

THE MARK LEONARD TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2024

The Peak
5 Wilton Road
London SW1V 1AP

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Legal and Administrative

The Mark Leonard Trust (No. 1040323) was established under a Trust Deed dated 14 July 1994 and became a registered charity on 22 August 1994.

Trustees	Mr M L Sainsbury Mrs Z Sainsbury Mr J J Sainsbury	
Registered Office	The Peak 5 Wilton Road London SW1V 1AP	
Principal Officers	Mrs K Everett Mrs S Ferguson Mr D Chin Mr A Shah	Chief Operating Officer Executive Executive Senior Finance Partner
	All the Principal Officers are employed on a part-time basis.	
Bankers	Royal Bank of Scotland 119 - 121 Victoria Street London SW1E 6RA	
Solicitors	BDB Pitmans LLP 1 Bartholomew Close London EC1A 7BL	
Auditors	Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG	
Investment Advisers	Schroder & Co. Limited 12 Moorgate London EC2R 6DA	

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The Report of the Trustees

The trustees present their report and the audited financial statements for the year ended 5 April 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Trust deed, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The objects of the Trust as given in the Trust Deed are for general charitable purposes and trustees have chosen to achieve charitable objectives in three areas: Food and Farming, Harnessing the Power of the Creative Arts and Climate Change.

The Trust mostly supports small and early-stage charities, not-for-profits, businesses and initiatives, usually with unrestricted funding and by offering support to enable organisational development. Trustees aim to work in partnership with the organisations, developing relationships based on trust and transparency. The Trust also seeks to enable better collaboration and knowledge-sharing and hosts or supports gatherings and events.

Food and Farming

Trustees are interested in supporting the movement in the UK to regenerative farming which produces healthy crops, restores soil and nature, increases resilience to the changing climate and reduces carbon emissions. This programme includes supporting organisations and enterprises that could result in widescale change such as creating markets for sustainable food.

During this year, in partnership with the Aurora Trust and the Gatsby Charitable Foundation, the Trust started a new programme to increase research and knowledge in regenerative farming practices. Most farming research in the UK is to develop crops for farming systems that rely on agricultural chemicals and which are damaging nature, soil and our health. This new programme brings together farms, researchers and funders to develop more understanding on how to farm profitably, productively and in harmony with nature.

Harnessing the Power of the Creative Arts

Trustees are looking at organisations which use music as therapy or as a force for good. They are particularly interested in giving those with disabilities and disadvantaged groups a chance to engage with the healing power of music. Trustees are also looking to introduce music and sound-art into public spaces such as hospitals or specialist schools.

Another area of exploration is Acoustic Ecology or eco-acoustics. This is an interdisciplinary science that investigates the relationship between natural and anthropogenic changing soundscapes and helps understand and monitor the health of different environments such as oceans, coral reefs, rain forests and glaciers.

Climate Change

The Trust is part of the Climate Change Collaboration (along with two other Sainsbury Family Charitable Trusts, the Aurora Trust and JJ Charitable Trust) to support efforts which help stabilise global temperatures to 1.5 degrees, restore our natural world, and support a

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regenerative economy. The Collaboration aims to help reshape market norms, incentives and structures and create a political mandate to keep fossil fuels in the ground and accelerate finance into climate and nature solutions.

During this year, the Collaboration continued to support Peers for the Planet and Client Earth and the Global Legal Action Network, which enabled the Youth Climate Case in which six Portuguese young people brought a case against 32 European states arguing that their climate inaction infringed their human rights. The Youth Climate Case was heard by the Grand Chamber of the European Court of Human Rights on 27 September 2023, alongside an association of Swiss women who made a similar argument against the Swiss government.

This year the Collaboration began to support work on tackling corruption and illicit finance funded Integrity Initiatives International, a US not-for-profit, for its campaign and advocacy work to develop a new International Anti-Corruption Court.

Since 2011, the Mark Leonard Trust has supported a portfolio of organisations, providing longer term grant funding, usually between five and ten years plus other support to enable them to thrive and achieve their goals. These are organisations in the portfolio currently:

- [Become](#) - work alongside the care system to help children in care and young care leavers to believe in themselves and to heal, grow and unleash their potential.
- [Chefs in Schools](#) – aim to improve dramatically the quality of food served in schools and create a healthy food culture in schools by working with schools to enable them to work with or employ skilled chefs who are supported by the Chefs in School programmes.
- [Environmental Funders' Network](#) - a network for trusts, foundations and individual donors who support environmental causes at scale. Their mission is to improve the effectiveness of environmental philanthropy and increase the levels of support going to environmental causes.
- [In Place of War](#) - works to transform conflict into opportunities for artistic expression, education and culture by enabling the development of arts, music and theatre in places of conflict across the world.
- [Mission Kitchen](#) - provides shared workspace for independent food businesses making it easier for food entrepreneurs, especially those from less affluent backgrounds, start their own businesses.
- [Orpheus Centre](#) - performing arts school for young adults with disabilities help them to become more independent and secure employment.
- [Sustainable Restaurant Association](#) - its purpose is to accelerate change towards an environmentally restorative and socially progressive hospitality sector.
- [Switchback](#) – work with young men leaving prison to help them build a stable, rewarding life they can be proud of.
- [The Paraorchestra & Friends](#) - an ensemble of disabled and non-disabled professional musicians, they blend artforms, genres, and technology to create large-scale music projects that challenge ideas of what an orchestra can and should be.

[Just for Kids Law](#), which provided advocacy, assistance and support to children and young people who find themselves in trouble with the law, left the Portfolio this year.

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Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information, which follows in this annual report, about the Trust's aims, activities and achievements in the areas of interest that the Trust supports, demonstrates the benefit to its beneficiaries and, through them, to the public that arise from those activities.

Achievements and Financial Review

The Trustees met three times during the year to make grants and review investments.

The net income before investment and foreign exchange movements was £151,734 (2023: Net expenditure £603,560). The net unrestricted income of the Trust for the year after charging grant related support costs was £996,547 compared to £631,986 for the year to 5 April 2023.

During the year the Settlor made a generous unrestricted cash donation of £750,000 on which gift aid of £187,500 was recovered (2023: Cash donation £480,000 and gift aid £120,000).

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The Trustees have reviewed the Trust's investment performance since the end of the financial year and seen a rise in our investments in line with global markets. The Trustees are aware of investment risks and remain confident that the portfolio will enable the Trust to continue with its charitable activities.

The Charity has adopted a total return basis to budget for its annual income. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

During the year the Trustees approved 31 grants totalling £788,216 some of which are payable over more than one year. Grants approved during the year may be analysed by number and by value in the categories set out below. Payments made relate to grants approved in this and earlier years.

	Grants Approved			Payments made	
	Number	£	%	£	%
Climate Change Collaboration	11	376,077	47.7	382,606	41.4
Environment	2	42,295	5.4	42,295	4.5
Food & Farming	6	68,783	8.7	114,332	12.4
Music & Social Need	1	5,000	0.6	204,052	22.1
Youth Work	2	96,000	12.2	82,000	8.9
Other Environment	5	85,061	10.8	83,912	9.1
General	4	115,000	14.6	15,000	1.6
	31	788,216	100.0	924,197	100.0

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Reserves Policy and Going Concern

The Trust holds both expendable endowment and unrestricted income funds.

It is the policy of the Trustees to approve grants for payment over a period of years, subject to the fulfilment of certain conditions over the life of the grant. Commitments to be paid within 12 months are accrued in the accounts.

The need for unrestricted income funds will vary from year to year and the Trustees will continue to review the position. At the balance sheet date, the Trustees are aware of the balance on both unrestricted funds and the expendable endowment. As agreed, and planned, any grants that cannot be paid from unrestricted income will be paid from the expendable endowment.

As of 5 April 2024, the Trust held total funds of £22.51m (2023: £21.24m) which includes expendable endowment of £22.26m (2023: £21.24m).

Having assessed the Trust's financial position and plans for the foreseeable future, the trustees are not aware of any material uncertainties that would prevent the financial statements from being prepared on a going concern basis.

Investment Powers, Policy and Performance

The Trust Deed empowers the Trustees to appoint investment advisers who have discretion to invest the funds of the Trust within guidelines established by the Trustees.

In 2022, trustees adopted an investment policy to align the investments with achieving the Paris Agreement goal of climate change of well below 2 degrees. This means excluding fossil fuels and other high carbon investments, increasing investments in renewable energy and selecting funds and companies that have demonstrated they are aligned with the Paris Agreement. Each year, trustees review progress against these goals.

The Trustees have allocated some of the Trust's expendable endowment for impact investing to achieve substantial social and environmental benefits as well as financial return to fund the Trust's work. Over time, trustees have increased the proportion of the endowment invested in this way to about 15%. Trustees regularly review the impact and performance of these investments.

During the year the financial return on the investment portfolio excluding the impact investments was 7.1%, under-performing the benchmark of 17.1%.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to manage such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Trustees identified the uncertainty of financial returns to constitute the charity's major financial risk. They consider climate change poses major risks to financial markets and are acting, for example through support to the Carbon Tracker Initiative, to encourage the finance sector to address these risks. The Trustees regularly review investment strategy and monitor financial performance. They also operate a grant distribution formula which helps to ensure the stability of resources available for grant awards in any given year.

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Another major risk is a misuse of funds by a grantee charity. To mitigate this risk the Trustees often restrict grants to charities registered with the UK Charity Commission or equivalent bodies for charitable purposes. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration.

Trustees are appointed by existing Trustees and are provided with relevant information relating to their responsibilities as Trustees. They are responsible for the overall direction and supervision of The Mark Leonard Trust; they set the Trust's strategy, review proposals and approve grants. The Trustees delegate day-to-day operations to the Trust's Executives.

Trustees are aware of the Charity Governance Code published in 2017 (updated in December 2020) which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis considering the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations. The Committee completed a full reward evaluation process during 2022/2023, in order to ensure that the Trusts fully meet their responsibilities and aspirations for fair and equal pay for employees.

The Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under SI 62A of the Charities Act 2011.

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

GRANTS APPROVED

Environment - £42,295

Environmental Funders' Network - £40,000

Core funding

Environmental Funders' Network - £2,295

To engage One Thought's Leadership course

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Youth Work - £96,000

Become - (formerly known as Who Cares? Trust) - £50,000

Core funding

Switchback Initiative - (known as Switchback) - £46,000

Core funding

CLIMATE CHANGE COLLABORATION - £376,077

Bates Wells

£18,200 - To understand the legal and regulatory impacts of Carbon Tracker's 'Loading the Dice' report

£8,000 - Towards the costs of Bates Wells and other legal firms producing legal opinions on charity reporting duties

Carbon Tracker - £16,000

For staff capacity to engage regulators/wider stakeholders with the findings of its 'Loading the Dice' report

Charity Finance Group - £7,667

To develop the Charity Investment Governance Principles

Friends of the Earth Charitable Trust - £56,061

Towards its partnership work on UK Divest

Friends of the Earth Scotland - £30,222

Towards its partnership work on UK Divest

Green Finance Institute - £100,000

Towards the Local Climate Bonds project

Heard Organisation Ltd (formerly On Road Media) - £15,000

Towards the core climate team in 2024/25

Integrity Initiatives International - £11,815

For staffing needs on the IACC

Platform - £93,112

Towards their partnership work on UK Divest

PR - £20,000

To support PR, comms and market research in 2023/24

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FOOD AND FARMING GRANTS- £68,783

FoodHub NL- £20,000

Towards the costs of podcasts on regenerative agriculture

Integrity Soils - £7,000

To contribute to the fees of a participant on the UK CREATE course on regenerative farming

Mission Kitchen - £14,000

Towards the first event of Tomorrow's Table Event Programme

Organic Research Centre - £13,033

For a Rapid Evidence Assessment of crop science relating to regenerative agriculture

Regenerative Farming UK Conference budget - £12,950

Towards the Regenerative farming UK conference held in Cambridge on 22 and 23 March 2024

TRFF Ltd - £1,800

To pay for advice from BDB Pitmans on how to appoint an engineer with confidentiality and Intellectual Property assignment

MUSIC & SOCIAL NEED GRANTS- £5,000

Royal College of Music - £5,000

For the care and accommodation of student

OTHER

OTHER ENVIRONMENT GRANTS - £85,061

Agence France-Press - £15,000

To support the development of AFP's 'Future of the Planet' hub

Ashden Climate Solutions - £50,000

Core costs

Imagination Design Limited - £5,061

For the expenses associated with Imagination Design's woodland design and community engagement with local residents around Preston Candover

Save the Rhino International

£10,000 - For its work to understand and stop organised crime driving rhino poaching

£5,000 - Towards the Follow the Money Investigation

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GENERAL - £115,000

British Red Cross – Headquarters - £10,000

For their efforts to support people hurt through the war between Israel and Gaza

English National Opera - £20,000

To support Requiem in Motion

Medecins Sans Frontieres - Doctors without Borders - £10,000

For their efforts to support people hurt through the war between Israel and Gaza.

Trustee Discretionary - £75,000

Trustee discretionary budget for grants over three years, each up to value of £10,000

Future Plans

The Trust will continue to support the activities set out on pages 6 to 9 by the award of grants.

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Statement of responsibilities of the trustees

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

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

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

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

Approved by the Trustees on 6 December 2024 and signed on their behalf by:

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M L Sainsbury

TRUSTEE

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Independent Auditor's Report to the Trustees of The Mark Leonard Trust

Opinion

We have audited the financial statements of The Mark Leonard Trust (the 'charity') for the year ended 5 April 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 5 April 2024 and of its incoming resources and application of resources, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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Matters on which we are required to report by exception

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

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

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- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date 13 January 2025

Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

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

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2024

	Notes	Unrestricted Funds	Expendable Endowment	Total Funds 2024	Total Funds 2023
		£	£	£	£
Income					
Donations and gifts		937,500	-	937,500	600,000
Investment income	3	324,703	-	324,703	297,460
Other income		41,740	-	41,740	16,864
Total income and endowments		1,303,943	-	1,303,943	914,324
Resources expended					
Cost of raising funds					
Investment management costs	4	-	121,022	121,022	100,051
Charitable activities					
Grant-making:					
Grant expenditure	5	723,791	-	723,791	1,135,495
Grant related support costs	6	307,396	-	307,396	282,338
Cost of grant-making		1,031,187	-	1,031,187	1,417,833
Total expenditure		1,031,187	121,022	1,152,209	1,517,884
Net income / (expenditure) before gains / (losses) on investments		272,756	(121,022)	151,734	(603,560)
Gains / (losses) on investments	9	-	1,138,139	1,138,139	(947,249)
Exchange (losses) / gains		-	(2,661)	(2,661)	53,237
Net movement in funds		272,756	1,014,456	1,287,212	(1,497,572)
Reconciliation of funds					
Total funds brought forward		-	21,244,933	21,244,933	22,742,505
Total funds carried forward		272,756	22,259,389	22,532,145	21,244,933

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

The notes on pages 17 to 26 form part of these accounts.

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BALANCE SHEET AS AT 5 APRIL 2024

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
		£	£
FIXED ASSETS			
Tangible fixed assets	8	3,995	5,327
Investments	9	<u>22,745,919</u>	<u>21,722,488</u>
		<u>22,749,914</u>	<u>21,727,815</u>
CURRENT ASSETS			
Debtors	10	33,095	37,504
Cash at bank and in hand		<u>459,384</u>	<u>424,849</u>
		492,479	462,353
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	11	<u>710,248</u>	<u>945,235</u>
NET CURRENT LIABILITIES		(217,769)	(482,882)
NET ASSETS		<u><u>22,532,145</u></u>	<u><u>21,244,933</u></u>
CAPITAL FUNDS			
Expendable endowment	12	22,259,389	21,244,933
INCOME FUNDS			
Unrestricted funds	12	272,756	-
		<u><u>22,532,145</u></u>	<u><u>21,244,933</u></u>

The financial statements were approved and authorised for issue by the Trustees on 6 December 2024 and were signed on their behalf by :

.....
M L Sainsbury

TRUSTEE

The notes on pages 17 to 26 form part of these accounts.

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CASH FLOW STATEMENT FOR THE YEAR ENDED 5 APRIL 2024

	2024	2023
	£	£
Net cash used in operating activities	(402,215)	(936,181)
Cash flows from investing activities:		
Dividends and interest	324,703	297,460
Exchanges (losses) / gains	(2,661)	53,237
Purchase of investments	(2,400,231)	(4,035,919)
Sale of investments	3,423,647	5,373,746
Net cash provided by investing activities	1,345,458	1,688,524
Change in cash and cash equivalents in the year	943,243	752,343
Cash and cash equivalents at the beginning of the year	1,281,386	529,043
Cash and cash equivalents at the end of the year	2,224,629	1,281,386
Reconciliation of net expenditure to net cash flow from operating activities	2024	2023
	£	£
Net movement in funds as per the statement of financial activities	1,287,212	(1,497,572)
(Gains) / losses on investments	(1,138,139)	947,249
Dividends and interest	(324,703)	(297,460)
Exchanges losses / (gains)	2,661	(53,237)
Depreciation charges	1,332	1,332
Decrease in debtors	4,409	25,297
(Decrease) in creditors	(234,987)	(61,790)
Net cash used in operating activities	(402,215)	(936,181)

Analysis of the balance of cash as shown in the balance sheet

	2024	2023	Change in year
	£	£	£
Cash at bank and in hand	459,384	424,849	34,535
Cash balances held by investment manager for reinvestment (Note 9)	1,765,245	856,537	908,708
	2,224,629	1,281,386	943,243

The notes on pages 17 to 26 form part of these accounts.

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NOTES TO THE ACCOUNTS

1. CHARITABLE STATUS

The Mark Leonard Trust is an unincorporated charity (Charity registration number 1040323), registered in England and Wales. The address of the registered office is 5 Wilton Road, London, SW1V 1AP.

2. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trust constitutes a public benefit entity as defined by FRS 102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

b) Income recognition

- (i) Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is included when receivable.
- (iv) Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

c) Expenditure on Charitable activities

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

- (i) Costs of generating funds represent amounts paid to the Trust's external investment advisors.
- (ii) Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant related support costs.
- (iii) Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

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

THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS

2. PRINCIPAL ACCOUNTING POLICIES continued

c) Expenditure on Charitable activities (cont...)

- (iv) Grants approved subject to conditions that have not been met at the year-end are noted as a commitment but not accrued as expenditure.
- (v) Grant related support costs represent staff, office and governance costs incurred in managing the grant award programme. They include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and
- (vi) Contributions to defined contribution plans are charged to the statement of financial activities in the period to which they relate.

d) Fixed assets

Fixed assets are depreciated at rates which reflect their useful life to the Trust. Items of equipment are capitalised where the purchase price exceeds £5,000.

Leasehold improvements are depreciated over the outstanding life of the lease at the time the work was completed. The following rate has been used:

Leasehold improvements (2021) - 14.29% per annum

e) Investments

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

f) Financial instruments

- (i) The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- (ii) Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- (iii) Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

g) Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar

h) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described above, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS

3. INCOME FROM INVESTMENTS

Income received on investments may be analysed as follows:

	2024		2023	
	£	%	£	%
Government fixed interest	6,390	2	4,671	2
Other fixed interest	3,960	1	3,700	1
UK equities	36,836	11	30,816	10
Overseas equities	90,825	28	80,291	27
Alternatives	162,373	50	151,095	51
Impact Investments	18,997	6	21,157	7
Other	5,322	2	5,730	2
	<u>324,703</u>	<u>100</u>	<u>297,460</u>	<u>100</u>

4. COST OF GENERATING FUNDS

These costs relate to the investment manager's fees. The Trustees are of the opinion that these relate to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

5. GRANTS PAYABLE

	2024		2023	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at 6 April 2023		830,706		709,127
Grants not accrued at 6 April 2023	580,927		577,409	
Grants approved in the year	788,216		1,174,713	
Grants cancelled, refunded or amended	(116,061)		(35,700)	
Grants not accrued at 5 April 2024	<u>(509,291)</u>		<u>(580,927)</u>	
Grants payable for the year		743,791		1,135,495
Grants paid during the year		(924,197)		(1,013,916)
Commitments at 5 April 2024		<u>650,300</u>		<u>830,706</u>
Commitments at 5 April 2024 are payable as follows:				
		2024		2023
		£		£
Within one year (note 11)		<u>650,300</u>		<u>830,706</u>

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2024 was £509,291 (2023: £580,927). This total is payable during 2025/26, 2026/27 and 2027/28.

A list of grants payable is included in Appendix A.

THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS

6. GRANT RELATED SUPPORT COSTS

	2024	
	Grant-making	Governance
	£	£
Staff costs	199,252	4,778
Share of joint office costs	31,156	-
Direct costs including travel	20,031	-
Depreciation	1,332	-
Legal and professional fees	22,842	-
Consultancy	19,246	-
Auditor's remuneration*	-	8,760
	293,859	13,538
	307,396	

* Auditor's remuneration excluding VAT was £7,300

During the year no Trustee received any remuneration (2023: £nil). One trustee was reimbursed expenses of £543 (2023: £nil).

COMPARATIVE

	2023	
	Grant-making	Governance
	£	£
Staff costs	195,302	4,708
Share of joint office costs	29,120	-
Direct costs including travel	15,239	-
Depreciation	1,332	-
Legal and professional fees	18,592	-
Consultancy	10,245	-
Auditor's remuneration*	-	7,800
	269,830	12,508
	282,338	

* Auditor's remuneration excluding VAT was £6,500

7. ANALYSIS OF STAFF COSTS

	2024	2023
	£	£
Wages and salaries	166,516	163,463
Social security costs	18,914	19,627
Other pension costs	18,600	16,920
	204,030	200,010

The Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 1.8% (2023: 1.9%) of the total support and administration costs of these trusts have been allocated to the Mark Leonard Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2023/24.

The average number of staff employed during the year was 14, all on a part-time basis (2023: 13). This equates to 2.4 full-time employees (2023: 2.1).

The Trust considers its key management personnel to comprise the Principal Officers. The total employment benefits, including employer pension contributions, of these key management personnel, were £103,865 (2023: £132,213). No employee earned in excess of £60,000 (2023: Nil)

THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS

8. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2024	2023
	£	£
Cost		
At 6 April 2023	9,323	24,323
Disposals	-	(15,000)
At 5 April 2024	9,323	9,323
Depreciation		
At 6 April 2023	3,996	17,664
Disposals	-	(15,000)
Charge for the year	1,332	1,332
At 5 April 2024	5,328	3,996
Net Book Value		
At 5 April 2024	3,995	5,327
At 5 April 2023	5,327	6,659

9. FIXED ASSET INVESTMENTS

	2024	2023
	£	£
Market value 5 April 2023	20,865,951	23,151,027
Add: Acquisitions at cost	2,400,231	4,035,919
Less: Disposals at proceeds value	(3,423,647)	(5,373,746)
Net gains / (losses) in year	1,138,139	(947,249)
Market value 5 April 2024	20,980,674	20,865,951
Investment cash	1,765,245	856,537
Total investments	22,745,919	21,722,488

The investments held as at 5 April 2024 were as follows:

	2024		2023	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Govt fixed interest	759,071	768,669	778,726	776,019
Other fixed interest	333,474	326,740	342,738	333,470
UK equities	1,448,806	1,801,311	1,383,814	1,821,497
Overseas equities	7,217,841	9,819,187	7,606,859	9,251,378
Alternatives	3,329,059	3,153,511	3,657,288	4,016,376
Cash	1,765,245	1,765,245	856,537	856,537
Impact investments				
Unquoted	3,552,999	3,961,523	3,386,566	3,713,656
Quoted	873,004	1,149,736	870,049	953,555
	19,279,499	22,745,919	18,882,577	21,722,488

THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS

10. DEBTORS

	2024	2023
	£	£
Accrued income	27,930	36,625
Other debtors	5,165	879
	<u>33,095</u>	<u>37,504</u>

11. CREDITORS - amounts falling due within one year

	2024	2023
	£	£
Grants payable within one year	650,300	830,706
Professional charges	5,640	8,944
Investment management fee	18,593	119
Other creditors	55,715	105,466
	<u>730,248</u>	<u>945,235</u>

THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 5 April 2024 are represented by:

	Unrestricted Funds	Expendable Endowment	Totals 2024
	£	£	£
Tangible fixed assets	-	3,995	3,995
Investments	-	22,745,919	22,745,919
Current assets	964,411	(471,932)	492,479
Current liabilities	(691,655)	(18,593)	(710,248)

Total net assets

272,756	22,259,389	22,532,145
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Movement in the year

Opening balance as at 5 April 2023	-	21,244,933	21,244,933
Total income and endowments	1,303,943	-	1,303,943
Cost of raising funds	-	(121,022)	(121,022)
Cost of grant-making	(1,031,187)	-	(1,031,187)
Net gains on investments	-	1,138,139	1,138,139
Losses on currency exchange	-	(2,661)	(2,661)
Transfers between funds	-	-	-

Closing balance as at 5 April 2024

272,756	22,259,389	22,532,145
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COMPARATIVE

Fund balances at 5 April 2023 are represented by:

	Unrestricted Funds	Expendable Endowment	Totals 2023
	£	£	£
Tangible fixed assets	-	5,327	5,327
Investments	-	21,722,488	21,722,488
Current assets	945,116	(482,763)	462,353
Current liabilities	(945,116)	(119)	(945,235)

Total net assets

-	21,244,933	21,244,933
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Movement in the year

Opening balance as at 5 April 2022	-	22,742,505	22,742,505
Total income and endowments	914,324	-	914,324
Cost of raising funds	-	(100,051)	(100,051)
Cost of grant-making	(1,417,833)	-	(1,417,833)
Net losses on investments	-	(947,249)	(947,249)
Gains on currency exchange	-	53,237	53,237
Transfers between funds	503,509	(503,509)	-

Closing balance as at 5 April 2023

-	21,244,933	21,244,933
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THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS

13. RELATED PARTY TRANSACTIONS

The Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office for cost effectiveness. To further reduce the administrative burden, some Trusts share expenses and may pay a third party on behalf of another Trust(s) on the basis that they will be reimbursed. Thus, at any one time there are amounts payable between trusts some of which fall under the definition of related parties by having trustees in common who are also siblings.

During the year to 5 April 2024, an unconditional donation of £750,000 was received from Mr M L Sainsbury, the Settlor and Trustee (2023: £480,000).

The following amounts are included in Other Creditors (Note 11) that are due to related parties:

- £6,112 due to The Aurora Trust.
- £23,407 due to The J J Charitable Trust.
- £10,905 due to The Linbury Trust.

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2023

	Unrestricted Funds	Expendable Endowment	Total Funds 2023
	£	£	£
Income			
Donations and gifts	600,000	-	600,000
Investment income	297,460	-	297,460
Other income	16,864	-	16,864
Total income and endowments	914,324	-	914,324
Resources expended			
Cost of raising funds			
Investment management costs	-	100,051	100,051
Charitable activities			
Grant-making:			
Grant expenditure	1,135,495	-	1,135,495
Grant related support costs	282,338	-	282,338
Cost of grant-making	1,417,833	-	1,417,833
Total expenditure	1,417,833	100,051	1,517,884
Net expenditure before (losses) / gains on investments	(503,509)	(100,051)	(603,560)
(Losses) / gains on investments	-	(947,249)	(947,249)
Exchange gains	-	53,237	53,237
Transfers between funds	503,509	(503,509)	-
Net movement in funds	-	(1,497,572)	(1,497,572)
Reconciliation of funds			
Total funds brought forward	-	22,742,505	22,742,505
Total funds carried forward	-	21,244,933	21,244,933

THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS - APPENDIX A

GRANTS PAYABLE

The amount payable for the year ended 5 April 2024 consisted of the following:

	£
Climate Change Collaboration	
The Social Change Nest	21,666
Grants payable up to £15,000	7,890
Environment	
Ashden Climate Solutions	50,000
Carbon Tracker	16,000
Environmental Funders' Network	22,295
FoodHub NL	20,000
Green Finance Institute	33,333
Platform	46,556
Real Farming Trust	20,000
Grants payable up to £15,000	92,487
Food & Farming	
Chefs in Schools	40,000
Music & Social Need	
The Paraorchestra & Friends	65,000
Orpheus Centre	60,000
In Place of War	50,000
English National Opera	20,000
Grants payable up to £15,000	5,000
Youth Work	
Become - (formerly known as Who Cares? Trust)	50,000
Switchback Initiative - (known as Switchback)	23,000
General	
Grants payable up to £15,000	80,564
Total grants payable per Statement of Financial Activities:	723,791

THE MARK LEONARD TRUST

NOTES TO THE ACCOUNTS - APPENDIX A (continued)

GRANTS PAYABLE

The amount payable for the year ended 5 April 2023 consisted of the following:

	£
Climate Change Collaboration	
ClientEarth	27,778
Friends of the Earth Charitable Trust	29,851
Global Legal Action Network (GLAN)	50,000
Green Finance Institute	20,000
National Council for Voluntary Organisations (NCVO)	20,000
Peers for the Planet	20,000
Platform	59,704
The Social Change Nest	41,667
Grants payable up to £15,000	58,293
Environment	
Ashden Climate Solutions	40,000
Black Mountain College	30,000
Environmental Funders' Network	40,000
Fair Shot	15,800
Mission Kitchen	25,000
Real Farming Trust	20,000
Royal Agricultural University	18,750
The House of Fairytales	40,000
Grants payable up to £15,000	30,846
Food	
Chefs in Schools	110,000
Sustainable Restaurant Association	50,000
Music & Social Need	
In Place of War	50,000
Orpheus Centre	60,000
The Paraorchestra & Friends	130,000
Youth Work	
Switchback	46,000
General	
Flying Seagull Project	45,000
Specialist support to beneficiaries	41,306
Grants payable up to £15,000	15,500
Total grants payable per Statement of Financial Activities:	1,135,495