

THE THREE GUINEAS TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2023

The Peak
5 Wilton Road
London SW1V 1AP

THE THREE GUINEAS TRUST

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THE THREE GUINEAS TRUST

LEGAL AND ADMINISTRATIVE

The Three Guineas Trust was established under a Trust Deed dated 21 November 1996 and became a registered charity with the Charity Commission in England and Wales on 9 December 1996 (registration no. 1059652).

Trustees	Clare Sainsbury (Settlor) David Wood Dominic Flynn	
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP	
Principal Officers	Karen Everett Matthew Williams Elaine Ponte	Chief Executive Officer Executive Executive
	Principal officers are employed part-time	
Bankers	Royal Bank of Scotland 119 - 121 Victoria Street London SW1E 6RA	
Solicitors	Portrait Solicitors (up to 31 July 2022) 21 Whitefriars Street London EC4Y 8JJ	
	BDB Pitmans LLP (as from 1 August 2022) 1 Bartholomew Close London EC1A 7BL	
Auditor	Sayer Vincent LLP Invicta House 108 - 114 Golden Lane London EC1Y 0TL	
Investment Managers	Cazenove Capital Management 1 London Wall Place London Wall Barbican London EC2Y 5AU	
Objects	The objects of the Trust as given in the Trust Deed are for general charitable purposes.	

THE THREE GUINEAS TRUST

REPORT OF THE TRUSTEES

The Trustees present their report and the audited financial statements for the year ended 5 April 2023. Legal and administrative information set out on page 2 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.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts which share a common administration. The remuneration of the staff is reviewed by the Trustees on an annual basis taking into account 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.

Trustees are appointed by the Settlor, in consultation with existing Trustees, and are provided with relevant information relating to their responsibilities. The Trustees are responsible for the overall direction and supervision of The Three Guineas 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, updated in 2020, which sets out the principles and recommended practice for good governance within the sector. They have reviewed the Trust's governance arrangements against the principles set out in the code. They believe that these arrangements align with the code to an appropriate degree.

The Trust and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not undertake fundraising from the general public and does not use professional fundraisers or commercial participators.

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. 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.

Scope of Grant-making

The Trustees accept applications for practical projects in the field of autism. Proposals are considered alongside those that result from their own research and contacts with expert individuals and organisations working in this field. The Trustees are keen that schemes supporting autistic adults and young people include them in decision-making.

Trustees also make grants in the field of disability, violence and access to justice. Trustees expect to fund other carefully chosen projects in this field in due course.

THE THREE GUINEAS TRUST

REPORT OF THE TRUSTEES (CONTINUED)

Reserves Policy and Going Concern

In the year under review, there was a transfer from expendable endowment of £2,115,894 (2022: £1,411,283) to clear the deficit on unrestricted funds. Whenever it may be necessary in the future, the Trustees are prepared to fund grant commitments from expendable endowment.

Although some grants have been accrued, others totalling £152,500 (2022: £499,870) have not been provided for in the Statement of Financial Activities as they are due to be paid more than twelve months after the year end. They represent funds earmarked for continued support to existing grant holders where formal commitments have been made but the grant conditions have not been met at the balance sheet date.

The Trustees regularly review cash flow projections for income and expenditure, to ensure that the level of disposable net assets is adequate and that the Trust is in a position to meet all its commitments. As at 5 April 2023, the Trust held total funds of £25.4 million (2022: £27.5 million). 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

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.

Investment Policy and Performance

The Trust's expendable endowment is invested in funds which comply with guidelines for socially and environmentally responsible investing, in accordance with the conditions of the Settlor under which the assets were gifted to the Trust. The Trustees regularly meet the investment manager to discuss strategy and review performance. The Trustees will continue to monitor performance against relevant indices but do not seek to track any particular index.

During the year to 5 April 2023, the total return on the Trust's investment portfolio was -2.5% (2022: +5.7%).

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.

Trustees have identified the uncertainty of financial returns to constitute the Trust's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review investment strategy and monitor financial performance.

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REPORT OF THE TRUSTEES (CONTINUED)

To mitigate the risk of misuse of funds, grants are awarded following a thorough assessment and monitored regularly. Grants made for more than one year are subject to an annual review.

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. Trustees consider that the information which follows in this annual report, about the Trust's aims, activities and individual grants demonstrates the public benefit that arise from its grant-making.

Advisers

In the year under review the Trustees were advised by:

Professor Uta Frith
Bethan Rigby
John Pring

Future Plans

The Trustees will continue to fund projects that support autistic people and their families. They will also continue to fund projects that give access to justice, and projects that prevent or ameliorate violence against disabled people.

Financial Overview of the Past Year

During the year, the Settlor made a donation of £975,000 to the Trust, on which gift aid of £244,000 was reclaimed (2022: donation £1.1 million and gift aid £275,000). This has been added to Expendable Endowment. The net asset value of the Trust decreased from £27.5 million at 5 April 2022 to £25.4 million at 5 April 2023.

The total income allocated to unrestricted funds for the year was £404,670 (2022: £267,957).

During the year the Trustees approved 44 grants totalling £1,921,890 (2022: £1,556,990), some payable over more than one year. At the end of the year, outstanding grant payments which are not provided for in the accounts amounted to £152,500 (2022: £499,870).

The table below shows grants approved and payments made. Payments made relate to grants approved in this and earlier years.

	Grants Approved		Grants Paid	
	Number	£	Number	£
Autism	29	445,390	40	710,416
Disability, Violence and Access to Justice	14	1,456,500	36	1,322,665
General	1	20,000	2	25,000
	44	1,921,890	78	2,058,081

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Grants Approved

Autism - £445,390

A2ndvoice CIC - £5,000

To help with the effects of the rise in cost of living on the charity's operation.

Action-attainment CIC - £66,000

Towards the salary for a youth mentor, and running costs.

Assert (B&H) - £5,400

To help with the effects of the rise in cost of living on the charity's operation.

Brentford FC Community Sports Trust - £64,000

Towards a sports-based activities and social skills programme.

Red2Green - £55,000

Towards continuing social skills programme and the cost of living.

Grants were also made to the following beneficiaries towards summer activity programmes for children with autism:

A2ndvoice CIC	£11,037
Autism Bedfordshire	£13,000
Blackpool Tiggers	£10,000
Brentford FC Community Sports Trust	£11,000
CASPA	£8,000
Disabilities & Self-Help (DASH) Ceredigion	£10,000
Dreadnought Centre	£10,000
Families United Network (FUN)	£7,000
Helping Hands Autism Support Group	£10,000
Hillingdon Autistic Care and Support	£16,200
KIDS Yorkshire & Humber	£16,000
KIDS Lincolnshire	£9,000
Killamarsh Autistic & PDA Support Group	£7,000
Lambeth Autism Group	£9,970
National Autistic Society - Malone (South Belfast) Branch	£10,540
PLUS Forth Valley	£11,000
Project Art Works	£12,500
Resources for Autism	£15,000
Spectrum	£12,000
WE CAN - We Can Enable	£15,518
WHISH Group	£5,925
White Lodge Centre	£11,300
YMCA East Surrey	£8,000

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REPORT OF THE TRUSTEES (CONTINUED)

Disability, Violence and Access to Justice - £1,456,500

Bristol Law Centre - £5,000

To help with the effects of the rise in cost of living on the charity's operation.

Disability Law Service - £184,000

Towards the welfare benefits legal advice service, including training community organisations.

Harrow Law Centre - £154,500

£150,000 towards the employment of a welfare benefits solicitor and a part-time welfare benefits caseworker. £4,500 to help with the effects of the rise in cost of living on the charity's operation.

Inclusion London - £189,000

£184,000 towards core costs, the Hate Crime Partnership and organisational support for Deaf and disabled people's organisations in London. £5,000 to help with the effects of the rise in cost of living on the charity's operation.

Inquest - £70,000

£60,000 towards a senior caseworker to support families where the deceased had a mental health problem, learning disability and/or autism. £10,000 to help with the effects of the rise in cost of living on the charity's operation.

Islington Law Centre - £125,000

£120,000 towards employment of a welfare benefits adviser. £5,000 to help with the effects of the rise in cost of living on the charity's operation.

L&Q Living - £280,000

Towards behaviour support and therapeutic service at Beverley Lewis House.

Respond - £300,000

Towards core costs and leadership for therapeutic services.

Stay Safe East - £149,000

£139,000 towards core costs, including towards the salaries of the Chief Executive and Operations Manager. £10,000 to help with the effects of the rise in cost of living on the charity's operation.

General - £20,000

Population Matters - £20,000

Towards the Empower to Plan project.

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REPORT OF THE TRUSTEES (CONTINUED)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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.

The Trustees' Report has been approved by the Trustees on 17 January 2024 and signed on their behalf by:

TRUSTEE

Dominic Flynn

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Independent Auditor's Report to the Trustees of The Three Guineas Trust

Opinion

We have audited the financial statements of The Three Guineas Trust (the 'charity') for the year ended 5 April 2023 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 2023 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 Three Guineas 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.

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Independent Auditor's Report to the Trustees of The Three Guineas Trust (continued)

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.

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.

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Independent Auditor's Report to the Trustees of The Three Guineas Trust (continued)

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.
- 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.

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Independent Auditor's Report to the Trustees of The Three Guineas Trust (continued)

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.

25 January 2024

Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

THE THREE GUINEAS TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2023

	Notes	Unrestricted Funds	Expendable Endowment	Total Funds 2023	Total Funds 2022
		£	£	£	£
Income and Endowment from:					
Donations and gifts		-	1,218,750	1,218,750	1,375,000
Investments	3	362,414		362,414	264,910
Bank deposit interest		42,256	-	42,256	3,047
Total Income		404,670	1,218,750	1,623,420	1,642,957
Expenditure on:					
<i>Raising funds:</i>					
Investment management fees		-	91,208	91,208	95,305
<i>Charitable activities:</i>					
Grant-making:					
Grant expenditure	4	2,262,260	-	2,262,260	1,458,952
Grant related support costs	5	258,304	-	258,304	220,288
Cost of grant-making		2,520,564	-	2,520,564	1,679,240
Total Expenditure		2,520,564	91,208	2,611,772	1,774,545
Net (expenditure)/income before (losses)/gains on investments		(2,115,894)	1,127,542	(988,352)	(131,588)
Net (losses)/gains on investments	8	-	(1,027,637)	(1,027,637)	1,141,304
Transfers between funds	11	2,115,894	(2,115,894)	-	-
Net movement in funds		-	(2,015,989)	(2,015,989)	1,009,716
<i>Reconciliation of funds:</i>					
Total funds brought forward		-	27,451,814	27,451,814	26,442,098
Total funds carried forward		-	25,435,825	25,435,825	27,451,814

The notes on pages 16 to 25 form part of these accounts.

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

THE THREE GUINEAS TRUST

BALANCE SHEET AS AT 5 APRIL 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	7	8,457	10,572
Investments	8	25,513,915	26,244,225
		<u>25,522,372</u>	<u>26,254,797</u>
CURRENT ASSETS			
Debtors	9	20,962	303,690
Cash at bank and in hand		<u>1,259,971</u>	<u>2,043,930</u>
		<u>1,280,933</u>	<u>2,347,620</u>
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	10	<u>1,367,480</u>	<u>1,150,603</u>
		<u>1,367,480</u>	<u>1,150,603</u>
NET CURRENT (LIABILITIES)/ASSETS		(86,547)	1,197,017
NET ASSETS		<u>25,435,825</u>	<u>27,451,814</u>
CAPITAL FUNDS			
Expendable endowment	11	25,435,825	27,451,814
INCOME FUNDS			
Unrestricted funds	11	-	-
		<u>25,435,825</u>	<u>27,451,814</u>

The financial statements were approved and authorised for issue by the trustees on 17 January 2024 and were signed on their behalf by:

TRUSTEE

Dominic Flynn

The notes on pages 16 to 25 form part of these accounts.

THE THREE GUINEAS TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 5 APRIL 2023

Cash flows from operating activities:

	2023	2022
	£	£
Net cash used in operating activities	(891,302)	(955,266)
Cash flows from investing activities:		
Dividends and interest	404,670	267,957
Proceeds from sale of investments	5,407,447	5,479,468
Purchase of investments	(5,557,901)	(5,499,135)
Net cash provided by investing activities	254,216	248,290
Change in cash and cash equivalents in the year	(637,086)	(706,976)
Cash and cash equivalents at the beginning of the year	3,744,614	4,451,590
Cash and cash equivalents at the end of the year	3,107,528	3,744,614
Net movement in funds as per the Statement of Financial Activities	(2,015,989)	1,009,716
Dividends and interest	(404,670)	(267,957)
Losses/(gains) on investments	1,027,637	(1,141,304)
Depreciation charges	2,115	3,475
Decrease/(increase) in debtors	282,728	(217,231)
Increase/(decrease) in creditors	216,877	(341,965)
Net cash used in operating activities	(891,302)	(955,266)

Analysis of the cash and cash equivalents

	2023	2022	Change in year
Cash at bank and in hand	1,259,971	2,043,930	(783,959)
Cash held by investment manager for reinvestment	1,847,557	1,700,684	146,873
	3,107,528	3,744,614	(637,086)

The notes on pages 16 to 25 form part of these accounts.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS

1. CHARITABLE STATUS

The Three Guineas Trust is an unincorporated charity, registered in England and Wales with the Charity Commission (registration number 1059652). The address of the registered office is 5 Wilton Road, London, SW1V 1AP.

2. ACCOUNTING POLICIES

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. 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.

a) Income

Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.

Dividends are included by reference to their due dates.

Interest is included when receivable.

b) Expenditure

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.

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

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.

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 THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

2. ACCOUNTING POLICIES (continued)

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.

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 grants paid.

Contributions to defined contribution pension plans are charged to the Statement of Financial Activities in the period to which they relate.

c) Investments

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.

d) Fixed assets

Fixed assets are capitalised where the purchase price exceeds £5,000, and depreciated at rates which reflect their useful life to the Trust. Leasehold improvements are depreciated over the outstanding life of the lease at the time the work was completed. The following rates have been used:

Leasehold improvements - 14.28% per annum

e) Financial Instruments

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.

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.

f) 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 account.

g) 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, 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 THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

2. ACCOUNTING POLICIES (continued)

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.

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2023		2022	
	£	%	£	%
Fixed interest	1,912	-	5,223	2
UK equities	97,205	27	114,763	43
Overseas equities	119,631	33	61,204	23
Alternatives	143,666	40	83,720	32
	362,414	100	264,910	100

4. GRANTS PAYABLE

	2023		2022	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at 6 April 2022		1,037,732		1,359,997
Grants not accrued at 6 April 2022	499,870		401,832	
Grants approved in the year	1,921,890		1,556,990	
Grants cancelled or refunded	(7,000)		-	
Grants not accrued at 5 April 2023	(152,500)		(499,870)	
Grants payable for the year		2,262,260		1,458,952
Grants paid during the year		(2,058,081)		(1,781,217)
Commitments at 5 April 2023		1,241,911		1,037,732
Commitments at 5 April 2023 are payable as follows:				
		£		£
Within one year (note 10)		1,241,911		1,037,732

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. The total amount authorised but not accrued as expenditure at 5 April 2023 was £152,500 (2022: £499,870).

A list of grants payable is included in Appendix A.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

5. ALLOCATION OF SUPPORT COSTS

	Grant- making	Governance	2023 Total Allocated	2022 Total Allocated
	£	£	£	£
Staff costs	155,619	1,704	157,323	120,214
Share of joint office costs	55,094	-	55,094	58,287
Direct costs including travel	2,664	-	2,664	2,823
Legal and professional fees	7,948	-	7,948	8,047
Advisors' honoraria	20,000	-	20,000	20,000
Consultancy	5,000	-	5,000	-
Depreciation	2,115	-	2,115	3,475
Auditor's remuneration*	-	8,160	8,160	7,442
	248,440	9,864	258,304	220,288

*Auditor's remuneration for 2023 excluding VAT was £6,800 (2022: £6,200).

Included within support costs for 2022 were governance costs totalling £8,942. This was comprised of staff costs of £1,500 and auditor's remuneration of £7,442.

6. ANALYSIS OF STAFF COSTS

	2023	2022
	£	£
Salaries and wages	127,911	97,887
Social security costs	16,149	11,449
Other pension costs	13,263	10,878
	157,323	120,214

The Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 1.8% of the total support and administration costs of these trusts have been allocated to the Three Guineas Trust (2022: 1.7%), including a proportionate share of the costs of employing the total number of staff serving in the office in 2022/23.

The number of staff employed during the period was 6, all on a part-time basis (2022: 8). This was equivalent to 1.03 full time employees (2022: 0.89). The Trust considers its key management personnel to comprise the Principal Officers. The total employment benefits including employer pension contributions, of these personnel were £85,601 (2022: £72,953). No employee of the charity earned in excess of £60,000 (2022: none).

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

7. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2023	2022
	£	£
Cost		
At 6 April 2022	28,402	28,402
Disposals	(13,600)	-
Cost at 5 April 2023	14,802	28,402
Depreciation		
At 6 April 2022	17,830	14,355
Disposals	(13,600)	-
Charge for the year	2,115	3,475
At 5 April 2023	6,345	17,830
Net Book Value		
At 5 April 2023	8,457	10,572
Net Book Value		
At 5 April 2022	10,572	14,047

8. FIXED ASSET INVESTMENTS

	2023	2022
	£	£
Market value 6 April 2022	24,543,541	23,382,570
Less: Disposals at proceeds	(5,407,447)	(5,479,468)
Add: Acquisitions at cost	5,557,901	5,499,135
Net (losses)/gains on investments	(1,027,637)	1,141,304
Market value 5 April 2023	23,666,358	24,543,541
Investment cash	1,847,557	1,700,684
Total investments	25,513,915	26,244,225

The investments held as at 5 April 2023 were as follows:

	2023		2022	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Fixed interest	5,179,829	4,842,253	3,928,762	3,859,334
UK equities	2,879,561	4,109,100	2,835,420	4,449,820
Overseas equities	9,916,543	12,115,410	10,860,493	14,360,948
Alternatives	2,429,302	2,599,595	1,750,936	1,873,439
	20,405,235	23,666,358	19,375,611	24,543,541

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

9. DEBTORS

	2023	2022
	£	£
Gift Aid debtor	-	275,000
Accrued Income	20,962	28,690
	<u>20,962</u>	<u>303,690</u>

10. CREDITORS - amounts falling due within one year

	2023	2022
	£	£
Grants payable within one year	1,241,911	1,037,732
Professional charges	12,361	9,452
Investment management fee	22,819	22,981
Other creditors	90,389	80,438
	<u>1,367,480</u>	<u>1,150,603</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2023
	£	£	£
Fund balances at 5 April 2023 are represented by:			
Tangible fixed assets	-	8,457	8,457
Investments	-	25,513,915	25,513,915
Current assets	1,344,661	(63,728)	1,280,933
Current liabilities	(1,344,661)	(22,819)	(1,367,480)
Total net assets	<u>-</u>	<u>25,435,825</u>	<u>25,435,825</u>

Movement in the year

Opening balance as at 6 April 2022	-	27,451,814	27,451,814
Total income and endowments	404,670	1,218,750	1,623,420
Cost of raising funds	-	(91,208)	(91,208)
Cost of grant-making	(2,520,564)	-	(2,520,564)
Net losses on investments	-	(1,027,637)	(1,027,637)
Transfers between funds	2,115,894	(2,115,894)	-
Closing balance as at 5 April 2023	<u>-</u>	<u>25,435,825</u>	<u>25,435,825</u>

A transfer of £2,115,894 (2022: £1,411,283) was made from Expendable Endowment to Unrestricted Funds to cover the deficit during the year.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

12. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR THE YEAR ENDED 5 APRIL 2022

	Unrestricted Funds	Expendable Endowment	Totals 2022
	£	£	£
Fund balances at 5 April 2022 are represented by:			
Tangible fixed assets	-	10,572	10,572
Investments	-	26,244,225	26,244,225
Current assets	1,127,622	1,219,998	2,347,620
Current liabilities	(1,127,622)	(22,981)	(1,150,603)
Total net assets	-	27,451,814	27,451,814
Movement in the year			
Opening balance as at 6 April 2021	-	26,442,098	26,442,098
Total income and endowments	267,957	1,375,000	1,642,957
Cost of raising funds	-	(95,305)	(95,305)
Cost of grant-making	(1,679,240)	-	(1,679,240)
Net gains on investments	-	1,141,304	1,141,304
Transfers between funds	1,411,283	(1,411,283)	-
Closing balance as at 5 April 2022	-	27,451,814	27,451,814

A transfer of £1,411,283 was made from Expendable Endowment to Unrestricted Funds to cover the deficit during the year.

13. RELATED PARTY TRANSACTIONS

Included within grant-related support costs is a total of £7,948 payable for legal services to BDB Pitmans LLP (2022: £8,047 payable to Portrait Solicitors), a firm in which Mr D Flynn is a partner.

During the year to 5 April 2023 a net Gift Aid donation of £975,000 (2022: £1,100,000) was received from the Settlor who is a Trustee of The Three Guineas Trust.

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2022

	Unrestricted Funds	Expendable Endowment	Total Funds 2022
	£	£	£
Income and Endowment from:			
Donations and gifts	-	1,375,000	1,375,000
Investments	264,910	-	264,910
Bank deposit interest	3,047	-	3,047
Total Income	267,957	1,375,000	1,642,957
Expenditure on:			
<i>Cost of generating funds:</i>			
Investment management fees	-	95,305	95,305
<i>Charitable activity:</i>			
Grant-making:			
Grant expenditure	1,458,952	-	1,458,952
Grant related support costs	220,288	-	220,288
Total Expenditure	1,679,240	95,305	1,774,545
Net (expenditure)/income before gains on investments	(1,411,283)	1,279,695	(131,588)
Net gains on investments	-	1,141,304	1,141,304
Transfers between funds	1,411,283	(1,411,283)	-
Net movement in funds	-	1,009,716	1,009,716
<i>Reconciliation of funds:</i>			
Total funds brought forward	-	26,442,098	26,442,098
Total funds carried forward	-	27,451,814	27,451,814

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

APPENDIX A

GRANTS PAYABLE

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

Autism	£
A2ndvoice CIC	31,037
Action-attainment CIC	66,000
Assert (B&H)	43,032
Brentford FC Community Sports Trust	75,000
En-fold	30,000
Project Art Works	38,738
Red2Green	55,000
20 grants up to £20,000 were also payable totalling	218,453
Disability, Violence and Access to Justice	
Bristol Law Centre	91,000
Disability Law Service	184,000
Disability Rights UK	100,000
Harrow Law Centre	154,500
Inclusion London	251,500
Inquest	70,000
Islington Law Centre	65,000
L&Q Living - Beverley Lewis House	280,000
Respond	300,000
Somerset & Avon Rape & Sexual Abuse Support (SARSAS)	35,000
Stay Safe East	149,000
General	
Population Matters	20,000
The Sainsbury Archive	5,000
	<u>2,262,260</u>

THE THREE GUINEAS TRUST

NOTES TO THE ACCOUNTS (continued)

APPENDIX A (continued)

The amount payable for the year ended 5 April 2022 consisted of the following:

Autism	£
A2ndvoice CIC	25,000
Assert (B&H)	54,000
En-fold	60,000
Project Art Works	38,738
21 grants up to £20,000 were also payable totalling	212,489
Disability, Violence and Access to Justice	
Bristol Law Centre	144,000
Disability Rights UK	150,000
Inclusion London	422,000
Inquest	60,000
Islington Law Centre	43,500
Somerset & Avon Rape & Sexual Abuse Support (SARSAS)	105,000
Stay Safe East	139,225
General	
The Sainsbury Archive	5,000
	<u>1,458,952</u>