

THE SIR GEORGE MARTIN TRUST

FINANCIAL STATEMENTS

for the year ended

5 APRIL 2020

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THE SIR GEORGE MARTIN TRUST

TRUSTEE'S ANNUAL REPORT

for the year ended

5 APRIL 2020

The Directors of the Trustee company present their report and the audited financial statements of the charity for the year ended 5 April 2020. The Trust has adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting of Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

Status

The Sir George Martin Trust is a registered charity under number 223554. The governing document is a Trust Deed dated 10 December 1956.

Registered office

6 Firs Avenue
Harrogate
HG2 9HA

Trustee

The sole Trustee of the charity is Sir George Martin Trust Company Limited. This office is the only activity of the company.

The Directors of the Trustee company are:

R F D Marshall Chairman
T D Coates
M Bethel
P D Taylor MBE
M J Martin
M L Whyte
S Blenkinsop

The registered office is as above. The company registered number is 540045

Trust manager

The Directors of the Trustee company have delegated the day to day management of the Trust to C L Marshall.

Auditor

Wheawill & Sudworth Limited
Chartered Accountants
35 Westgate
Huddersfield
HD1 1PA

Solicitors

Gordons
Riverside West
Whitehall Road
Leeds
LS1 4AW

THE SIR GEORGE MARTIN TRUST

TRUSTEE'S ANNUAL REPORT (continued)

for the year ended

5 APRIL 2020

Bankers

HSBC plc
PO Box 45
47 Market Street
Bradford
BD1 1LW

Investment advisers

Rathbone Investment Management Limited
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Establishment and History

The Trust was founded by the late Sir George William Martin (the Settlor), a wealthy Leeds businessman with many interests in the charitable sector, by means of a Trust Deed dated 10 December 1956 under which the Settlor declared that Sir George Martin Trust Company Limited (the Trustee) should hold the Trust funds on trust for such charitable institutions or such charitable objects as the Trustee should select.

At the time of founding the Trust, Sir George Martin was Chairman of the Leeds Infirmary, the YMCA, a national insurance company and an approved school as well as having a wide interest in other activities such as farming and the countryside. He established the Trust by the transfer of £30,000 of shares which for many years provided an income for mainly local charities in Yorkshire, where he took a keen interest. These included the YMCA, the Yorkshire Symphony Orchestra, the Methodist Homes for the Aged and the Harrogate Festival. Upon his death the residue of Sir George Martin's estate was left to the Trust.

Governance

The Trust is governed in accordance with the provisions of the Trust Deed by the Directors of the Trustee company whose names are listed on page 1 and who meet either three or four times a year.

Administration of the Trust

The administration of the Trust has been carried out by Carla Marshall in her role as Trust Manager very efficiently and with great enthusiasm. She has also carried out a considerable amount of the accountancy work.

Public benefit statement

The Directors of the Trustee company have considered the general guidance on public benefit issued by the Charity Commission in carrying out its objectives and activities and in delivering public benefit to the many institutions provided with financial and general help and are satisfied that the objectives fall under the provisions of the Charities Act 2011.

THE SIR GEORGE MARTIN TRUST

TRUSTEE'S ANNUAL REPORT (continued)

for the year ended

5 APRIL 2020

Grants in the year ended 5 April 2020

Grants made in the year amounted to £229,362. The total number of individual donations being 131 against 136 grants totalling £257,547 last financial year. The analysis of grants made in this and recent years is shown at the back of this document.

Activities

The Trustees and Trust Manager, Carla Marshall held their usual three meetings in June, November and March, but the March meeting was a 'virtual' meeting as Covid-19 and the UK lockdown had started. The Trust also had a Strategy Day in May to discuss the structure and running of the Trust, investment strategy, trustee board and Trust policies.

Before Covid-19 hit, Carla visited 70 charity applicants across West and North Yorkshire as part of the application assessment during 2019/20 and attended four funding fairs in Barnsley, Chapeltown Leeds, Halifax and Bradford. In April Carla spoke at the Yorkshire Museum Forum's fundraising event and in June she was a speaker at the Yorkshire & Humber Museum Federation's training day focused on applying to trusts and foundations.

With the Covid-19 pandemic hitting the UK hard from mid-March and the subsequent lockdown coming into effect on the 23rd March, for the last two weeks of the 2019/20 financial year the trustees decided to give out a series of £500 Fast Grants to provide urgent help to local charities who were providing emergency support and provisions to the vulnerable.

Another important activity during the year was updating the Trust's website www.sirgeorgemartintrust.org.uk to give it a more modern, fresh look. Carla worked with the Trust's trustee, Sarah Blenkinsop and her PR and web agency to develop the site which went live in September. Carla also attended the Bradford and York Funders Forum meetings to ensure the Trust's profile remained high and is well connected with other funders in the region.

The Sir George Martin Trust continued to be integral to the continuation and operations of the Yorkshire Grant Makers' Forum (YGMF) and the Yorkshire & Humber Funders' Forum, with the trustees again agreeing for Carla to be the Co-ordinator for the two Forums as part of her role at the Trust. During the summer of 2019, Carla and the two Forum steering committees managed an integration of the two Forums following a survey to funders across the region which showed that having one funders forum for the region was the right way forward. The Yorkshire Funders Forum (YFF) was launched in July and the new website, which Carla wrote and managed the design of, went live in November 2019.

During 2019/20, Carla organised the May 2019 Conference in Hull with a focus on 'Impact: are you fulfilling your mission?', the September Roundtable at Wakefield Town Hall, the November Conference at the Thackray Medical Museum with the theme of 'Trends in the Health & Care Third Sector' and finally the February Roundtable at Leeds Civic Hall. Many of the Sir George Martin Trust trustees attended these events to continue their professional development and keep abreast of current issues and trends in the funding sector.

In addition, together with the YFF Conference Chair, Tim Cutts of Allen Lane Foundation, Carla convinced the Association of Charitable Foundations (ACF) to bring back their training to Yorkshire which so many local funders had requested. ACF held the first trial session at Joseph Rowntree Foundation's office in December which was promoted by the YFF and became fully booked in two weeks, with a waiting list.

The Trust continued its membership of ACF and attended their Annual Conference in November.

THE SIR GEORGE MARTIN TRUST

TRUSTEE'S ANNUAL REPORT (continued)

for the year ended

5 APRIL 2020

Investment policy and performance

Following the May Strategy Day, the Trustees decided to move all the Trust's funds to CCLA and through investing with CCLA's COIF Charity Fund adopted their ethical/responsible policy. CCLA provided a strong return throughout 2019/20 which enabled the trustees to continue to give a sizeable amount of grants.

Objectives and future policy of the Trust

The objectives are to distribute the income from the Trust fund amongst charities at the absolute discretion of the Directors of the Trustee company. The Directors of the Trustee company therefore have a wide brief but concentrates its giving in West and North Yorkshire, particularly the old West Riding cities of Leeds and Bradford. The intention of the Directors of the Trustee company is to continue the activities of the Trust as an independent charitable Trust.

Financial review

The deficit for the year of £843,484 (2019 surplus of £412,943) reflects a net surplus of £37,814 arising from income in excess of expenditure (2019 deficit of £40,629 arising from expenditure in excess of income) and a loss on realised and unrealized investments of £881,298 (2019 surplus of £453,572). The Trust's total funds at 5 April 2020 totalled £7,758,740 (2019: £8,602,224).

The deficit before transfers upon the income fund has arisen as historic levels of grant making have been greater than net income. The Directors of the Trustee company have, along with the investment managers, reviewed investment management policy in order to generate greater returns.

Note 18 includes additional information in relation to the impact of Covid 19 on the Trust.

Risk management policy

The Directors of the Trustee company have examined the major strategic, business and operational risks which the Trust faces and have adopted a formal risk management policy.

Reserves policy

The Directors of the Trustee company aim to maintain reserves at an adequate level to provide sufficient working capital to fund the charity's activities.

Fundraising

The Charity does not carry out any significant fundraising activities.

THE SIR GEORGE MARTIN TRUST**TRUSTEE'S ANNUAL REPORT** (continued)**for the year ended****5 APRIL 2020****Trustee's responsibilities**

The Directors of the Trustee company are responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and apply them consistently;
- observe the method and principles in the Charities SORP 2015 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee, being the Directors of the Trustee company, are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. The Directors of the Trustee company are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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

Appointment of Auditor

A resolution to re-appoint Wheawill & Sudworth Limited as auditor will be proposed at the Annual General Meeting.

On behalf of Sir George Martin Trust Company Limited

R F D MARSHALL

7 December 2020

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF
THE SIR GEORGE MARTIN TRUST**

Opinion

We have audited the financial statements of The Sir George Martin Trust for the year ended 5 April 2020 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2020, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

THE SIR GEORGE MARTIN TRUST (continued)

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Trustee's 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of the Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 4, the Trustee is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

THE SIR GEORGE MARTIN TRUST (continued)

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our Report

This report is made solely to the Trustee 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 Trustee those matters we are required to state to the Trustee in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Trustee, for our audit work, for this report, or for the opinions we have formed.

WHEAWILL & SUDWORTH LIMITED
Chartered Accountants & Statutory Auditor

35 Westgate
Huddersfield
HD1 1PA

7 December 2020

THE SIR GEORGE MARTIN TRUST

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended

5 APRIL 2020

		2020	2019
		Unrestricted	Unrestricted
		Funds	Funds
	Note	£	£
Income and endowments from:			
Investments	2	325,276	294,234
Total income and endowments		<u>325,276</u>	<u>294,234</u>
Expenditure on:			
Investment management fees		8,661	30,348
Charitable activities	3	278,801	304,515
Total expenditure		<u>(287,462)</u>	<u>(334,863)</u>
Net (losses) / gains on investments	13	(881,298)	453,572
Net (expenditure)/income and net movement in funds		<u>(843,484)</u>	<u>412,943</u>
Reconciliation of funds:			
Total funds brought forward	16	8,602,224	8,189,281
Total funds carried forward	16	<u><u>7,758,740</u></u>	<u><u>8,602,224</u></u>

All income and expenditure derive from continuing activities.

The notes on pages 11 to 20 form part of these financial statements.

THE SIR GEORGE MARTIN TRUST**BALANCE SHEET****5 APRIL 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	5	193
Investments	13	7,654,079	8,412,390
		<u>7,654,084</u>	<u>8,412,583</u>
Current assets			
Debtors	14	70,415	-
Cash at bank and in hand		41,986	203,389
		<u>112,401</u>	<u>203,389</u>
Creditors: amounts falling due within one year	15	(7,745)	(13,748)
Net current assets		<u>104,656</u>	<u>189,641</u>
Net assets		<u><u>7,758,740</u></u>	<u><u>8,602,224</u></u>
Charity Funds			
Unrestricted funds:			
Capital	16	7,633,432	8,519,060
Income	16	125,308	83,164
Total charity funds	16	<u><u>7,758,740</u></u>	<u><u>8,602,224</u></u>

The financial statements were approved and authorised for issue by the Board on 7 December 2020.

Signed on behalf of the Trustee company

R F D MARSHALL)
) Directors
T D COATES)

The notes on pages 11 to 20 form part of these financial statements.

THE SIR GEORGE MARTIN TRUST
NOTES TO THE FINANCIAL STATEMENTS
5 APRIL 2020

1 Summary of significant accounting policies

(a) General information and basis of preparation

The Sir George Martin Trust is a registered charity in the United Kingdom under number 223554. The governing document is a Trust Deed dated 10 December 1956. The nature of the charity's operations and principal activity is to distribute the income from the Trust amongst charities at the absolute discretion of the Directors of the Trustee company, this is detailed further in the Trustee's report. The address of the registered office is given on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014 (as updated by Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the Directors of the Trustee company in furtherance of the general objectives of the charity and which have not been designated for other purposes.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2020

1 Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes costs of providing services and the payment of grants to the charities beneficiaries ; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment - 2 years straight line

THE SIR GEORGE MARTIN TRUST**NOTES TO THE FINANCIAL STATEMENTS** (continued)**5 APRIL 2020****1 Summary of significant accounting policies** (continued)**(g) Investments**

Investments are recognised initially at fair value which is normally the transaction price. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(j) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(k) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

(l) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(m) Going concern

The financial statements have been prepared on a going concern basis as the Directors of the Trustee company believe that no material uncertainties exist. The Directors of the Trustee company have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. The Directors of the Trustee company have considered the impact of the Covid 19 pandemic on the charity and they believe that they have put suitable measures in place to ensure that the charity will continue its activities going forward.

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2020

1 Summary of significant accounting policies (continued)

(n) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires judgements, estimates and assumptions to be made which may affect the amounts reported. These estimates and judgements are continually reviewed and are based upon experience and other factors, including expectations of historic events that are believed to be reasonable under the circumstances.

2 Income from investments

	2020	2019
	£	£
Dividends receivable	324,505	291,880
Taxation recoverable	-	(714)
Interest on short term deposits	771	187
Other income	-	2,881
	<u>325,276</u>	<u>294,234</u>

3 Analysis of expenditure on charitable activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total 2020 £
Grant making	<u>229,362</u>	<u>49,439</u>	<u>278,801</u>
	Activities undertaken directly 2019 £	Support costs 2019 £	Total 2019 £
Grant making	<u>257,547</u>	<u>46,968</u>	<u>304,515</u>

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2020

4 Allocation of support costs

Support cost	Basis of allocation	Charitable activities £	Total 2020 £	Total charitable activities 2019 £
Staff costs	Charitable costs	34,269	34,269	32,680
Audit and accountancy costs	Charitable costs	6,500	6,500	6,250
Stationery, telephone and postage	Charitable costs	1,643	1,643	1,535
Website and IT costs	Charitable costs	1,850	1,850	1,285
Travel and subsistence	Charitable costs	2,343	2,343	2,911
Office costs	Charitable costs	305	305	266
Depreciation	Charitable costs	188	188	189
Loss on disposal of tangible assets	Charitable costs	-	-	43
Memberships	Charitable costs	645	645	460
Insurance	Charitable costs	706	706	706
Bank charges	Charitable costs	240	240	227
Training costs	Charitable costs	750	750	416
Total		49,439	49,439	46,968

5 Governance costs included within support costs

	2020 £	2019 £
Staff costs	17,135	16,340
Audit and accountancy costs	3,900	3,650
Stationery, telephone and postage	822	768
Website and IT costs	924	642
Travel and subsistence	1,172	1,456
Office costs	152	133
Depreciation	94	95
Loss on disposal of tangible assets	-	21
Memberships	323	230
Insurance	353	353
Bank charges	120	113
Training costs	375	208
	25,370	24,009

These costs are included within expenditure on charitable activities as required by SORP (FRS 102).

6 Analysis of grants

	Grants to institutions £	Grants to individuals £	Total £
Grants to beneficiaries	229,362	-	229,362

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2020

7 Grants to institutions

Further details of grants made to institutions during the year can be found in the Annual Analysis of Grant Making included on pages 21 to 26 and Analysis of Donations on pages 27 to 29.

All grants are made to registered charities for grant funded activities.

Major grants made in the year were as follows:

	£
Bradford Youth Development Project	5,000
Forget Me Not Children's Hospice	5,000
Kidz Aware	5,000
Next Step Trust	3,180
Thornton Lodge Action Group	5,000
YMCA City of Leeds	5,000
	<u>28,180</u>
Other grants (125 in total all £3,000 or under)	202,182
Grant returned re prior year	(1,000)
	<u><u>229,362</u></u>

8 Net (expenditure) / income for the year

Net (expenditure) / income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible assets	188	189
Loss on disposal of tangible assets	-	43
Loss / (gain) on fair value movement of investments	881,298	(453,572)
	<u><u>881,298</u></u>	<u><u>(453,572)</u></u>

9 Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £4,500 (2019 - £4,250) and a further £2,000 (2019 - £2,000) for accounts preparation and other services.

10 Trustees' and key management personnel remuneration and expenses

The Directors of the Trustee company neither received nor waived any remuneration during the year (2019: £Nil).

The reimbursement of Directors of the Trustee company's expenses was as follows:

	2020	2019	2020	2019
	Number	Number	£	£
Travel	<u>1</u>	<u>2</u>	<u>383</u>	<u>298</u>

During the year the trust paid £1,500 to Golden Frog PR Limited, a company controlled by one of the trustees for the provision of a new website.

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2020

11 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2020 Number	2020 FTE	2019 Number	2019 FTE
Charitable activities	1	1	1	1
Governance	-	-	-	-
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>

The total staff costs and employee benefits were as follows:

	2020 £	2019 £
Wages and salaries	33,875	32,375
Social security	484	305
	<u>34,359</u>	<u>32,680</u>
	<u><u>34,359</u></u>	<u><u>32,680</u></u>

No employees received benefits (excluding employer pension costs) of more than £60,000.

12 Tangible fixed assets

	Office Equipment £	Total £
Cost:		
At 6 April 2019	1,801	1,801
Additions	-	-
Disposals	-	-
	<u>1,801</u>	<u>1,801</u>
At 5 April 2020	<u><u>1,801</u></u>	<u><u>1,801</u></u>
Depreciation:		
At 6 April 2019	1,608	1,608
Charge for the year	188	188
Eliminated on disposal	-	-
	<u>1,796</u>	<u>1,796</u>
At 5 April 2020	<u><u>1,796</u></u>	<u><u>1,796</u></u>
Net book value:		
5 April 2020	5	5
5 April 2019	193	193
	<u><u>5</u></u>	<u><u>193</u></u>

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2020

13 Fixed asset investments

	Listed investments £
Fair value:	
At 6 April 2019	8,412,390
Additions	5,176,470
Disposals	(5,053,483)
Revaluation – net (losses) /gains, realised and unrealised	(881,298)
	<hr/>
At 5 April 2020	7,654,079
	<hr/> <hr/>
Carrying amount:	
At 5 April 2020	7,654,079
	<hr/> <hr/>
At 5 April 2019	8,412,390
	<hr/> <hr/>

Investments at fair value comprise:

	2020 £	2019 £
Equities	-	3,724,625
Fixed Interest Funds	-	609,706
Managed Funds	7,654,079	4,078,059
	<hr/>	<hr/>
	7,654,079	8,412,390
	<hr/> <hr/>	<hr/> <hr/>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

14 Debtors

	2020 £	2019 £
Prepayments and accrued income	70,415	-
Taxation recoverable	-	-
	<hr/>	<hr/>
	70,415	-
	<hr/> <hr/>	<hr/> <hr/>

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2020

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Creditors:		
Yorkshire Funders' Forum	134	2,827
Rathbones	-	7,521
Grants outstanding	4,000	-
	<u>4,134</u>	<u>10,348</u>
Accruals	3,611	3,400
	<u>7,745</u>	<u>13,748</u>

16 Fund reconciliation

Unrestricted funds

	Balance at					Balance at
	6 April	Income	Expenditure	Transfers	(Losses)	5 April
	2019	£	£	£	£	2020
	£					£
Capital fund	8,519,060	-	-	(4,330)	(881,298)	7,633,432
Income fund	83,164	325,276	(287,462)	4,330	-	125,308
	<u>8,602,224</u>	<u>325,276</u>	<u>(287,462)</u>	<u>-</u>	<u>(881,298)</u>	<u>7,758,740</u>

	Balance at					Balance at
	6 April	Income	Expenditure	Transfers	Gains	5 April
	2018	£	£	£	£	2019
	£					£
Capital fund	8,160,662	-	-	(95,174)	453,572	8,519,060
Income fund	28,619	294,234	(334,863)	95,174	-	83,164
	<u>8,189,281</u>	<u>294,234</u>	<u>(334,863)</u>	<u>-</u>	<u>453,572</u>	<u>8,602,224</u>

Fund descriptions

Unrestricted funds

The general funds of the charity are available to be distributed at the discretion of the Directors of the Trustee company in furtherance of the objects of the charity.

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2020

17 Analysis of net assets between funds

	Unrestricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Total 2019 £
Fixed assets - tangible	5	5	193	193
Fixed assets – investments	7,654,079	7,654,079	8,412,390	8,412,390
Cash at bank and in hand	41,986	41,986	203,389	203,389
Other current (liabilities)	62,670	62,670	(13,748)	(13,748)
	<u>7,758,740</u>	<u>7,758,740</u>	<u>8,602,224</u>	<u>8,602,224</u>
Total	<u>7,758,740</u>	<u>7,758,740</u>	<u>8,602,224</u>	<u>8,602,224</u>

18 Subsequent events

In early 2020 Covid-19, impacted a significant number of countries globally. Covid-19 has caused disruption to economic activity which has been reflected in global stock markets and in turn the valuation of the trust's assets. The trustees consider this to be a non-adjusting subsequent event and given the inherent uncertainties, it is not practicable at this time to provide an estimate of the further financial effect at the date of approval of these financial statements.



Annual Analysis of Grant Making

April 2019 – March 2020

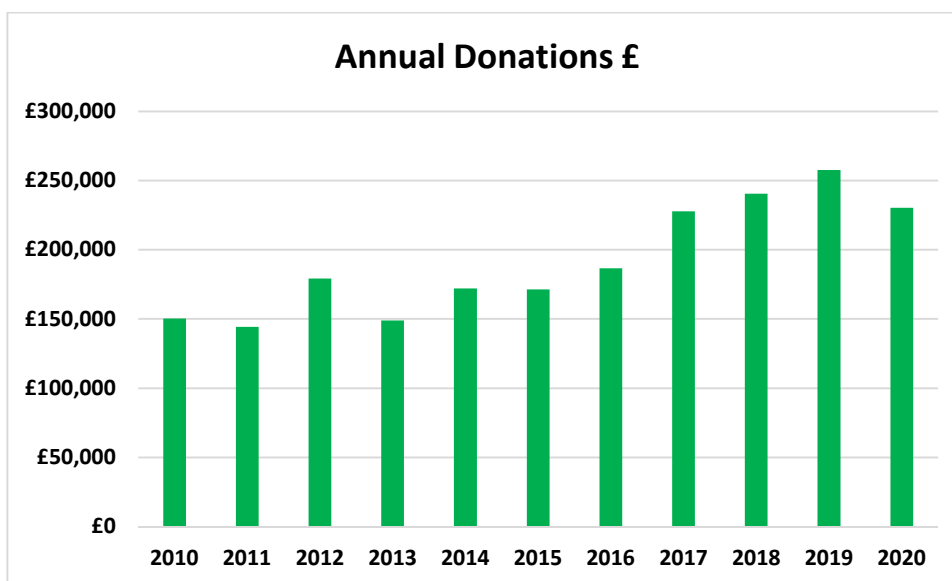
This is the seventh year that the Sir George Martin Trust has analysed its grant making in this way and the data is being used by the trustees to review and formulate the Trust's grant making strategy for the future.

Following a steady increase in the total monetary amount of annual donations over the last five years, 2019/20 bucked the trend and decreased by 11% - a total of £229,362, down from £257,547 in 2018/19. 2019/20 was on track for another rise, with the Trust's grant-making increasing at the June and November 2019 trustees' meetings, but with the Covid-19 pandemic hitting the UK in February 2020, this meant that the grants approved at the March 2020 meeting (which was a conference call as social distancing rules meant the trustees weren't allowed to meet in person) were significantly reduced from what was originally budgeted for.

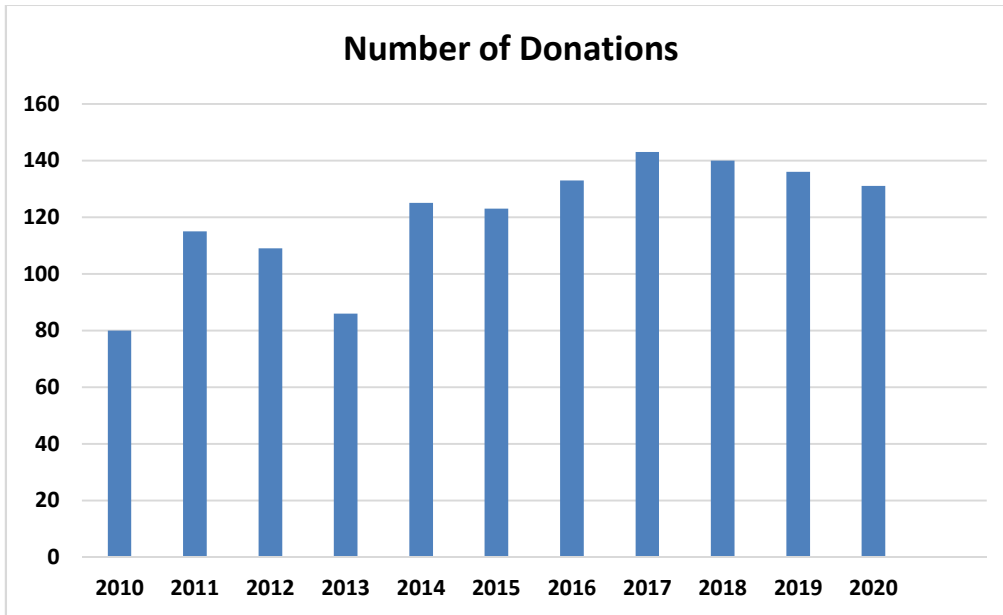
£116,583 of grants were made in June 2019 and £85,131 in November, but at the March meeting the total was only £26,150. The primary reason for this small amount being given was that the value of the Trust's funds with CCLA shot down from £9,081,115 on the 31st January 2020 to £7,596,049 on the 19th March. Because of the worldwide Covid-19 crisis and the impact on the global economy, employment and the health of nations, from February 12th to March 11th the markets dropped 20.3% - one of the worst months in history.

Adding to this, the inevitable economic recession to follow and the fact that CCLA advised the trustees in early 2020 to no longer draw down from capital, the trustees felt that in these unprecedented times it was best to be cautious and not give out all the funds available. Despite the unprecedented challenges, CCLA still managed to generate the Trust a 2019/20 annual income of £325,276.

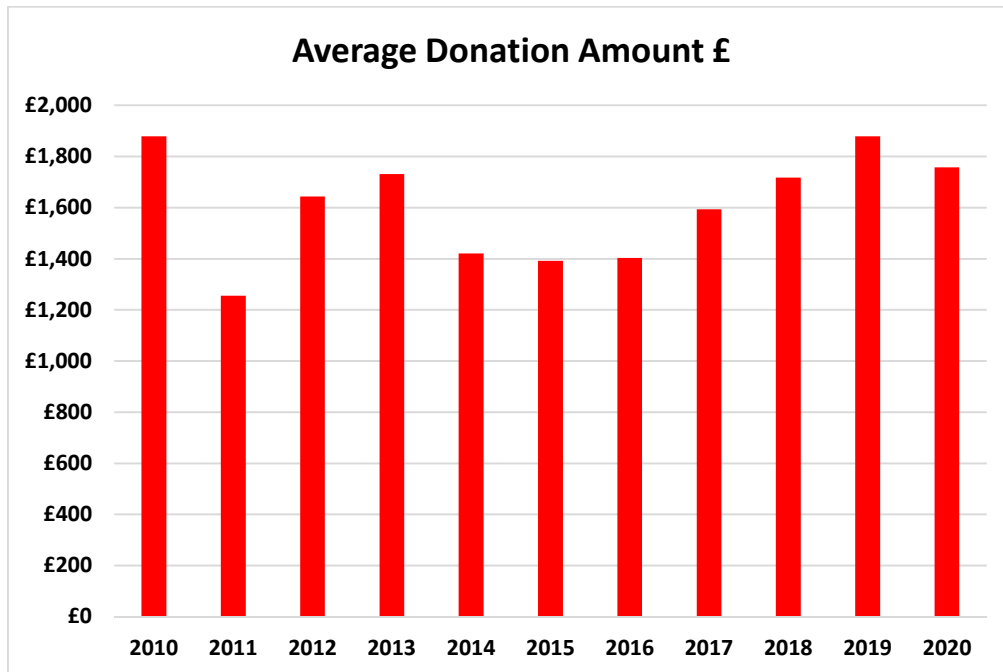
The number of donations during 2019/20 went down slightly by 4% - 131 vs. 136 in 2018/19, while the average donation amount decreased by 6% from £1,879 in 2018/19 to £1,758 in 2019/20.



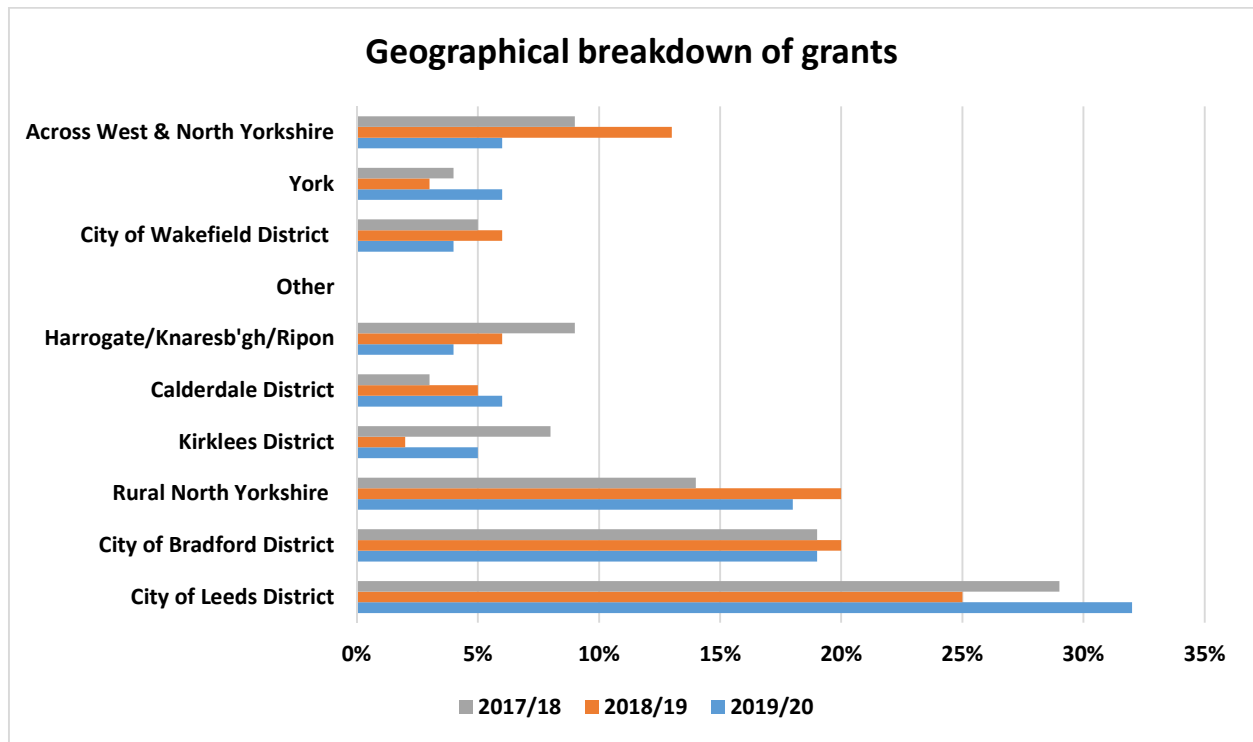
The number of donations only decreased by 4% because at the June meeting 60 grants were given, compared to the usual 45-50, as at this time the Trust's income was increasing nicely and there were so many charities in need. 45 were made in November and 25 in March. In addition, from 30th March for a month, the Trust ran a new Fast Grants programme to provide £500 of funding to small frontline charities which were supporting the vulnerable and disadvantaged through the Covid-19 crisis by providing food and support.



The average donation amount decreased by 6%, with most grants remaining in the region of £1,000 - £2,000 and a few more £5,000 grants were made in June and November, compared with previous years.



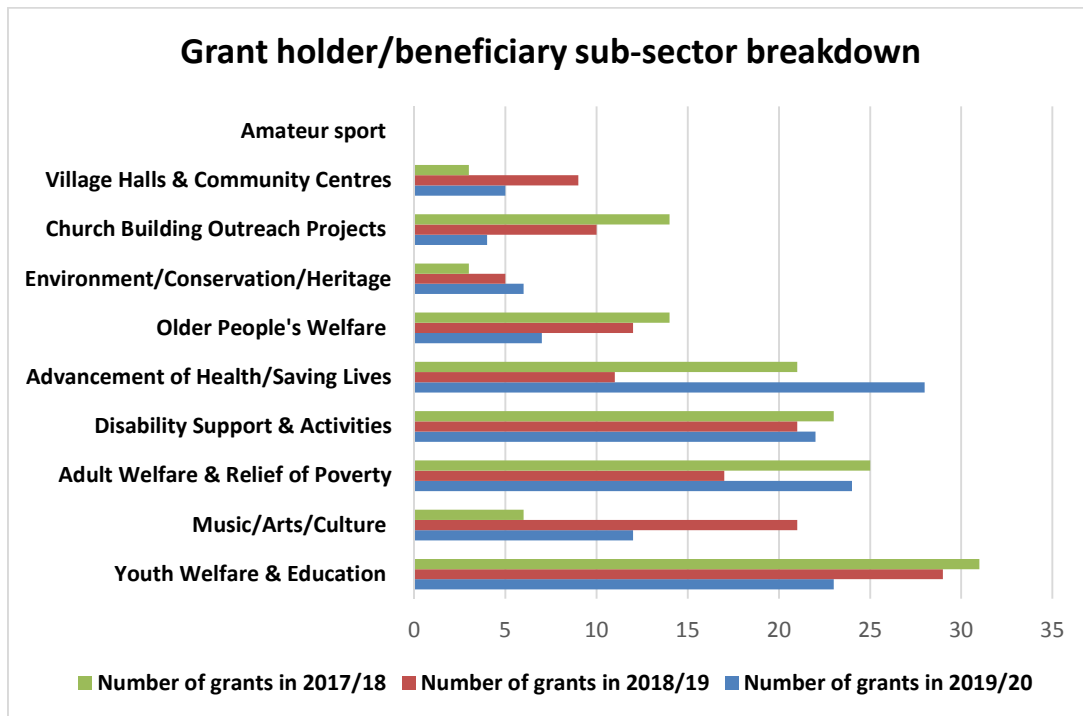
It's interesting to note that in 2010, during a key recession year, that the Trust's average donation amount (nearly £1,900) was at an all-time high, while the total number of donations was at its lowest of 80 and £150,000 total in donations was also at its lowest, bar 2011.



This graph shows the location of the Trust's charity grant holders and their beneficiaries. As with the last few years there have been some shifts in the geographical location of beneficiaries being supported by Sir George Martin grants, but there are no radical changes and the top three regions (Leeds, Bradford, Rural North Yorkshire) have remained the same for the past three years.

There are some interesting points of note:

- Grants to charities in Leeds shot up even further this year to nearly a third of the total and an increase of 7% from 2018/19. The Trust Manager continues to have strong relationships with Voluntary Action Leeds and Community Matters Yorkshire who both run funding fairs and the Trust Manager attended three of these during 2019/20.
- Funding to the York, Calderdale and Kirklees regions all increased slightly during 2019/20 and the Trust Manager maintained connections with the infrastructure support organisations and other funders in these areas through her work with the Yorkshire Funders Forum which could have played a factor.
- Funding to the Bradford, Rural North Yorkshire and Wakefield Districts decreased slightly but the Trust Manager continued to ensure there was awareness of the Trust in these areas too.
- Although the Trust's address is in Harrogate and we did support a couple of Harrogate District-based charities, this not a priority area, so it's interesting to note that very few organisations from the local area approached the Trust about funding. This is maybe because we have put a greater emphasis on communicating that the priority is applications from charities which support the vulnerable in disadvantaged areas.
- Two thirds of all grants went to organisations in West Yorkshire and this has remained the same for the past three years.

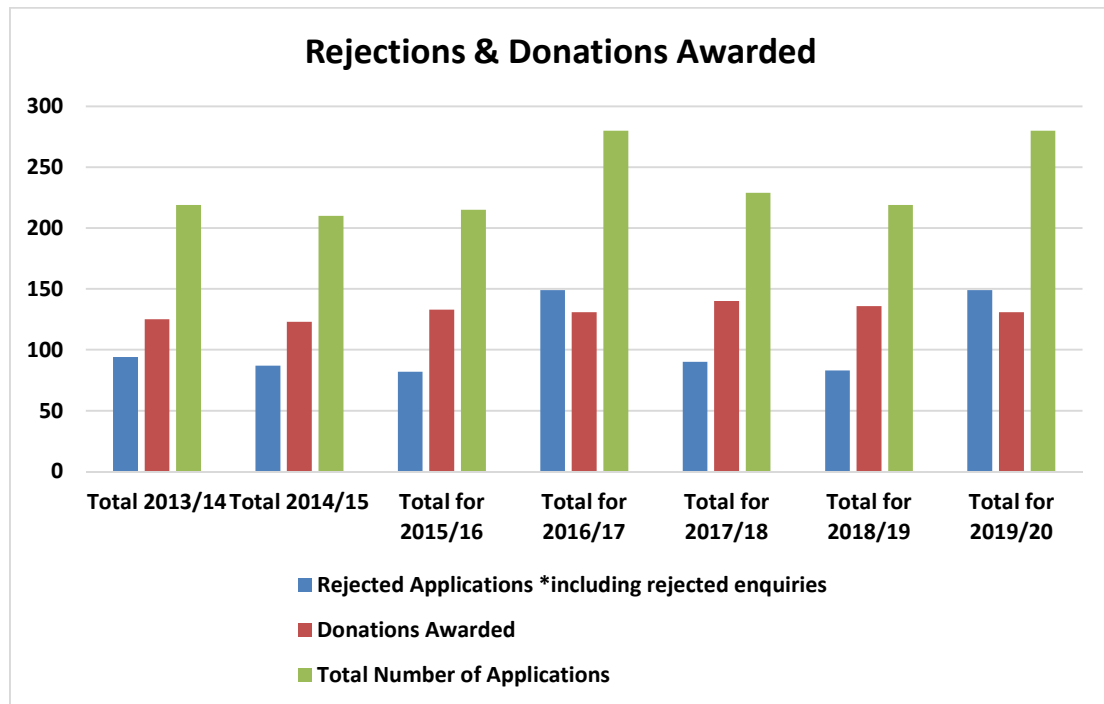


There were some definite changes in the charity sub-sectors receiving grants from the Sir George Martin Trust this year and much of this was due to the Covid-19 pandemic which hit the UK in February 2020. Most of the March 2020 grants went to support the advancement of Health & Saving Lives and Adult Welfare & Relief of Poverty.

Here is the change in order and percentage comparison from 2018/19 to 2019/20:

2018/19		2019/20	
1	Youth Welfare & Education 21%	Advancement of Health/Saving Lives	21%
2	Disability Support & Activities & Music/Arts/Culture 15%	Adult Welfare & Relief of Poverty	18%
3	Adult Welfare & Relief of Poverty 13%	Youth Welfare & Education	17%
4	Older People's Welfare 9%	Disability Support & Activities	17%
5	Church Building Outreach Projects & Advancement of Health/Saving Lives 8%	Music/Arts/Culture	9%
6	Community Centres & Village Halls 7%	Older People's Welfare	6%
7	Environment/Conservation/Heritage 4%	Environment/Conservation/Heritage	5%
8	Amateur Sport 0%	Community Centres & Village Halls	4%
9.		Church Building Outreach Projects	3%

Although the chart above only shows the last two years when it comes to the charity sub-sectors, the Trust Manager has been logging these figures since 2014 and 2019/20 is the first time ever that Youth Welfare & Education hasn't come out top. Yet again, the Coronavirus crisis had a significant impact on the figures and Advancement of Health/Saving Lives and Adult Welfare & Relief of Poverty shot to the number one and two spots due to the March meeting grants all going to charities to help the vulnerable during the first phases of the crisis and the UK lockdown. All the other sub-sectors were impacted by this so grants to church building outreach projects, community centres and village halls, music/arts/culture all nearly halved as they were no longer deemed a top priority by the trustees in March.



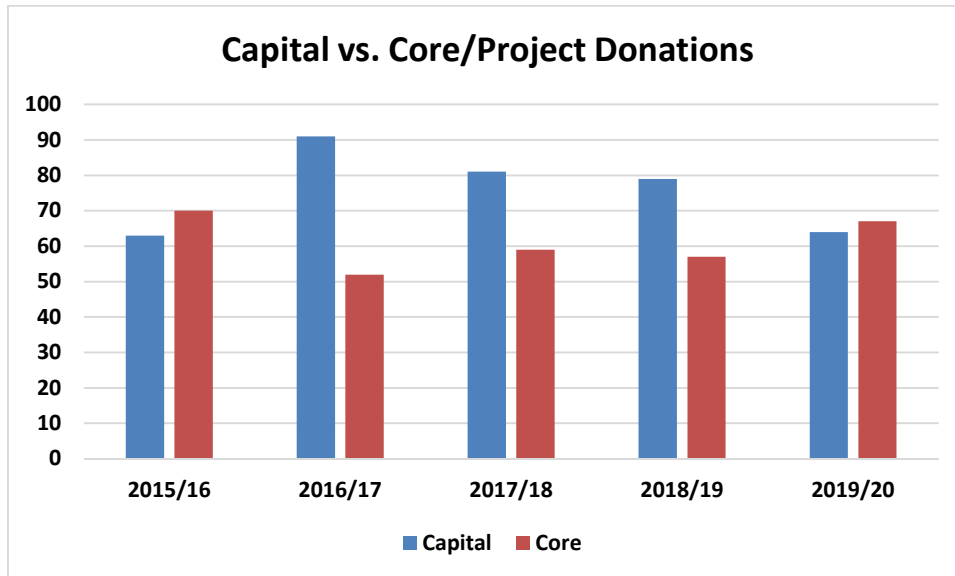
Although the analysis shows that in 2017/18 and 2018/19 the total number of applications and enquiries had steadily gone down due to their being far less random approaches from organisations, during 2019/20 the total number of enquiries and applications went right back up to 280 which was an all-time high, equal to only 2016/17. There weren't many random approaches this year, i.e. not personalised to the Trust and from a charity located out of West or North Yorkshire, so the significant rise could be down to increased awareness of the Sir George Martin Trust, and/or a growing need for funds from charities. A new look website for the Trust was created and launched in September 2019 and the Trust Manager set up a Trust page on LinkedIn so these factors could have added to the Trust's online profile.

As in 2016/17, 2019/20 was the only other year where the number of rejected enquiries and applications outweighed the number of donations awarded – 149 vs. 131. This equates to a 47% funding rate, compared with 62% the previous year and 61% in 2017/18. The Trust Manager felt there was a shift towards the trustees being slightly stricter with their giving in 2019/20 and due to the increased number of enquiries, the Trust Manager herself became a bit more stringent about who she encouraged to apply.

Unlike many Trusts who let anyone/any number of organisations apply and have the application form available to download on the website, the Sir George Martin Trust prefers that all interested parties first contact the Trust Manager and tell them a bit about their work and the people they help so that she can advise them on whether or not she thinks they stand a chance of securing a grant. This saves time for the charity so they are not writing an application which will immediately be rejected and also the trustees, so they don't have to read through 100 applications for each meeting. This constant communication and filtering strategy play a big part in why the Trust's donation rate is so high compared to many other funders.

The most common reasons for applications being rejected/deferred in 2019/20 were:

- Not a registered charity
- National charity based out of West or North Yorkshire and does not have an on-the-ground presence in our region
- Pure salary and/or office running cost request
- A large, expensive capital project and no other funds had been secured yet
- Not supporting people in need during the Covid-19 crisis



Although the trustees continued to prefer to support capital needs, this year's figures show that the Trust actually gave marginally more grants to core and project costs – 51% vs. 49%. This is due to the increased number of core and project cost requests coming in, but the Trust Manager also believes this could be a sign that the trustees are increasingly recognising the importance of funding for an organisation's operational costs. Furthermore, all the March 2020 grants were to help charities through the first stage of the Covid-19 crisis and to assist them with their emergency support work so they were all classed as core/project and would have brought the overall annual capital grants figure down.

This year's analysis shows that the Covid-19 crisis was a vital influencing factor on the overall results and that in just one month and the one March meeting, many of the trends which have continued for a number of years were completely turned upside down. This is just a taster of what is likely to come in the 2020/21 analysis.

THE SIR GEORGE MARTIN TRUST**DONATIONS****Year ended 5 APRIL 2020****Sir George Martin Trust donations approved 6 April 2019 - 5 April 2020**

£1,800	Acorn Community Care
£1,500	Aire Rivers Trust
£3,000	Aire Wharfe & Craven Counselling
£3,000	Alive & Kicking
£1,500	All Saints North Street, York
£730	Arch-Way Project
£600	Art Therapy Yorkshire
£1,500	Arts for Brighouse (Brighouse Arts Festival)
£1,000	Association of Blind Asians
£2,628	Back Up
£1,000	Bangladeshi Youth Organisation
£1,990	BID Services
£2,500	Brackenwood Community Association
£1,250	Bradford North District Scout Council
£2,000	Bradford PHAB Club
£5,000	Bradford Youth Development Partnership
£1,000	Bridge Project Tadcaster
£500	Calderdale SmartMove
£2,270	Camphill Village Trust, Malton
£1,000	Cardigan Centre
£1,500	Children's Heart Surgery Fund
£2,000	Christians Against Poverty (CAP)
£500	City Evangelical Church
£1,000	Compass Live Arts
£2,000	Connected Ministries
£2,000	Create Arts Development
£950	Cross Project
£2,000	Deafblind UK
£650	Dial Leeds
£500	Diocese of Leeds Music
£2,260	Disability Sport Yorkshire
£1,680	Drug Watch Foundation
£1,288	Equality Together
£500	FDM
£1,000	Filey Parish Centre
£1,000	Flourishing Families Leeds
£5,000	Forget Me Not Children's Hospice
£1,000	Friends of Middleton Park
-£1,000	Grove School (returned grant from prior year)
£1,000	Growing Works
£1,000	Halle Concerts Society
£2,000	Harrogate International Festivals
£2,050	Haworth Riding for the Disabled Group

THE SIR GEORGE MARTIN TRUST**DONATIONS** (continued)**Year ended 5 APRIL 2020**

£1,000	Heavy Woollen District Scout Council
£1,000	High Bank Junior, Infant & Nursery School
£2,000	Holbeck Together
£3,000	Holy Rood House
£1,500	Home-Start York
£500	HOPE
£500	Interactive Whitby
£1,100	Jonas Trust
£5,000	Kidz Aware
£1,000	Kirkby Malham Parish Hall Committee
£3,000	Kirkwood Hospice
£1,000	Kyra Women's Project
£1,949	Learning Partnerships
£500	Leeds Bereavement Forum
£1,000	Leeds Community Trust
£2,000	Leeds International Piano Competition
£1,000	Leeds Judean Club for Boys & Girls (The Zone)
£2,500	Leeds Mencap
£2,000	Leeds Weekend Care Association
£1,500	Lighthouse
£1,200	Living Word Church
£2,500	Manorfield Hall Community Centre
£2,025	Masham Town Hall
£1,300	Milan Centre
£2,124	National Literacy Trust
£1,000	New Mind Counselling
£3,180	Next Step Trust
£2,100	Northdale Horticulture
£2,000	Northern Ballet
£1,662	Older Citizens Advocacy York (OKAY)
£2,000	One in a Million
£1,000	OPAL
£1,516	OPAL
£3,000	Overgate Hospice
£2,000	Panathlon Foundation
£1,750	Phoenix Health & Wellbeing
£2,000	Piece Hall Trust
£2,000	Project Hope
£3,000	Relate Bradford
£1,000	Ripon Cathedral
£500	RNLI West Yorkshire
£2,770	Rycroft Leisure
£1,800	Ryedale Festival
£1,760	Safety 1st Community Training Centre
£3,000	Saint Catherine's Hospice

THE SIR GEORGE MARTIN TRUST**DONATIONS** (continued)**Year ended 5 APRIL 2020**

£1,000	Saltaire Festival
£1,000	Samaritans Leeds
£1,500	SASH (Safe & Sound Homes)
£1,800	Scholemoor Beacon CIO
£1,000	Scout Group, 1st Easingwold
£2,200	Selby Hands of Hope
£2,000	Settle Stories
£2,000	SNAPS (Special Needs and Parent Support
£1,000	Southgate School
£3,000	Spacious Places
£1,280	Speak with IT
£2,000	Speakers Trust
£1,500	Sporting Memories Foundation
£1,500	St Augustine's Centre
£3,000	St Gemma's Hospice
£2,000	St George's Crypt
£1,000	St Martin's PCC, Leeds
£1,000	St Mary's RC Church, Halifax
£1,000	St Vincent de Paul Society UK (Bradford)
£2,340	St. John & St. Barnabas Church
£1,775	St. Michael's Hospice
£2,340	Sue Ryder Manorlands
£3,000	Thackray Medical Museum
£500	The Hut
£5,000	Thornton Lodge Action Group
£2,000	Tutti Frutti Productions
£500	Upendo Wetu
£2,150	Valley Project
£1,250	Westbourne Primary School
£1,000	Wetherby in Support of the Elderly
£2,500	WHISH (Whitby Hidden Impairment Support & Help)
£500	Whizz-kidz
£500	Wilsden Village Hall
£1,500	WYDAN
£2,000	Yatton House
£5,000	YMCA City of Leeds
£1,845	York Mind
£2,500	York Minster Fund
£3,000	Yorkshire Arboretum
£2,500	Yorkshire Dales Millennium Trust
£1,000	Young Women's Trust
£2,000	Zarach
£3,000	Zoe's Place Trust

£229,362