		166		331
Investments	10		<u>26,920,531</u>		<u>13,728,037</u>
			<b>26,920,697</b>		<b>13,728,368</b>
<b>CURRENT ASSETS</b>					
Debtors	11	62,202		88,165	
Cash at bank		<u>3,869,505</u>		<u>7,551,079</u>	
		<b>3,931,707</b>		<b>7,639,244</b>	
<b>CREDITORS:</b> amounts falling due within one year	12	<u>(31,801)</u>		<u>(37,762)</u>	
<b>NET CURRENT ASSETS</b>			<b>3,899,906</b>		<b>7,601,482</b>
<b>NET ASSETS</b>			<u><b>30,820,603</b></u>		<u><b>21,329,850</b></u>
<b>CHARITY FUNDS</b>					
Unrestricted funds			<u><b>30,820,603</b></u>		<u><b>21,329,850</b></u>
<b>TOTAL FUNDS</b>			<u><b>30,820,603</b></u>		<u><b>21,329,850</b></u>

The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 10/09/2019 and signed on their behalf, by:

  
 .....  
**J D Cracknell**  
**Trustee**

The notes on pages 14 to 28 form part of these financial statements.

**BELVEDERE TRUST**  
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**Consolidated statement of cash flows  
for the year ended 31 March 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	<u>7,096,443</u>	<u>3,391,933</u>
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments		246,060	183,071
Purchase of tangible fixed assets		(3,326,279)	(805,893)
Cash held as part of investment portfolio - movement		270,849	1,048,571
Net purchase of investments		<u>(4,646,678)</u>	<u>(992,630)</u>
<b>Net cash used in investing activities</b>		<u>(7,456,048)</u>	<u>(566,881)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(359,605)</b>	<b>2,825,052</b>
Cash and cash equivalents brought forward		<u>7,609,566</u>	<u>4,784,514</u>
<b>Cash and cash equivalents carried forward</b>	20	<u><u>7,249,961</u></u>	<u><u>7,609,566</u></u>

The notes on pages 14 to 28 form part of these financial statements.

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**BELVEDERE TRUST**  
**(A company limited by guarantee)**

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**Notes to the financial statements**  
**for the year ended 31 March 2019**

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**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 results of subsidiaries sold are included up to the effective date of disposal.

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.



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**BELVEDERE TRUST**  
**(A company limited by guarantee)**

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**Notes to the financial statements**  
**for the year ended 31 March 2019**

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**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.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

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 Going concern**

After making the necessary enquiries, the trustees have a reasonable expectation that the charity has adequate reserves to continue in existence for the foreseeable future. On this basis, the charity continues to adopt the going concern basis in preparing its financial statements.

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**Notes to the financial statements**  
**for the year ended 31 March 2019**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 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.

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. 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

**1.8 Operating leases**

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

**1.9 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.

**1.10 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.

**1.11 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.

**1.12 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.

**BELVEDERE TRUST**  
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**Notes to the financial statements  
for the year ended 31 March 2019**

**1. ACCOUNTING POLICIES (continued)**

**1.13 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.

**1.14 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**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Donations	<b>6,928,000</b>	<b>6,928,000</b>	3,750,050

**3. INVESTMENT INCOME**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Investment income - listed investments	<b>239,603</b>	<b>239,603</b>	164,757
Interest receivable	<b>6,457</b>	<b>6,457</b>	18,314
Total	<b>246,060</b>	<b>246,060</b>	183,071

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**BELVEDERE TRUST**  
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**Notes to the financial statements**  
**for the year ended 31 March 2019**

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**4. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Support costs: Premises costs	<b>2,006</b>	<b>2,006</b>	<i>13,370</i>
Grants to institutions (see note 5)	<b>125,200</b>	<b>125,200</b>	<i>147,750</i>
	<b>127,206</b>	<b>127,206</b>	<i>161,120</i>

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**Notes to the financial statements  
for the year ended 31 March 2019**

**5. GRANTS TO INSTITUTIONS**

	2019 £	2018 £
Garsington Opera	10,000	5,000
3H - Helping Hands for Holidays	1,000	-
Childhood Eye Cancer Trust	1,000	-
The Emery Walker Trust	10,700	-
Endeavour Training - BOOST project	1,000	-
The Geffrye Museum	1,000	-
Great Western Air Ambulance	500	-
Gurkha Welfare Trust	1,000	-
Gwent Wildlife Trust	1,000	-
Hot Line Meals Services	1,000	-
International Spinal Research Trust	1,000	-
Jermyn Street Theatre	5,000	-
Jubilee Sailing Trust	1,000	-
Kingswood Trust - Learn and Grow	1,000	-
The Legacy Rainbow House	1,000	-
London Air Ambulance	1,000	-
Low Mill Outdoor Centre	1,000	-
The Movement for Non-Mobile Children	1,000	-
NARA - The Breathing Charity	1,000	-
North London Hospice	1,000	-
Nottinghamshire Clubs for Young People	1,000	-
Oesophageal Patients Association	1,000	-
Out N About Disabled Travel	1,000	-
The Royal Collection Trust	10,000	-
Shakespeare Schools Foundation	1,000	-
SMA Support UK	1,000	-
Sparks Charity	1,000	-
St. Endellion Parochial Church	25,000	-
Starfish Malawi	1,000	-
Success Stories	1,000	-
Surfers Against Sewage	1,000	-
Treloar Trust	1,000	-
Wallace on the Ward project	31,000	-
Wallace Collection - Translation project	5,500	-
Warm Hut	1,000	-
Youth on the Move	500	-
Wallace Collection Young Curator	-	10,000
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

**BELVEDERE TRUST**  
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**Notes to the financial statements  
for the year ended 31 March 2019**

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
	<u>125,200</u>	<u>147,750</u>

**6. GOVERNANCE COSTS**

	<b>Unrestricted funds 2019 £</b>	<i>Total funds 2018 £</i>
Audit fees	26,025	21,500
Accountancy fees	20,584	16,954
VAT payable	256	1,979
Other administration costs	8,998	6,120
Legal and professional fees	4,226	12,528
Admin support	6,264	4,438
Staff salaries and pension costs	23,520	-
Management charge	6,707	6,832
Depreciation	541	165
	<u>97,121</u>	<u>70,516</u>

**7. NET INCOME**

This is stated after charging:

	<b>2019 £</b>	<i>2018 £</i>
Depreciation of tangible fixed assets: - owned by the charitable group	<b>541</b>	<i>165</i>
Auditor's remuneration - audit	<b>26,025</b>	<i>21,500</i>
	<u><u>26,566</u></u>	<u><u>21,665</u></u>

**BELVEDERE TRUST**  
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**Notes to the financial statements  
for the year ended 31 March 2019**

**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 Belvedere Trust.

**9. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Freehold land and development costs £</b>	<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2018	3,838,867	2,026	450	3,841,343
Additions	3,324,776	-	1,503	3,326,279
At 31 March 2019	<u>7,163,643</u>	<u>2,026</u>	<u>1,953</u>	<u>7,167,622</u>
<b>Depreciation</b>				
At 1 April 2018	-	1,836	309	2,145
Charge for the year	-	95	446	541
At 31 March 2019	<u>-</u>	<u>1,931</u>	<u>755</u>	<u>2,686</u>
<b>Net book value</b>				
At 31 March 2019	<u>7,163,643</u>	<u>95</u>	<u>1,198</u>	<u>7,164,936</u>
<i>At 31 March 2018</i>	<u>3,838,867</u>	<u>190</u>	<u>141</u>	<u>3,839,198</u>

The Freehold land was valued by a Director on an open market basis at 31 March 2019.

The historic cost of the freehold land was £2,300,000 (2018: £2,300,000) and development costs £4,863,643 (2018: £1,538,867).

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**Notes to the financial statements  
for the year ended 31 March 2019**

	Fixtures and fittings £	Office equipment £	Total £
<b>Charity</b>			
<b>Cost</b>			
At 1 April 2018 and 31 March 2019	2,026	450	2,476
<b>Depreciation</b>			
At 1 April 2018	1,836	309	2,145
Charge for the year	95	70	165
At 31 March 2019	1,931	379	2,310
<b>Net book value</b>			
At 31 March 2019	95	71	166
<i>At 31 March 2018</i>	190	141	331

**10. INVESTMENTS**

Group	Listed securities £
<b>Market value</b>	
At 1 April 2018	10,015,690
Acquisitions at cost	6,031,631
Disposal proceeds	(1,384,953)
Movement in cash held as part of portfolio	(270,849)
Unrealised gains on revaluation in the year	2,596,843
Realised loss on disposals	(80,178)
At 31 March 2019	16,908,184



**BELVEDERE TRUST**  
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**Notes to the financial statements  
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**10. INVESTMENTS (continued)**

<b>Charity</b>	<b>Listed securities</b>	<b>Subsidiary undertakings</b>	<b>Total</b>
	£	£	£
<b>Market value</b>			
At 1 April 2018	10,015,690	3,896,048	13,911,738
Additions	6,031,631	6,300,000	12,331,631
Disposals	(1,384,953)	(183,701)	(1,568,654)
Movement in cash held as part of portfolio	(270,849)	-	(270,849)
Revaluations	2,596,843	-	2,596,843
Realised loss on disposals	(80,178)	-	(80,178)
At 31 March 2019	<u>16,908,184</u>	<u>10,012,347</u>	<u>26,920,531</u>
<b>Impairment</b>			
At 1 April 2018	-	183,701	183,701
Impairment on disposals	-	(183,701)	(183,701)
At 31 March 2019	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book value</b>			
At 31 March 2019	<u>16,908,184</u>	<u>10,012,347</u>	<u>26,920,531</u>
<i>At 31 March 2018</i>	<u>10,015,690</u>	<u>3,712,347</u>	<u>13,728,037</u>

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

Group and charity investments include listed shares with a value at 31 March 2019 of £6,852,500 which were donated to Belvedere Trust on condition that the shares should not be realised within a period of five years from the date of donation of 21 January 2019.

At the year end, Belvedere Trust owned 100% of the Ordinary share capital of The Box Office New Inn Broadway Limited, a company incorporated in England and Wales, Company number 11001779, whose principal activity is that of the development of an exhibition space and commercial units at 4-6 New Inn Broadway, London. During the year to 31 March 2019, The Box Office New Inn Broadway Limited made a loss of £217,024 (2018: profit of £125,158) and had net assets of £9,920,481 (2018: £3,837,505). This subsidiary is included within the consolidation.

During the year, a fully owned subsidiary, Belvedere Investments Holdings Limited, was dissolved on 3 April 2018.

**BELVEDERE TRUST**  
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**Notes to the financial statements  
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**11. DEBTORS**

	<u>Group</u>		<u>Charity</u>	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	299	-	-	-
Other debtors	253,922	87,954	62,202	74,004
Prepayments and accrued income	7,242	14,161	-	14,161
	<u>261,463</u>	<u>102,115</u>	<u>62,202</u>	<u>88,165</u>

**12. CREDITORS: Amounts falling due within one year**

	<u>Group</u>		<u>Charity</u>	
	2019 £	2018 £	2019 £	2018 £
Trade creditors	463,705	43,083	-	6,361
Other taxation and social security	561	-	-	-
Other creditors	-	-	-	100
Accruals	254,785	68,478	31,801	31,301
	<u>719,051</u>	<u>111,561</u>	<u>31,801</u>	<u>37,762</u>

**13. STATEMENT OF FUNDS**

	Brought Forward £	Incoming Resources £	Expenditure £	Gains on investments £	Carried forward £
<b>Unrestricted Funds</b>					
General Funds	21,455,008	7,174,060	(280,240)	2,516,665	30,865,493
Total	<u>21,455,008</u>	<u>7,174,060</u>	<u>(280,240)</u>	<u>2,516,665</u>	<u>30,865,493</u>

**BELVEDERE TRUST**  
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**Notes to the financial statements  
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**14. CAPITAL COMMITMENTS**

At 31 March 2019 the Group and Charity had capital commitments as follows:

	<u>Group</u>		<u>Charity</u>	
	2019 £	2018 £	2019 £	2018 £
Contracted for but not provided in these financial statements	<b>6,207,822</b>	8,298,575	-	-

**15. OPERATING LEASE COMMITMENTS**

At 31 March 2019 the total of the Group's future minimum lease payments under non-cancellable operating leases was:

<b>Group</b>	<b>2019 £</b>
<b>Amounts payable:</b>	
Within 1 year	34,020
Between 1 and 5 years	118,125
Total	<b>152,145</b>

**16. CONTROLLING PARTY**

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

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**BELVEDERE TRUST**  
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**Notes to the financial statements**  
**for the year ended 31 March 2019**

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**17. RELATED PARTY TRANSACTIONS**

During the year the charity received a cash donation of £2,500,000 (2018: £3,750,000) and was gifted shares in a listed company worth £4,428,000 (2018: £Nil) from the spouse of P A Klaber, a trustee of the charity. The shares were gifted on condition that they should not be realised within a period of five years from the date of donation of 21 January 2019.

During the year rent and service charges of £Nil (2018: £17,774) were charged to Belvedere Trust by The Belvedere Realty Investments Limited, a company of which P A Klaber and Viscount Mackintosh of Halifax are directors.

During the year admin and IT support fees of £3,276 (2018: £74,591) were charged to Belvedere Trust by N Roditi & Co, a business of the spouse of a trustee. At 31 March 2019 Belvedere Trust owed N Roditi & Co £Nil (2018: £Nil).

During the year the subsidiary The Box Office New Inn Broadway Limited was charged a management charge in relation to a recharge of salary of £6,707 (2018: £6,832) and was charged rent and service charges of £63,342 (2018: £4,765) from The Belvedere Realty Investments Limited, a company of which P A Klaber and Viscount Mackintosh of Halifax are directors.

During the year admin, IT support fees and travel recharges of £61,629 (2018: £18,523) were charged to The Box Office New Inn Broadway Limited by N Roditi & Co, a business of the spouse of a trustee. At 31 March 2018 The Box Office New Inn Broadway Limited owed N Roditi & Co £88 (2018: £43).

**18. 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**  
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**Notes to the financial statements**  
for the year ended 31 March 2019

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

	<b>2019</b>	<b>Group</b> 2018
	£	£
Net income for the year (as per Statement of Financial Activities)	<b>9,410,485</b>	3,635,009
<b>Adjustment for:</b>		
Realised (gains)/losses on investments	<b>80,178</b>	60,265
Dividends and interest from investments	<b>(246,060)</b>	(183,071)
Unrealised (gains)/losses on revaluation of investments	<b>(2,596,843)</b>	(64,250)
(Increase)/decrease in debtors	<b>(159,348)</b>	(42,323)
Increase/(decrease) in creditors	<b>607,490</b>	(13,862)
Depreciation	<b>541</b>	165
<b>Net cash provided by operating activities</b>	<b>7,096,443</b>	3,391,933

**20. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2019</b>	<b>Group</b> 2018
	£	£
Cash in hand	<b>7,249,961</b>	7,609,566
Total	<b>7,249,961</b>	7,609,566

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**BELVEDERE TRUST**  
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**Notes to the financial statements**  
**for the year ended 31 March 2019**

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**21. FINANCIAL INSTRUMENTS - GROUP**

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<b>£</b>
Financial assets measured at fair value through income and expenditure	<b>16,908,184</b>	<i>10,015,690</i>
Financial assets measured at amortised cost	<b>7,504,183</b>	<i>7,711,420</i>
	<b><u>24,412,367</u></b>	<i><u>17,727,110</u></i>
Financial liabilities measured at amortised cost	<b><u>689,451</u></b>	<i><u>88,061</u></i>

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.