

THE TUDOR TRUST

England & Wales · Charity number 1105580

Details

Status Registered

Legal form Charitable company

Company number [05196041](#)

Registered 2004-08-20

Register [View on the Charity Commission register](#)

Contact

Address The Tudor Trust
7 Ladbroke Grove
London
W11 3BD

Phone 02077278522

Email finance@tudortrust.org.uk

Website www.tudortrust.org.uk

Activities

Objects: TO PAY THE CAPITAL AND INCOME OF THE CHARITY TO SUCH CHARITABLE ORGANISATION OR ORGANISATIONS OR APPLY THE SAME FOR SUCH CHARITABLE PURPOSE OR PURPOSES AND IN SUCH PROPORTIONS OR AMOUNTS AS THE TRUSTEES THINK FIT.

Activities: The Tudor Trust is an independent grant-making charitable trust. We fund projects across the UK, aiming to support work which addresses the social, emotional and financial needs of people at the margins of Society. We do not focus on specific themes or programmes.

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** NATIONAL
- Italy
- Kenya
- Malawi
- Uganda
- United States
- Zambia
- Zimbabwe
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,543,000	£12,528,000	£226,204,000	9
2024-03-31	£5,951,000	£18,727,000	£231,241,000	20
2023-03-31	£5,646,000	£23,532,000	£226,550,000	23
2022-03-31	£4,725,000	£23,224,000	£264,713,000	21
2021-03-31	£4,861,000	£24,245,000	£272,899,000	21

Trustees

Name	Role	Appointed
Derek Anthony Bardowell	Chair	2024-02-09
Christienna Dale Fryar		2024-02-09
Georgina Wilson		2024-07-08
Jonathan Anthony Bell		2017-11-30
Ozzie Clarke-Binns		2024-07-08
Saba Shafi		2024-02-09
Susan Xiaocen Wang		2024-02-09

THE TUDOR TRUST

England & Wales - Charity number 1105580

Accounts

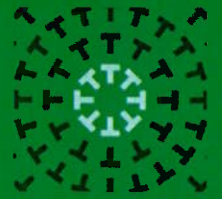


Annual Report and Accounts

Company Number 5196041 Registered

Charity Number 1105580

the
Tudortrust



Trustees' report for the year ended 31 March 2025

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Chair's Introduction

In 2024/25, it was important for the Tudor Trust to resume its core grant-making activities. The Trust had been closed to new applicants since 2022. As a newly formed board in 2024, with a mandate from the outgoing Trustees to focus on racial justice, we were keen to reopen and start centring our grantee partners in our work.

Building on the Tudor Trust's rich history, with a reputation for flexible, relational and progressive funding practices, it was – in part - within this spirit that we relaunched the grants programme.

We committed £10 million towards organisations with a “vision for a world that moves beyond racism and racial inequities to one where inclusive communities thrive in all our systems and structures.” Organisations committed to changing systems, regenerative approaches, equity, justice, and building assets within communities. We are incredibly proud of our first set of partners. They embody many of the qualities outlined in our Change We Seek framework, launched in April 2025.

We are still in the early stages of this renewal process. We are still learning, while practicing with urgency and patience. As this journey continues, we will, however, remain committed to centring the dignity and knowledge of the historically marginalised in our work.

I want to express my sincere gratitude to our CEO, Raji Hunjan, and the team for their tireless efforts. This work requires exceptional relationship management skills, experience of what it means to be ‘in service’ to the community, humility, thoughtfulness and compassion. The team exemplifies these qualities.

I am hugely grateful to the Trust's outgoing Chair, Matt Dunwell, for his support, and the new Board. Collectively, they understood how important it would be for us to be trusted enough to sit around the tables of prospective partners and communities we were seeking to work with, not the other way around. And how vital it will be for us moving forward to absorb risk on their behalf so they can then build and develop the assets to enable them to imagine new futures and respond, in real time, to crisis. As we move beyond grant-making as a vehicle for change and utilise all our assets to support our grantee partners, that level of trust and commitment they have demonstrated will be vital.

The Tudor Trust will endeavour to build on this first year by continuing to partner with organisations and individuals whose work is creative, community-led, racially just, and offers systemic solutions - the type of work that will make the world a better place, the world as it should be.

Derek Bardowell
Chair



CEO's Introduction

In this reporting year we committed around £10m in new grants to communities focused on systemic change. In addition, we continued to commit significant resources to supporting our existing grant partners. As is usual practice for Tudor, we use a proportion of our capital to make grants. Our overall organisational expenditure was made up of £8,543K in income and £3,985K in capital.

Behind our 2024/25 grant-making, we delivered on an 18-month workplan with a racial justice mandate from the outgoing family led Board to transform The Tudor Trust. In line with Tudor's long-standing commitment to communities, we agreed an understanding of racial justice as a lens through which we support community led practices that also build power and resource systems change work.

Our transformed approach to grant-making prioritises depth of relationships and working in collaboration, over volumes of grants. This means we can commit to longer term relationships and multi-year funding that enables organisations to move from surviving to thriving. We want to understand what it takes to build resilience when our grant partners are operating in an economically challenging environment. As we deepen this understanding, we are committed to sharing with the funding sector more widely.

In 2024, we also welcomed new staff and began to build a permanent senior leadership team. I am grateful to all our staff for their commitment to developing our grant making in ways that centre grassroots wisdom and supports communities to build alliances. At the same time, they developed grant making processes and systems to ensure we paid attention to good governance and due diligence.

Together we took a learning approach to all our work. We understood that we do not have all the answers, and that our ongoing relationships with our grant partners will support us to go deeper into our emerging strategy.

All staff at Tudor would like to extend our thanks to the departing Board, and especially Matt Dunwell, who remained as the Chair of Tudor until October 2024. His generosity and humility in sharing his knowledge and giving us encouragement has helped us bridge to a new iteration of Tudor. I am also delighted to be working with Derek Bardowell as the new Chair and look forward to continuing Tudor's journey with his wisdom and leadership.

Raji Hunjan CEO



Structure, Governance and Management

On 1st March 1955 Sir Godfrey Mitchell endowed a charitable trust with a gift of shares in the construction company George Wimpey. In 1979 this trust became known as The Tudor Trust. The Tudor Trust's governing document is its memorandum and articles (incorporated 3rd August 2004 and amended by special resolution(s) dated 29th May 2014). The Trust was incorporated as a company limited by guarantee on 1st April 2005, with all assets and liabilities of the previous Trust being transferred to the current legal entity on that date. The company is also registered with the Charity Commission (registered 20th August 2004).

No changes were made to our governing documents in this reporting year. Changes were made to the composition of the Board, alongside a review of all terms of reference and decision-making processes.

Trustees

Trustees are listed on page 27 of this report. The Board of Trustees appoints the Trustees and, while the articles of association provide for a minimum of six, there are currently 8 Trustees.

The composition of the Board is kept under review and if additional Trustees are needed, we look to recruit new members with relevant skills and experience. Following a review in 2024, the Board identified the need for people and culture, and social investment experience. Following a wide and extensive recruitment process overseen by Cadence, two Trustees were appointed in July 2024: Ozzie Clarke-Binns and Georgina Wilson.

In line with the planned and well-publicised exit of the previous Board, Francis Runacres, Holly Baine and James Long resigned in April 2024 and Monika Barlow in July 2024. Matt Dunwell stepped down as Chair in October 2024.

A bespoke induction programme was designed which included one to one meetings with the Chair and the Chair Designate, as well as the Senior Leadership Team, and conversations with the CEO regarding the ongoing transformation.

All new Trustees attended a staff and Trustee away day in July 2024, which formed the basis on which new strategy was developed. In addition, a handover report between new and outgoing Trustees was commissioned and written by Stephen Bediako, Louise Mousseau and Fancy Sintha. The report, *Staying Brave*, was an opportunity for outgoing Trustees to share their ambitions and hopes for a future iteration of Tudor. A public version of this report was later published.



Decision Making

The Board of Trustees usually meets three times a year and holds ultimate responsibility for the Trust. The Board agrees the strategy of The Tudor Trust, reviews and confirms policy decisions, provides oversight on grant making policies and reviews and oversees financial and investment movements.

A robust and extensive review was undertaken during the year to ensure the smooth transition to an oversight model of governance, to replace the previous family model of governance. Through an external review, we examined the effectiveness of the Board and sub-committees, which led to a new sub-committee structure with updated Terms of References. Roles and responsibilities of all Trustees were also reviewed to ensure updated compliance with regulatory frameworks. In addition, a new scheme of delegation was approved to give clarity to all major decision making and delegation of duties.

The following sub-committees met during the year with the remit to support the compliance and fiduciary functions and duties of the Board thereby ensuring more robust and effective governance.

1. Finance and Investment Committee – The overall purpose of this Committee is to assist Trustees in their duty to oversee and to support the staff in effectively developing and delivering policy for the charity in the areas of finance, risk, investment and audit. The Committee usually meets four times each year.
2. People and Culture (P&C) Committee – The overall purpose of this Committee is to assist Trustees by providing oversight and advice on the development and implementation of an inclusive strategy in alignment with the overall strategy of the Tudor Trust. The Committee will ensure that the People and Culture strategy is underpinned by a Justice, Equity, Diversity and Inclusion (JEDI) framework, an understanding of anti-racist/anti-oppression principles, and agreed behaviours across all of Tudor's practices. The Committee usually meets twice each year.

The overall responsibility of governance sits with the full Board which includes all matters relating to strategy, including a wider conversation about investments, risks, communications, and organisational culture. The Board agreed that three meetings will be held in a year, that are the equivalent of a full day. In addition, there will be an annual staff and Trustee away day.

Day-to-day operation of the Trust

The Trustees delegate the day-to-day management and operation of the Trust to the Senior Leadership Team (SLT) under the leadership of the Chief Executive. The SLT comprises of the Chief Executive, Head of Finance & Resources, Head of People & Culture and Head of Programmes. Given the emergent nature of our work, the SLT composition and structure will be kept under review.



Grant-making Policy and Aims

The Tudor Trust operates for the public benefit. The beneficiaries of The Tudor Trust are the communities and organisations that we fund, work with, and support, as well as the organisations themselves. The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing Tudor's aims and objectives and when planning future activities, setting grant-making policy and making grants.

When Sir Godfrey Mitchell endowed the charitable trust with an expendable endowment, he specified that the Trustees should be able to apply the funds to any charitable purpose. Over the years the breadth of these objects and powers has allowed the Trustees to reassess how best we can make best use of Tudor's funds.

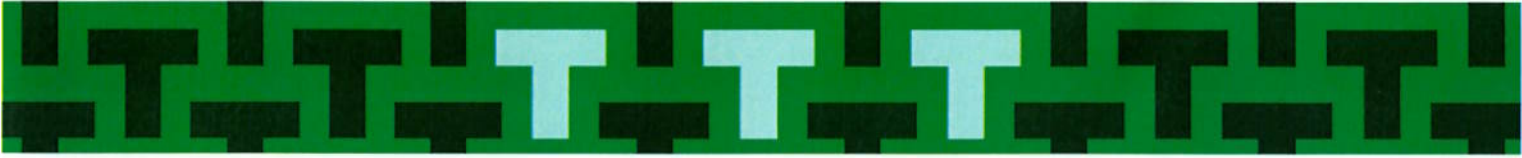
In 2024, Trustees reviewed our grant making policies and in line with an oversight model of governance, they delegated grant making to the Executive. It remains the responsibility of the Board to approve strategies and grant-making plans. Individual grants, up to £3m are approved by the CEO. A grant-making manual with all policies, processes and due diligence guidance has been developed. In addition, all grant agreements and templates have been updated. External expertise, including legal advice was sought in developing new processes and systems. We are very grateful to Alex Cole-Hamilton, from Power and Integrity, Joss Saunders from Oxfam GB for their extensive support, along-side additional support from Russell Cooke for this piece of work.

Objectives and Activities

During this period, Tudor launched its first funding round following the major transformation of the organisation. As part of its new Change We Seek strategy, Tudor is focusing on providing fewer, but larger and longer-term grants to organisations and leaders tackling social injustice through a racial injustice lens.

We made two capital grants, to Civic Square and Hood Futures CIC (Hood Futures).

Both organisations sit side by side in Ladywell, Birmingham, occupying a large plot of land situated by the canals. The land was a prime location for gentrification and luxury housing. Following a significant period of time in which both organisations worked closely with the landowners, offers were accepted to purchase the land, and plans were drawn up to demonstrate the community benefit, not just to residents in Birmingham, but to communities across the country who could strengthen their understanding of how to unlock assets for community use in perpetuity. Civic Square and Hood Futures have ambitious plans for the future.



Civic Square is a decade-old project that has grown from a small, volunteer-led gathering into a movement attracting thousands. Its mission is to bring new voices into civic life and to demonstrate alternative models of land and building stewardship. Civic Square will transform Tubeworks into a flagship, community-owned hub and Neighbourhood Public Square – one that integrates workspace, cultural programming, climate resilience, and community wealth building. Civic Square has secured a capital grant of £900K from Tudor towards the purchase of the Tubeworks land for Civic Square in Ladywood.

Tubeworks is backed by a planned £25m endowment and will host a vibrant mix of micro- economies, from a café and micro-factory to renewable energy generation; all operating under a Covenant for Neighbourhood Social and Ecological Benefit to ensure the land remains dedicated to community purposes in perpetuity. By embedding the use of multi-capital value creation into its operations and pioneering alternative financing models, Civic Square’s ambition is to seed regenerative practices, expand neighbourhood agency, and create a blueprint for how wealth can be re-invested into thriving, future-ready communities across the UK.

Hood Futures is an emerging force for community-led regeneration. Rooted in the needs and priorities of local residents, the organisation works to create opportunities, spaces, and networks that build agency, inspire creativity, and strengthen neighbourhood resilience. A capital grant of £1M was approved by Tudor towards the purchase of the land and building to be known as Abuelos in Ladywood. Their next step is the creation of Hood Futures Studio which will be a permanent base and will serve as a hub for enterprise, learning, and cultural activity.

This acquisition will anchor Hood Futures’ work in securing community-owned premises, ensuring that its programmes can develop free from the pressures of commercial rents. The Studio will provide adaptable space for skills training, creative production, entrepreneurship, and events, designed to evolve with the community’s needs. By investing in local infrastructure and embedding ownership in the hands of the community, the ambition is to create an intergenerational centre for cultural production, education, and enterprise, with an emphasis on creative industries, skills development and local economic empowerment. They will model how local communities can use asset ownership as a platform for systemic change and the overall ambition is to create a lasting platform for innovation, cultural expression, and neighbourhood-led change.

Together, Civic Square and Hood Futures offer complementary approaches and models of community-led regeneration: one large-scale and long-term, the other agile and hyperlocal. Both anchor wealth and decision-making in the community, prioritising social and ecological benefit. These investments create not just buildings, but platforms for lasting change, demonstrating how targeted capital grants can unlock new futures for neighbourhoods and set blueprints for community ownership nationwide.



Strategic Grants

Our multi-year grants ranged from £500k to £1m. They are designed to enable organisations to go beyond their day-to-day work, to build their long-term, sustainable organisational plans, and scale their ambitions. Our role is to walk along-side our grant partners, so that we can better understand the system in which they are operating, and how we can make future grants in the interest of power building and systems change. Two examples of these grants are Coffee Afrik and Runnymede Trust.

Coffee Afrik is a lived experience-led community organisation working across East London. They collaborate with women and young people from Black and Global Majority communities to run community hubs providing life-saving services, building knowledge, skills, and connections in the pursuit of power. Their work is varied, and ranges from service delivery through to systemic change. They have a strategic goal of developing governance practices within community-based organisations that are community led. Tudor's learning interest in this work is in how community-led governance can increase resilience, improve accountability, and create a governance blueprint that shifts decision-making power into the hands of communities themselves.


Runnymede Trust is an independent, evidence-based organisation that exists to tackle structural racism in our society. They are highly collaborative and inclusive, for the purpose of working towards a society that is free from racism. They take a non-partisan approach to addressing the challenges of today, for example the aftermath of the summer riots of 2024, which were fuelled by Islamophobia. Tudor's learning interest in their work is to understand what it takes to build resilience in organisations that are lived experience led. This means understanding what it takes to build resilience in lived experience-led organisations in 'hostile environments', including how funding, partnerships, and infrastructure can be designed to safeguard their mission, their people and their long-term impact.

Exploration Grants

We recognise that building lasting change requires not only resourcing individual organisations but also investing in the wider ecosystem in which they operate. Alongside our larger, multi-year commitments, we made a series of smaller grants of up to £100K to seven "Exploration Partners":

Decolonising Economics, Land In Our Names CIC, Material Cultures, People Dem Collective, Sistren Legal Collective, Tripod, and Ubuntu Women Shelter. These organisations are at the forefront of rethinking economics, land, culture, justice and the law. Their explorations will generate learning for the Trust, the sector and communities more broadly, about how to support transformative shifts.

Exploration grants are designed to support organisations to develop their plans and strategies, deepen their practice, and strengthen their role within interconnected movements for racial justice. We prioritise organisations that form part of the ecosystem in which our multi-year grantees are operating. This way, we



can start to understand the inter-dependence between different work and how we can encourage collaboration.

Exploration grants allow us to:

Understand interdependence: Learn how organisations such as Ubuntu Women Shelter and Sistren Legal Collective contribute to movements that are also strengthened by larger, multi-year partners. By learning about how their work intersects with groups such as the Ubele Initiative or the Runnymede Trust, we can begin to map the conditions needed for deeper collaboration and systemic shifts.


Encourage collaboration and knowledge sharing: The Black Feminist Fund, Decolonising Economics and the Good Ancestor Movement hold distinctive approaches that can inform and inspire Tudor's group of grant partners. Investing in them creates space for cross-learning across feminist, racial justice and movement-building traditions.

Support experimentation and strategy -building: For newer or smaller organisations, flexible support at this stage enables organisations and the leaders behind them, to consolidate their strategies, strengthen governance, and test ideas without the immediate pressures of scaling. This strengthens the pipeline of leadership and innovation in justice ecosystems.

Resourcing groups working at the intersections of community organising, creativity, and systemic change allows us all to learn and explore how different approaches interlink and reinforce one another. This is not about isolated projects, but instead weaving together diverse forms of knowledge, leadership, and practice into a living ecosystem of change.

Sistren Legal Collective and **Material Cultures** are examples of this. Part of the multi-year partner network, they embody an emerging model of equitable ecosystems, one that thrives on interdependence, cultural grounding, and shared power. When seen together, these approaches reveal a powerful cycle of resilience and renewal. The legal empowerment and advocacy of Sistren Legal Collective provide grounding for systemic change, ensuring communities can challenge injustice, defend rights, and build collective power. The regenerative design and place-based practice of Material Cultures nurture the conditions for long-term sustainability, reconnecting communities with land, resources and new possibilities for regeneration and living well together.

Individually, each organisation is making vital changes. Connected, they create something larger: a web of mutual reinforcement where care, knowledge, and strategy circulate between communities. They illustrate how justice-driven work does not sit in silos – legal empowerment is connected to cultural change, cultural change is connected to material practice, and material practice is connected to systemic transformation.



These strategic and exploration grants us to hold both depth and breadth in Tudor's grant-making: sustaining multi-year anchor organisations, while also resourcing the ecosystem of groups around them to grow, connect, and imagine new possibilities. By walking alongside this mix of partners, we intend to better understand how funders can nurture interdependence, collaboration and long-term systemic change.

Responsible Exits of Legacy Grants

During this period, Tudor provided £1.4m in smaller top-up grants of up to £80K each, to 31 organisations. These grants were made to support grant-holders whose grants were coming to an end, were first funded in 2022 and 2023 and who had not previously benefited from longer-term Tudor funding. In addition, Tudor brought forward the release of £4.3m in grants to 93 legacy grant-holders to enable organisations to stabilise their operations and plan with greater certainty.

Achievements and Performance

Building Strategy

Much of this reporting year was spent delivering on our widely publicised 18-month plan, in line with our transformation.

Key to this was building a strategy that combined organisational culture with grant-making plans that put communities at the forefront. In April 2025, we launched *Change We Seek*. This is a blueprint for how we intend to move forward with all our work, taking a total asset approach.

Change We Seek enables us to take an emergent approach to our developing strategy over the longer term. Our grants become the learning opportunity through which we understand how we can work in partnership with communities to build systems that are more just and equitable. As we learn we will continue to change and course correct so that we continue to contribute to a diverse civil society in the interest of thriving communities.

We have understood racial justice as a lens through which we tackle all forms of injustice. We believe that it is important to address the inherent power imbalance between funders and grantees by working together and being led by the experiences of those we fund.



People and Culture

To help us to prepare for this new way of working, we took time to rebuild our people and culture strategies.

This began with a behaviours framework. Through this, we have learned to understand our work as deeply relational and requires all of us to embody our behaviours individually and as an organisation. These are: bravery, creativity, compassion, curiosity, humility and integrity.

Together, as a team, we rebuilt all our staff policies and procedures, using this framework. Taking an asset-based approach, we want all our staff to be able to contribute effectively to all of Tudor's work. Equally we want staff to be able to go back out into the field and continue to build their leadership practices. We therefore anticipate that our staff will stay at Tudor between three to five years, recognising that some will leave sooner than this. For this reason, we encourage professional development and offer coaching support.

Recruitment

Extensive staff and Trustee recruitment took place during this reporting period. This included Senior Leadership roles, Office Manager and three new Programme Officers. We used this to develop a recruitment practice to encourage a diverse range of applicants. This included deprioritising the need for previous experience of philanthropy, which widened the field further.

We are grateful to Priya Cinar, who was seconded to Tudor from A Little Bit of HR, and her commitment to supporting the team and leading on the development of our people and culture strategies.

Grant Making

We took an invitation only approach to making new grants so that we could build our systems and processes alongside distributing funds. We started by funding organisations that we identified as working in ways that are creating pathways to systems that are inherently more just and equitable.

A learning lens enabled us to make decisions based on what we wanted to understand, rather than comparing organisations to each other. By working in this way, our intention was to reduce competition and build deeper relationships based on trust. We moved away from written application processes to a series of conversations which led to a deeper understanding of the organisations' ambitions and challenges.



Governance

This was a significant year in which the new Board worked together to build their governance approach and practice. They took time to get to know each other and redevelop the committee's structure. From this, governance policies and processes were updated in line with Charity Commission regulations.

We are grateful to Vanessa Johnson-Burgess from A Little Bit of HR and Alex Cole-Hamilton from Power and Integrity for their support to the Board and to the Chair.

Communications

Through our engagement with our stakeholders, we learnt about the importance of transparency in philanthropy, and we have received positive feedback about our commitment to learning out loud. We took the time to update our website and to create some new content such as a short video, as well as regular blogs and newsletter. We are grateful to Nina Kowalska, who worked alongside us in a consultancy capacity to oversee this work. We also worked with an external communications agency, ESPR.

We published a report, *Staying Brave*, that gave insights into our early thinking about our new strategy, making transparent what we are seeing more widely that we were influenced by. The themes in the report cover total assets, racial justice and different forms of governance.

History Project

We recruited a new staff member to undertake a social history project so that we can better understand the development of Tudor over the last 70 years, in the wider political, social and economic environment. This is first and foremost for internal stakeholders to ensure institutional memory and to digitise key documents. This will also help us to understand how to archive paper-based materials.

Operational Matters

We invested in an office refurbishment to reflect our more collaborative ways of working and making decisions together. This has also made it possible for us to offer out meeting space and desks to our partners and wider stakeholders. In addition, we have refitted our top floor to offer a larger workshop style space to our partners going forward. This is in recognition that so many of our partners are now working remotely and need access to space for whole in-person meetings. It's also an opportunity for us to get to know our wider stakeholders better.



Looking Ahead

Going forward, with our *Change We Seek* blueprint as the foundations on which to achieve our goals, we will continue to build our strategy in ways that get us closer to the work at the grassroots, so that we can build networks and collaborative ways of working amongst our partners and their stakeholders. We call this eco-system building.

Grant Making

Our grant making will continue to be by invitation only so that we can deepen our learning, building relationships to identify more organisations who are committed to working collaboratively and creating interconnectivity across the UK. Our budgeted spend for 2025/26 is £13m. We will regularly update our website as we progress our grant making.

We will continue to pay attention to transparency and due diligence in our workflows and will tender for a new database that works more efficiently with our model of grant making.

Learning and Sharing Knowledge

With a new Learning and Knowledge Lead now in post, we are developing our plans for capturing learning and demonstrating impact. We want to move away from a data driven, metrics-based approach to a way of measuring what is changing in our understanding of the sector, how our relationships are deepening, and what that tells us about challenges and opportunities.

We will be exploring a range of different tools to support this from storytelling, social media and software for capturing learning.

Transparency and Accountability

As we continue to make grants, we are committed to sharing how we are making decisions and what is influencing us. We will strengthen our website and social media presence by:

- ♦ Commissioning a new website
- ♦ Developing new content in the form of blogs and podcasts
- ♦ Attending / speaking at events
- ♦ Developing plans for influencing philanthropy.
- ♦ Publishing further reports



Reimagining Governance

With the foundations of an oversight model of governance in place, we now want to consider how governance could be more impactful in a context where the strategy is emergent. This includes:

- Building in opportunities for learning and engaging with partners
- Creating space for discussion about annual spend and the future of Tudor
- Skills review in preparation for further Trustee recruitment

Social Investments

We will begin to develop a model of social investments that centre community wisdom and encourage a greater flow of capital, beyond grants towards intersectional work through the lens of racial justice.

People and Culture

We will keep under review our emerging working practices and associated policies to ensure that our staff continue to feel supported and have a focus on their professional development as well as good exits.

A further review of staffing structure so that we continue to expand the team – to ensure capacity to deliver on the elements of our work as set out in this section.

Physical Office Space

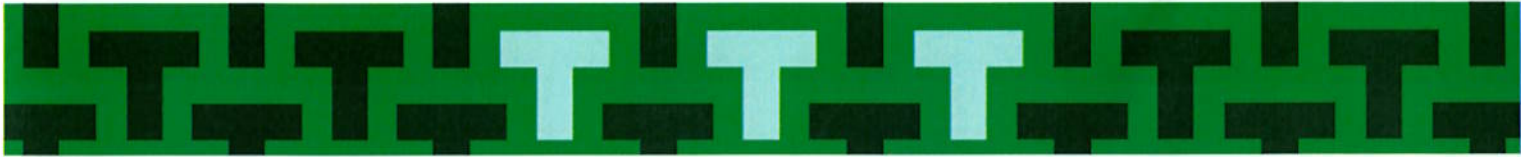
We plan to operationalise our commitment to sharing our physical space with wider stakeholders, and this will be communicated through our website. We will also plan for a refurbishment of our basement floor, which could also be utilised for external use.

Financial Review

For the year under review, Tudor entered new grant commitments to the value of £10.1 million (2024: £15.8 million), comprising 26 (2024: 409) individual grants.

Notes 4, 4A and 5, on pages 33 and 34 of the financial statements, provide further analysis of the grant commitments made in the year.

In line with a policy adopted some years ago, which is periodically reviewed (and will be fully reviewed in 2025/2026), Tudor's expenditure continues to exceed its income. Net charitable expenditure for the year was £4 million (2024: £12.8 million) and was funded through investment income and capital withdrawals from the expendable endowment.



The Trustees monitor the long-term real return of the portfolio and recognise that, in some years, this will result in the underlying value of the fund increasing and in other years diminishing. At this year's balance sheet date, the investments were valued at £231 million (2024: £245.7 million). This is a reflection of movements in the markets during the financial year. The market movement on investments has changed the year's net expenditure position to a deficit of £5 million (2024: Surplus £4.7 million).

Income earned on Tudor's investment portfolio this year has increased to £8.5 million (2024: £6 million).

As an endowed foundation, Tudor does not engage in public fundraising and does not use professional fundraisers or commercial participators.

Remuneration

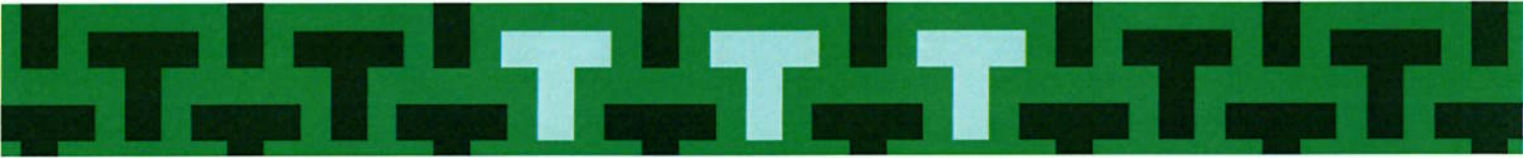
The Trustees consider the Board of Trustees, and the Senior Leadership Team as the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. During the year, three of the Trustees were remunerated and their remuneration is set out in note 5 to the accounts on page 35. This remuneration is paid in accordance with Tudor's memorandum.

Trustees are required to disclose all relevant interests and register them with the Head of Finance & Resources and, in accordance with the Trust's conflicts of interest policy, withdraw from decisions where a conflict of interest arises. The Chair reviews the conflicts of interest register.

The remuneration of the paid Trustees, and all staff has traditionally been reviewed annually and usually increased in accordance with the Consumer Price Index including owner-occupied housing costs (CPIH). All staff salaries are also benchmarked against similar roles within the sector to ensure that the remuneration set is fair.

Investments

Tudor has adopted an investment policy for its expendable endowment which seeks to optimise performance through a diversified asset portfolio applying a medium risk strategy. This is reflected in its asset allocation as shown in note 7 on pages 36-37. The performance of the portfolio is monitored monthly and reviewed on a quarterly basis by the Finance and Investment Committee. At these meetings Trustees discuss investment strategy and asset allocation. Investment performance and market trends are discussed with the Trust's investment managers at regular meetings.



Tudor has operated a responsible investment policy for over 25 years. It seeks to invest in companies that demonstrate socially responsible values, and which offer the potential for sustainable growth in the future. This positive, long-term approach to investing is a key part of the strategy for the portfolio. Negative screening, where industry sectors or companies are excluded from investment, may limit future opportunities - however some investments are not held as they are inimical to the work of the Trust. During the year the decision was taken to divest from Companies who are not signatories to the UN Global Compact network.

Tudor remains a long-term social investor in ameliorating society's ills and its investment strategy continues to look for long-term performance rather than short-term gain.

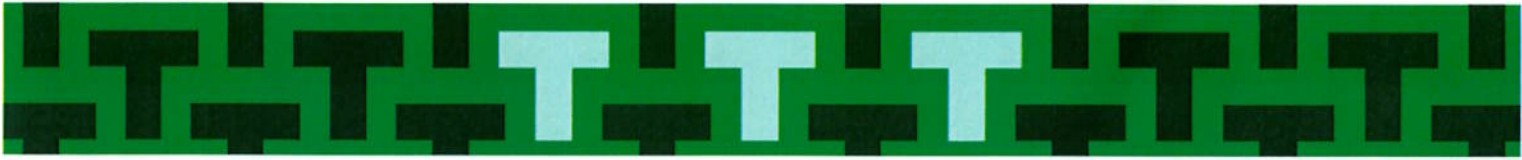
Sarasin manages a global equity portfolio for Tudor: The Responsible Fund. At the year-end Tudor's equity portfolio was valued at £155.9 million (2024: £170.74 million). Liontrust manages Tudor's SRI Corporate Bond Fund, which was valued at £45.09 million (2024: £46.05 million) at the year end. In February 2025 a decision was made to divest the investment in Liontrust and move the Corporate Bonds to Tribe Impact Capital, and Columbia Threadneedle, on the basis that this was a better fit with the organisational values. This transfer was finalised in July 2025.

The market value of Tudor's investments at 31st March 2025 was £234.1 million (2024: £248.9 million), including social investments. The portfolio at this date comprised 68% UK and global equities, 19% fixed interest holdings, 4% in Real Estate Funds, 8% in cash and 1% as social/unlisted investments (2024: 69%, 19%, 4%, 7% and 1% respectively).

Current and future cashflow requirements are reviewed at each Finance and Investment Committee meeting with the aim of meeting cash flow needs by making drawdowns from the investments when market conditions are favourable.

During the year in review, the financial markets have had some periods of growth but have, in the main, been somewhat volatile. As Tudor holds an overseas equity portfolio the Finance and Investment Committee has agreed to allow Sarasin to hold limited forward foreign exchange positions to mitigate, partly, the effect of sterling movements. Valuations have seen large swings in the year, sometimes on a monthly basis. We end the year with an investment loss totalling £1.3 million (2024: £17.5 million gain).

Tudor's portfolios are all managed against a range of indicators and benchmarks deemed to be appropriate by the Trustees. The Trustees are committed to seeking good long-term performance from the funds and therefore monitor the performance of the equity portfolio against the MSCI All Countries World Index.



Social Investments

Tudor has been interested in using part of its endowment for social investment for a number of years. The Trustees have continued to discuss how social investment might enhance Tudor's work and how this is best reported. We look for good opportunities for social investment which are closely aligned with Tudor's aims but are mindful of the time and resources well-judged social investment requires and the need to balance this with Tudor's core work as a grant maker operating in a difficult funding environment. At the year end the value of social investments held was £3.2 million (2024: £3.16 million), representing 1.4% (2024: 1.26%) of the endowment.

There have been no changes to the social investment portfolio during the year. The Trustees plan to fully review the existing social investments and the overarching social investment policy during the financial year 2025/2026.

Reserves


Under the terms of the Trust Deed, the Unrestricted Fund is expendable at the Trustees' discretion. All unexpended funds are therefore held in the Unrestricted Fund. The Trustees intend to continue monitoring the value of the Fund in real terms to ensure that they are able to achieve both income and capital appreciation so as to maintain the existing level of charitable giving for the foreseeable future. At the year end the value of unrestricted reserves held was £226 million (2024: £231 million).

Risk Management

The Trustees are responsible for establishing and monitoring internal control systems within the Trust. During the year as part of the external governance review, the risk register was fully reviewed. This led to the development of an enhanced risk register and risk matrix.

The Trust has a formal risk management process to assess business risks and implement risk management strategies in the context of the Trust's plan to deliver its objectives. This involves identifying the types of risks it faces, categorising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks.

The Board reviewed the major risks which may impact on the operations of the Trust on an ongoing basis and are satisfied that the system of internal controls currently in place is adequate, whilst recognising that it is designed to manage rather than eliminate risk.



The following are the areas of the work which have been identified as currently holding the most risk in terms of undermining the delivery of our strategy based on the Change We Seek framework:

1. **(Grant making)** Staff and Trustee lived and learned experience of the field may lead to more conflicts of interest.

As we work to strategically build an eco-system around racial justice, we will find that we are funding more organisations with whom we have preexisting relationships. Given the increased number of staff and Trustees within Tudor who have lived or have professional experience with proximity to many of the organisations that Tudor are likely to fund, we have added further guidance to our current conflict of interest policy to explain our approach to perceived conflicts of interest.

2. **(Grant making)** Ongoing relationships between grantees that do not revert back to traditional power dynamics.

Through our learning we recognise the inherent power imbalance between funders and funded organisations, which can lead to a lack of trust. We continue to review our processes and policies to balance our legal requirements as set out by the Charity Commission with our commitment to developing positive, collegiate relationships.

3. **(Finance)** Finance and Investments. Investments undermine our vision and mission

As we move forward and build the capacity and learning of the current team, we will be in a stronger position to start to align our grant-making strategy with our investments. In the first instance we are budgeting a £5m spend on social investments where our primary goal is alignment to Change We Seek.

4. **(External)** Public perceptions or adverse publicity.

As we move forward with our grant making, we want to ensure we are communicating our learning in ways that are understood by our wider stakeholders.

We have therefore taken the following actions:

- Updated the website to ensure transparency in our work.
- Provided information about our new grant making and how we develop grants.
- Produced a short video that explains Tudor's new strategy, which is available on our website.

Following a tender process, all of the above was achieved with support of an external PR Agency, who we will continue to retain going forward.

5. (External) Polarised political climate

We are mindful of the need to support our grant partners and our wider stakeholders so that they are able to fulfil their strategic aims and missions, without unwanted backlash. Our Programme Officers are in regular contact with our grantees.

Auditor

Sayer Vincent LLP has indicated its willingness to continue in office.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of The Tudor Trust for the purposes of company law) are responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company'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 of Tudor Trust on 1 October 2025 and signed on their behalf by:

Derek Bardowell
Chair

Jonathan Bell
Trustee/Director



Independent Auditor's Report to the Members of The Tudor Trust

Opinion

We have audited the financial statements of The Tudor Trust (the 'charitable company') for the year ended 31 March 2025 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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 charitable company 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 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained during the audit, we have not identified material misstatements in the Trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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



Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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.

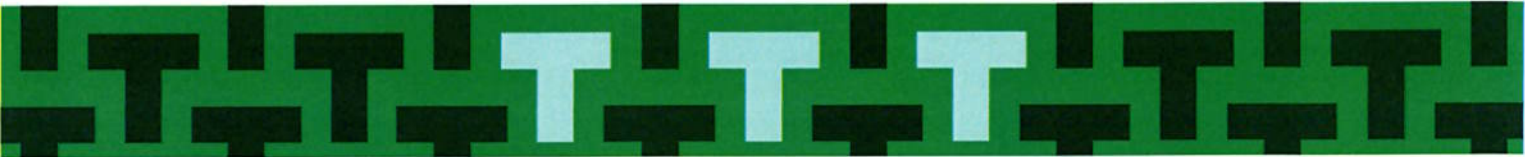
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

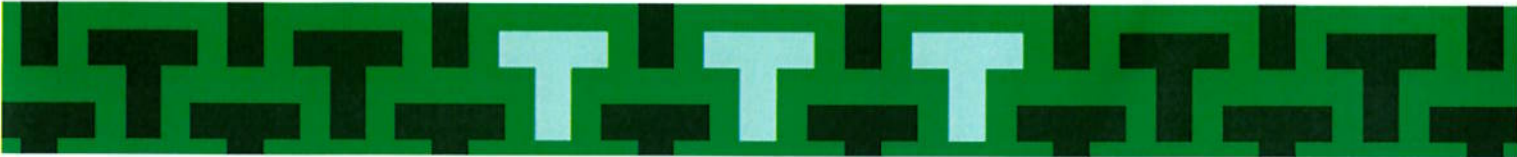
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- ♦ We enquired of management and the Audit Group, 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.



Use of our report

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

Joanna Pittman (Senior statutory auditor)

03 November 2025

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**for and on behalf of Sayer Vincent LLP,
Statutory Auditor 110 Golden Lane, LONDON, EC1Y 0TG**



Reference and administrative information

The Tudor Trust is a charitable company limited by guarantee, incorporated in the United Kingdom. The principal and registered office address is 7 Ladbroke Grove, London W11 3BD.

Telephone: 020 7727 8522 Website:

www.tudortrust.org.uk

Company Limited by Guarantee Number: 5196041 Registered in

England and Wales: Charity Number 1105580

Trustees of The Tudor Trust

Matt Dunwell – Chair (resigned 16 October 2024)

Derek Bardowell – Chair (appointed as Chair 16 October 2024)

Holly Baine (resigned 18 April 2024)

Monika Barlow (resigned 8th July 2024)

Jonathan Bell

Ozzie Clarke-Binns (appointed 8th July 2024)

Christienna Fryar

James Long (resigned 18th April 2024)

Anthony Murphy

Francis Runacres (resigned 18th April 2024) Saba

Shafi

Susan (Xiaocen) Wang

Georgina Wilson (appointed 8th July 2024)

Bankers

Barclays Bank PLC

Marble Arch Corporate Banking PO Box 32016 London

NW1H 2ZH



Auditor

Sayer Vincent LLP Invicta House 110
Golden Lane London EC1Y 0TG

Investment managers, advisers and custodian

Liontrust

8 West Marketgait Dundee DD1 1QN

Sarasin & Partners LLP (including provision of equity custodian services) Juxon House

100 St Paul's Churchyard London EC4M 8BU

Solicitors

Bates Wells LLP

10 Queen Street Place London
EC4R 1BE

Russell-Cooke LLP 2

Putney Hill London
SW15 6AB

Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 March 2025

	Notes	Unrestricted 2025 £000	Restricted 2025 £000	Total 2025 £000	Total 2024 £000
Income					
Donations	13	-	-	-	-
Investment income	2	8,543	-	8,543	5,951
Total income		8,543	-	8,543	5,951
Expenditure					
Costs of raising funds					
Investment Management Costs	3	832	-	832	747
Expenditure on charitable activities					
Grantmaking					
Grants approved	4/4a/5a	9,892	185	10,077	15,760
Grants withdrawn	5a	-	-	-	(274)
Management of grants	5b	1,404	-	1,404	2,200
Professional support costs	5b	151	-	151	224
Governance costs	5b	64	-	64	70
Cost of grantmaking		11,511	185	11,696	17,980
Total expenditure		12,343	185	12,528	18,727
Net (expenditure)/income before gains and losses on investments		(3,800)	(185)	(3,985)	(12,776)
Net (losses) / gains on investments	7	(1,336)	-	(1,336)	17,539
Decrease / (Increase) in provisions on social investments	8	284	-	284	(71)
(Deficit)/surplus for the year and net movement in funds		(4,852)	(185)	(5,037)	4,691
Funds balance at beginning of year	13	230,950	291	231,241	226,550
Funds balance at the end of the year	13	226,098	106	226,204	231,241

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.
A copy of the 2024 Statement of Financial Activities is included, at note Z1.

Balance Sheet
As at 31 March 2025

Company number: 5196041

	Notes	2025 £000	2024 £000
Fixed Assets			
Investments	7	230,856	245,745
Social investments	8	3,239	3,157
Tangible assets	9	813	823
		234,908	249,724
Current Assets			
Debtors	10	670	258
Cash at bank and in hand		4,792	1,080
		5,462	1,339
Current liabilities			
Creditors: amounts falling due within one year	11	(8,499)	(16,265)
Net current assets / (liabilities)		(3,037)	(14,927)
Total assets less current liabilities		231,871	234,799
Creditors: amounts falling due after more than one year	12	(5,667)	(3,558)
Net assets		226,204	231,241
Funds			
Unrestricted fund	13	226,098	230,950
Restricted fund	13	106	291
		226,204	231,241

The financial statements were approved and authorised for issue by the Trustees of the Tudor Trust on 1 October 2025.

Derek Bardowell
Trustee/Director

Jonathan Bell
Trustee/Director

Statement of Cash Flows
Year ended 31 March 2025

	2025 £000	2024 £000
Net cash used in operating activities (note 14)	(18,615)	(25,161)
Cash flows from investing activities:		
Interest and dividends	8,543	5,951
Proceeds from sale of investments	121,167	61,015
Purchase of investments	(105,830)	(49,360)
Forward foreign exchange transactions	(495)	248
Repayments from social investments	284	9
Purchase of social investments	-	(227)
Purchase of fixed assets	(55)	(1)
Net cash provided by investing activities	23,615	17,636
Change in cash and cash equivalents in the year	5,000	(7,526)
Cash and cash equivalents at the beginning of the year	19,696	27,222
Cash and cash equivalents at the end of the year (note 15)	24,697	19,696

Notes to the Accounts

1. Accounting policies

a Basis of accounts 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 Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Tudor is a public benefit entity as defined by FRS 102. Tudor is also a Charitable company limited by guarantee and is incorporated in the United Kingdom. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The registered office address is 7 Ladbroke Grove, London, W11 3B0.

In view of the level of investments held at the balance sheet date the trustees are of the opinion that the Trust is a going concern. The trustees consider this at each board meeting and are of the view that the Tudor Trust will remain able to meet its commitments as they arise for a period of at least 12 months from the date of this report. The Trust has no material uncertainties.

The results of the subsidiary The Family Centre Trust have not been consolidated with the Trust's accounts in the year to 31 March 2025 or prior year. This is due to the immaterial nature of the transactions through this charity during the year. Further details of the Family Centre Trust are given in note 18.

b Investments

All investments are stated at market value. It is the Trust's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the Statement of Financial Activities (SOFA) only includes those unrealised losses or gains arising from the investment portfolio throughout the year. Any change in fair value will be recognised in the statement of financial activities.

During the year Tudor has taken sterling hedge positions against the effect of fluctuations in the Euro and US dollar as Tudor's equity portfolio is mainly held in these currencies. Provisions are recognised on a monthly basis. The hedge position is realised on a quarterly basis and the resulting cash movement is recognised through the SOFA. The accounting policy for financial instruments is included as note 1 (i).

Social investments are carried at fair value where practicable otherwise at cost less impairment. Such investments are subject to regular review, and any diminution is charged to the SOFA. Investments valuations are not enhanced to more than original cost. Tudor considers all social investments to be mixed motive investments, rather than programme related investments.

Notes to the Accounts

1. Accounting policies (continued)

c Investment income

Investment income is stated on an accruals basis and includes the related tax credit. As a charity the Trust has an exemption to income tax and capital gains tax granted by HM Revenue and Customs.

d Voluntary income

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.

e Tangible fixed assets

Fixed assets acquired with a value below £1,000 are evaluated for capitalisation based on the economic benefit derived in use. All other assets are capitalised on acquisition.

The value of freehold land cannot be separately identified as such the entire cost of the freehold property is depreciated. The impact of this is not material. Depreciation is calculated to write-off the cost less residual value of tangible assets on a straight-line basis over their estimated useful economic lives as

Freehold building	Fifty years
Furniture, fittings and equipment	Five to ten years
Computer equipment	Three to five years

f Resources expended

i. Cost of generating funds

The fees due in respect of investment managers' services are charged against expenditure as the cost of generating funds.

ii. Charitable donations

Grants awarded are charged in full against expenditure when a grant has been approved by the Trustee Committee and communicated to the recipient; hence the Trust is considered to have a legal or constructive obligation, irrespective of the time period it may cover. Grants awarded but unpaid at the balance sheet date are recognised as grant commitments under creditors. Grants withdrawn or cancelled in the year are credited against new grant commitments made in the same year.

iii. Support costs

All expenditure incurred in the course of grant making is shown as support costs. Resources utilised for this purpose are defined as staff time, office expenses, accommodation and IT costs. As noted below no costs are allocated to governance costs.

iv. Governance costs

Governance costs relate to direct expenditure incurred in compliance with the constitutional and statutory requirements of the Trust. Due to the way in which the Trust works it is difficult to attribute a meaningful breakdown of staff costs and other support costs relating to governance work.

Notes to the Accounts

1. Accounting policies (continued)

- g Exchange gains and losses
All realised and unrealised exchange gains and losses on investments are accounted for in the SOFA.
- h Leased assets
The cost of operating leases is charged to the Statement of Financial Activities on a straight line basis.
- i Pension schemes
The Trust makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the Trust in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The Trust has no liability under the schemes other than the payment of those contributions.
- j Funds
All unexpended funds are held in the General Fund (expendable endowment) which can, under the terms of the Trust Deed, be used at the discretion of the trustees.

Restricted funds are to be used for specific purposes as laid down by the donor.
- k VAT Status and Irrecoverable VAT
Tudor cannot be registered for VAT. All VAT suffered by the Trust is irrecoverable and all expenditure is stated gross of VAT.
- l Financial instruments
With the exception of the listed investments described above and derivative financial instruments as described below, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Trust uses forward foreign currency contracts to reduce exposure to foreign exchange rates. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives at the reporting date are taken to the relevant income/expenditure heading(s) in the SoFA as appropriate.

The Trust does not currently apply hedge accounting for foreign exchange derivatives.
- m Cash at bank and in hand
Cash at bank and cash in hand includes the regular bank account. 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 are reported within fixed asset investments as cash, but are included within the statement of cash flows as cash and cash equivalents.

Notes to the Accounts

2. Investment income

	2025 Total £000	2024 Total £000
Dividends and Interest		
Equity investments	2,166	2,481
Fixed interest	2,609	1,963
Real Estate Fund distributions	2,665	667
Social investments	174	41
Misc income	30	29
Bank interest	899	770
	8,543	5,951

3. Investment management costs

	2025 £000	2024 £000
Investment management fees	826	742
Accountancy fees re tax reclaims	6	5
	832	747

4. Analysis of grants by classification

	% by number of grants	Number	2025 Total £000	% by number of grants	Number	2024 Total £000
Grants by classification						
Youth	4	1	35	13	55	2,186
Older People	-	-	-	1	6	109
Community	73	19	9,892	42	173	8,046
Relationships	-	-	-	9	36	1,371
Housing	-	-	-	5	21	779
Mental Health	-	-	-	5	21	929
Substance Misuse	-	-	-	2	8	160
Learning	-	-	-	0	2	75
Financial Security	-	-	-	1	4	207
Criminal Justice	23	6	150	3	12	436
Overseas	-	-	-	17	71	1,464
	100	26	10,077	100	409	15,760

4a. Analysis of material grants by recipient

	Number	2025 Total £000
Grants by recipient		
Hood Futures Studio	1	1,023
Rekindle School	1	1,000
Coffee Afrik CIC	1	1,000
Good Ancestor Movement	1	1,000
Runnymede Trust	1	1,000
Ubele Initiative CIC	1	1,000
Civic Square	1	900
Birthrights	1	750
Friends, Families & Travellers	1	500
Project Tallawah	1	500
Black Feminist Fund	1	500
Land In Our Names CIC	1	100
Material Cultures	1	100
Decolonising Economics	1	100
Tripod	1	100
People Dem Collective CIC	1	100
Sistren Legal Collective	1	100
Ubuntu Women Shelter	1	100
Others	8	204
	26	10,077

Notes to the Accounts

5. Expenditure

a) Grants approved

	2025 Number	2025 £000	2024 Number	2024 £000
Mainstream grants approved during the year	26	10,077	384	15,710
Immediate support grants made during the year	-	-	2	4
Wellbeing grants made during the year	-	-	23	46
Grants cancelled or adjusted during the year	-	-	(22)	(274)
	26	10,077	387	15,486

No grants were fully cancelled in the year (2024: 22), adjustments were made to 1 other grant (2024: 2).

b) Resources expended

	2025 Total	2024 Total
Management of grants		
Staff costs	960	1,646
Office expenses	58	137
Depreciation	66	64
Accommodation costs	176	163
IT costs	103	119
Trustee remuneration	38	63
Trustees' expenses	3	9
	1,404	2,200

Professional support costs	151	224
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Professional support costs include amounts paid to consultants and professional advisors who are providing beneficiaries with expert support. They also include costs associated with work around new grantmaking approaches and the implementation of Tudor's behaviours.

Governance costs

Legal & professional fees	36	49
Auditor's remuneration	28	21
	64	70

Notes to the Accounts

5. Expenditure (continued)

The Trustees are reimbursed for out-of-pocket travel and subsistence expenses. During the year, 6 trustees (2024: 4) received reimbursement of £2,548.52 (2024: £8,558.06) for travel expenses, subsistence and overnight accommodation.

There is provision in the Memorandum of Association that no more than half of the trustee board can be offered reasonable remuneration. Members of the Trustee Committee can work up to 60 days a year for the Trust with other trustees working up to 25 days.

	2025 Total £000 £	2024 Total £000 £
James Long	-	21
Monica Barlow	-	21
Holly Baine	-	19
Saba Shafi	8	1
Christienna Fryar	8	1
Derek Bardowell	23	-

In addition on 4th July 2014, following a change to Tudor's memorandum, the Charity Commission gave its consent to remunerate Christopher Graves (a Trustee) in his role as Executive Director of the Trust. Christopher retired on 30th April 2023 and therefore there were no costs incurred in the financial year. His remuneration in the previous year to 31 March 2024 was £10,055.09 and Tudor made pension contributions of £1,106.06.

None of the other Trustees received remuneration.

c) Net expenditure for the year

	2025 Total £000	2024 Total £000
This is stated after charging:		
Operating leases	108	86
Auditor's remuneration (net of VAT) - statutory audit	20	19
Depreciation	66	64

Notes to the Accounts

6. Employment costs

	2025 £000	2024 £000
Wages and salaries	570	982
Termination payments	-	283
Temporary staff	172	48
Social Security costs	56	112
Pension costs	79	186
Insurance costs	24	35
	901	1,646

The average head count for the year was 12.8 (2024: 19.9). The average full-time equivalent number of employees during the year was 9.1 (2024: 19.3).

The following number of employees received employee benefits (excluding employer pension costs and employer national insurance) during the year between:

	2025 £000	2024 £000
£60,000 - £69,999	1	2
£70,000 - £79,999	-	1
£90,000 - £99,999	-	1
£120,000 - £129,999	1	-

Tudor considers that its key management personnel are the Trustees, the Chief Executive, the Head of Finance and Resources, the Head of People and Culture and the Head of Programmes. The total employment benefits of the key management personnel (including employer national insurance and employer pension contributions) were £313,249 (2024: £403,232).

7. Investments

	2025 £000	2024 £000
Fair value of investments at 1 April	245,745	247,531
Purchases at cost made during the year	105,830	49,360
Sales proceeds on disposal	(121,167)	(61,015)
Forward foreign exchange transactions in year	495	(248)
Increase / (decrease) in investment cash held	1,289	(7,422)
Net gain on change in fair value	(1,336)	17,539
Fair value of investments at 31 March	230,856	245,745

With the exception of the Unlisted UK fixed interest investments and Unlisted Jersey-based Real Estate Fund all investments are listed investments.

Notes to the Accounts

7. Investments (continued)

Fair value comprised:

	2025 £000	2024 £000
UK equity investments	12,222	27,350
UK fixed interest investments	45,093	46,057
Overseas equity investments	143,720	143,394
Foreign exchange hedge	35	(65)
Cash on deposit awaiting investment held in the UK	19,904	18,615
Unlisted Jersey-based Real Estate Fund	9,882	10,394
	230,856	245,746

Derivative financial instruments - foreign exchange contracts

The Trust enters into foreign currency contracts to mitigate the exchange risk for certain foreign currency transactions within its equity investment portfolio. At 31 March 2025 there were 2 (2024: 2) open currency commitments. This is included within the forward foreign exchange transactions in the year.

The forward currency contracts are measured at fair value using quoted forward exchange rates.

8. Social investments

	2025 £000	2024 £000
Value of investments at 1 April	3,157	3,023
Additions during the year	-	227
Sales proceeds on disposal	(184)	(9)
Conversion of social investment to grant	-	-
Net expenditure including management fees	(18)	(13)
Provisions against investments	284	(71)
Value of social investments at 31 March	3,239	3,157

Social investments comprise of:

	2025 £000	2024 £000
Charity Bank Limited	645	618
Charities Aid Foundation Community Land Trust Fund I	-	4
Charities Aid Foundation Community Land Trust Fund II	83	122
Charities Aid Foundation Venturesome	187	131
Charities Aid Foundation Venturesome Community Led Housing Fund	84	86
Ethical Property Company	170	170
Fair for You	250	250
Social and Sustainable Housing	1,820	1,776
Value of social investments at 31 March	3,239	3,157

The value of the social investments at the end of year is shown at cost less amounts either provided for or written off. The Trustees review the value of the investments annually and where necessary make provisions.

Notes to the Accounts

9. Tangible fixed assets

	Freehold land & building £000	Furniture, fittings & equipment £000	Computer equipment £000	Total £000
Cost				
At 1 April 2024	2,145	205	94	2,444
Additions in the year	-	51	4	55
Assets written off in year	-	-	-	-
At 31 March 2025	2,145	256	98	2,499
Depreciation				
At 1 April 2024	1,385	152	83	1,620
Charge for the year	43	11	11	65
Assets written off in year	-	-	-	-
At 31 March 2025	1,428	163	94	1,686
Net book value at 31 March 2025	717	92	4	813
Net book value at 31 March 2024	760	52	11	825

All fixed assets are used for charitable purposes.

10. Debtors

	2025 £000	2024 £000
Accrued investment income	621	187
Other debtors and prepayments	49	71
	670	258

Notes to the Accounts

11. Creditors: amounts falling due within one year

	2025 £000	2024 £000
Grants payable (note 16)	8,219	15,987
Trade creditors	33	23
Taxation and Social Security	5	18
Other creditors	10	26
Accruals	232	211
	8,499	16,265

12. Creditors: amounts falling due after more than one year

	2025 £000	2024 £000
Grants payable in 2 - 5 years (note 16)	5,667	3,558

13. Movement in funds for the current year

	Funds balances at start of the year £000	Income £000	Expenditure £000	Net investment gains/ (losses) £000	Funds balance at end of year £000
Restricted fund					
Salvaire	185	-	(185)	-	-
Grant funds	106	-	-	-	106
Total restricted funds	291	-	(185)	-	106
Total unrestricted fund	230,950	8,543	(12,343)	(1,052)	226,098
Total funds	231,241	8,543	(12,528)	(1,052)	226,204

Represented by:	Fixed assets £000	Net current assets £000	Creditors >1 year £000	Net assets £000
Unrestricted fund	234,908	6,710	(5,667)	235,951
Restricted funds	-	106	-	106
	234,908	6,816	(5,667)	236,057

Restricted funds

During the 2019 year Tudor was asked to distribute the closing funds of Salvaire (charity number: 1150709) to charities working in the criminal justice sphere within the greater Sheffield area. This was fully expended during the financial year. Another fund of £106k, from an anonymous donor, was received in 2021 to distribute funds to a project in Uganda. As the trust has been closed for the grant making, no new grant commitments were made in 2023/24. There are plans in place to fully commit the restricted fund balance in the year 2024/25.

Notes to the Accounts

13. Movement in funds note (continued)

Unrestricted funds

Under the Articles of Association, Capital and Accumulated income are expendable at the trustees' discretion. The Trust has adopted a total return basis of investing. All unexpended funds are therefore held as unrestricted funds.

It is the trustees' current intention to monitor the value of the unrestricted funds in real terms to ensure that they can maintain the Trust's existing level of charitable donations and meet its outstanding grant commitments over future years.

13b. Movement in funds for the year ended 31 March 2024

	Funds balances at start of the year	Income	Expenditure	Net investment gains	Funds balance at end of year
	£000	£000	£000	£000	£000
Restricted fund					
Salvaire	185	-	-	-	185
Grant funds	106	-	-	-	106
Total restricted funds	291	-	-	-	291
Total unrestricted funds	226,259	5,951	(18,798)	17,539	230,950
Total funds	226,550	5,951	(18,798)	17,539	231,241
		Fixed assets	Net current	Creditors	Net assets
		£000	liabilities	>1 year	£000
			£000	£000	
Unrestricted fund		249,725	(15,218)	(3,558)	230,950
Restricted funds		-	291	-	291
Represented by:		249,725	(14,927)	(3,558)	231,241

Notes to the Accounts

14. Reconciliation of net (expenditure) to net cash flow from operating activities

	2025	2024
	£000	£000
Net (expenditure) for the reporting period (as per the statement of financial activities)	(3,985)	(12,776)
Depreciation charges	66	64
Investment income	(8,543)	(5,951)
Other movements on social investments	(82)	(134)
Movement in Foreign exchange hedge	-	-
Movement in working capital:		
increase in debtors	(412)	36
decrease in creditors	-	(471)
decrease in grant commitments	(5,659)	(5,928)
Cash outflow from operating activities	(18,615)	(25,160)

15. Analysis of cash and cash equivalents

	At 31	At 31
	March	March
	2025	2024
	£000	£000
Cash at bank and in hand	4,793	1,080
Investment cash	19,904	18,615
	24,697	19,696

16. Grant commitment reconciliation

	2025	2024
	£000	£000
Commitment at the start of the year		
Payable in less than one year (note 11)	15,987	17,034
Payable in more than one year (note 12)	3,558	8,583
	19,545	25,617
Grants committed during the year (note 5a)	10,077	15,760
Grants written back or adjusted (note 5a)	-	274
Grants paid during the year	(15,736)	21,558
Commitment at the end of the year		
Payable in less than one year (note 11)	8,219	15,987
Payable in more than one year (note 12)	5,667	3,558
	13,886	19,545

Notes to the Accounts

17. Operating lease commitments

The Trust's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	2025 £000	2024 £000
Payable within one year	9	87
Payable within two to five years	1	8
	<u>9</u>	<u>95</u>

In the March 2023, Tudor entered into a new lease agreement for the office equipment for three years with an annual charge of £8,064. In November 2024, Tudor entered into a new lease agreement for further office equipment for four years with an annual charge of £622.

18. Related organisations

In 2009, the Board agreed to finance the construction of a new family visitors' centre at HMP Wormwood Scrubs through The Family Centre Trust, a new charitable company.

The Tudor Trust is the sole member of the Family Centre Trust. All Trustees of FCT are appointed by the Tudor Trust. When considering future appointments, at least three Trustees must be individuals who are neither directors of the Tudor Trust nor employed by the Tudor Trust.

The centre continued to operate throughout the year and transactions through FCT are now minimal. In March 2020, following a review, the trustees took the decision to wind the charity up and have instructed solicitors. FCT's balance sheet is as follows; these entries have not been consolidated into the Tudor accounts in this accounting period.

	2025 £000	2024 £000
Cash at bank and in hand	17	17
Creditors: amounts due within one year	(7)	(4)
	<u>10</u>	<u>13</u>

19. Capital and other commitments

In December 2015, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund I. At this year's balance sheet date £375,245 of the commitment remained to be drawn.

In June 2018, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund II. At this year's balance sheet date £1,917,086 of the commitment remained to be drawn.

In October 2022, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund III. At this year's balance sheet date £4,101,049 of the commitment remained to be drawn.

Notes to the Accounts

20. Related party transactions

Christopher Graves was both the salaried director of Tudor and a Trustee until 30 April 2023. Full details of his remuneration are set out in note 5.

There were no other related party transactions.

Notes to the Accounts

Note 21. Statement of Financial Activities for the previous year

(incorporating an income and expenditure account)

Year ended 31 March 2024

	Notes	Unrestricted 2024 £000	Restricted 2024 £000	Total 2024 £000
Income				
Donations	13	-	-	-
Investment income	2	5,951	-	5,951
Total income		5,951	-	5,951
Expenditure				
Costs of raising funds				
Investment Management Costs	3	747	-	747
Expenditure on charitable activities				
Grantmaking				
Grants approved	4/5a	15,760	-	15,760
Grants withdrawn	5a	(274)	-	(274)
Management of grants	5b	2,200	-	2,200
Professional support costs	5b	224	-	224
Governance costs	5b	70	-	70
Cost of grantmaking		17,980	-	17,980
Total expenditure		18,727	-	18,727
Net (expenditure)/income before gains and losses on investments		(12,776)	-	(12,776)
Net gains on investments	7	17,539	-	17,539
Decrease/(increase) in provisions on social investments	8	(71)	-	(71)
Surplus/(deficit) for the year and net movement in funds		4,691	-	4,691
Funds balance at beginning of year	13	226,259	291	226,550
Funds balance at the end of the year	13	230,950	291	231,241

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

THE TUDOR TRUST

England & Wales - Charity number 1105580

Accounts

THE TUDOR TRUST

Annual Report and Accounts
2023/24

Company number 5196041

Registered charity number 1105580

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Trustees' Report

For the year ended 31 March 2024

Tudor's principles

Tudor's principles underpin all aspects of our work and are intended to guide us as we reflect on our practice or consider challenging issues.

1. Supporting communities to drive their own positive change.
2. Investing in relationships as the foundation of all we do - starting from a position of trust and demonstrating that we can be trusted.
3. Listening with intent: always trying to hear the real voice.
4. Valuing people's time: acting quickly where helpful and taking time where needed.
5. Drawing on learning, creativity and experience to offer flexible, practical support to people, ideas and communities.
6. Making the most of our resources and independence and being open to challenge

Chair's Introduction

This is a significant moment of change for the Tudor Trust. Over the last two years, the outgoing trustees at Tudor have focused on change and renewal stepping back in phases to enable a responsible exit. I am very pleased that we have been able to achieve this, whilst appointing a new Board and many new staff.

Until recently Tudor has had trustee involvement at grant-making level as well as strategy and governance. With this model Tudor has endeavoured to be applicant focused, relational and flexible. We are proud of this heritage, and particularly our focus on core funding, long-term grants, easy application process and minimal reporting. I would like to take this opportunity to thank Christopher Graves, our Director for 38 years, and past trustees both family and non-family who have offered insight, wisdom and support for the work of the Trust over the years. I am also proud of the many organisations, capital projects and programmes of work that we have funded over the years, that have made a huge difference to communities across the UK.

In the last 12 months we have said goodbye to seven of our long-standing trustees, Ben Dunwell, Catherine Antcliff, Elizabeth Cranshaw in November 2023, Francis Runacres, Holly Baine and James Long in April 2024 and Monica Barlow in June 2024. I will step down as Chair and trustee by the end of 2024, and this will mark the end of Tudor as a family run Trust that has had members of the Graves or Dunwell family as trustees since its inception in 1955.

Letting go of power is a messy business, and there is no perfect time or way to do this. I am hugely grateful to all staff and trustees at Tudor who have contributed to our planning and preparations. It has been an enormous period of change for Tudor, reflecting massive challenges across society over the last four or five years as the gap between rich and poor has grown massively within a policy environment that has aggravated inequality.

The role of long-standing family involvement in philanthropy, or 'Family Trusts' has quite rightly come under scrutiny, particularly over the last 5 years. Trustee Boards across the sector are assessing what mandate they have, and what governance models best reflect the needs of our society. I hope at Tudor we have demonstrated that changes to long-standing ways of working are possible.

With a renewal of staff and trustees, there is now an opportunity for Tudor to build on its foundations and develop new thinking. We need to co-create decision making with our communities and mutually agree what success looks like. As the sector faces new challenges, we need to absorb risk and support emerging innovations and ways of working, and think of the Trust endowment in new and creative ways that place assets back in the heart of communities.

The next iteration of Tudor will be different but will also carry forward many of the principles that have shaped our past work. Long standing trustees who have stepped back offer huge support and goodwill for Tudor's transition plans. With Raji Hunjan leading our excellent staff team and Derek Bardowell as Chair of a new Board of Trustees with key skills and experience, Tudor is blessed with exceptional people for the work ahead.

Matt Dunwell
Chair of Trustees

CEO's Introduction

The Tudor Trust is an independent grant-making charity with a long-standing commitment to supporting grassroots organisations. In this reporting year we committed more than £15m in grants reaching communities across the UK, in rural and urban areas.

Behind our 2023/24 grant-making, we agreed to take time to consider deep, strategic changes to how we would operate in the future. To ensure we had the space to work through this, we remained closed to receiving applications from new organisations.

The main lens through which Tudor started to explore its strategic changes was anti-racism. In a post-covid context, where the disproportionate impact of the health, economic, social and environmental challenges face have been laid out to bare, Tudor wanted to explore solutions that centred justice and lifted everyone in our society. Our desire to continue to support communities to thrive, has led to a renewed purpose of supporting organisations seeking racial, social and economic justice.

It became increasingly clear through our explorations, that to achieve greater social impact for our communities, we needed to start by changing ourselves. We came to understand that a transformation in our strategy would also need a reset of organisational culture and behaviours. In this context, Tudor recognised that a Board with significant family representation was no longer fit for purpose. It was with this in mind that long-standing Board members made the decision to plan their exit over a 12 month period, to make room for new perspectives, talents and experiences.

The time we took to develop the roles and responsibilities of a new Board, enabled us to consider different governance models. We agreed that going forward, grant-making decisions would be devolved to our staff and those closer to the communities, and that the Board would provide an oversight function. I am personally grateful to all retiring trustees for taking the time reflect on their learnings and experiences as trustees.

Our current eighteen month transformation plans focus on the development and embedding of a whole organisation strategy alongside people and culture change began

in January 2024. This was kickstarted with a review of all our equity, diversity and inclusion policies, which led to the beginnings of a new behaviours framework, designed with our staff and trustees. This has been the backbone to recruiting new staff and additional trustees, and our approach to strategy development

There is still more we want to build and embed before we start making new grants to organisations later in 2024. Until then, we continue to work with and support our existing grantees.

It is important to acknowledge that alongside the transformation we are working towards, 2023/24 also came with challenges. There were moments where Tudor was stuck, and some of our communications and decision making led to unwanted media attention. At the same time we were heartened by the messages of support from our partners and peers, including many of our grantees. All our staff and trustees contributed significantly to our new plans, and we do not underestimate the personal commitment and dedication of all our staff and trustees. Our learning from this period in our history will play a pivotal role to how we move forward into the future.

Raji Hunjan, Interim CEO

Structure, governance and management

On 1st March 1955 Sir Godfrey Mitchell endowed a charitable trust with a gift of shares in the construction company George Wimpey. In 1979 this trust became known as The Tudor Trust. The Tudor Trust's governing document is its memorandum and articles (incorporated 3rd August 2004 and amended by special resolution(s) dated 29th May 2014). The Trust was incorporated as a company limited by guarantee on 1st April 2005, with all assets and liabilities of the previous Trust being transferred to the current legal entity on that date. The company is also registered with the Charity Commission (registered 20th August 2004).

No changes were made to our governing documents in this reporting year. Changes were made throughout the year in regard to the composition of the Board and how decisions are captured.

Trustees

The Trust's trustees are listed on page 55 of this report. The Board of Trustees appoints the trustees and while the articles of association provide for a minimum of six and there are currently 8 trustees.

The composition of the Board is kept under review and if additional trustees are needed, we look to recruit new members with relevant skills and experience. Ben Dunwell, Catherine Antcliff and Elizabeth Cranshaw resigned as trustees in November 2023. Francis Runacres, Holly Baine and James Long resigned in April 2024.

Following a wide and extensive recruitment process, five new trustees were appointed in January 2024. Derek Bardowell was appointed as the Chair Designate, who will replace the current Chair, Matt Dunwell in Autumn 2024. Other newly appointed trustees are: Anthony Murphy, Christienna Fryar, Saba Shafi, Susan Wang. Following a tender process, Cadence Partners, were retained to manage the recruitment and undertake an extensive search process. Lara Odeyele from Black on Board was also contracted as an independent advisor to the Board, offering her expertise and independence in the recruitment process.

A bespoke induction programme was designed which included one to one meetings with the current Chair and the Chair Designate, as well as the Senior Leadership Team, and conversations with the CEO regarding the transformation. An opportunity for an exchange of knowledge between exiting and incoming trustees was designed in the context of commissioning external consultants, Stephen Bediako, Louise Mousseau and Fancy Sinantha to conduct one to one interviews with all trustees, including those departing, to build up a picture of trustee perspectives on the future of the Tudor Trust. This was mapped against a wider perspective on philanthropy - particularly in relation to

aligning investments with grant-making, governance overhauls, trust based philanthropy, and centring racial justice.

Decision making

The Board of Trustees normally meets three times a year and holds ultimate responsibility for the Trust. The Board agrees the broad strategy of the Trust, reviews and confirms policy decisions, provides oversight on grant decisions and reviews and oversees financial and investment movements.

Given the internal focus on strategy, operational and culture change, the Board met informally more regularly to consider the changes they wished to implement. They were supported at different stages by external consultants to help them to develop their strategic thinking. External consultants included Open Edge to consider how power operates in wider change strategies; A Little Bit of HR on the role of trustees in culture change; Power & Integrity to explore more specifically different forms of governance.

The following is the list of committees, sub-committees and groups that were live until December 2023. Grant-making approvals were delegated to the CEO.

- **The Trustee Committee** review and develop grant-making policy, confirm grants and investigate and make decisions on more complex applications.
- **The Investment Committee** focuses on the development and implementation of Tudor's investment policy, asset allocation and the performance of investments, including social investments.
- **The Audit Group and Remuneration Committee**
- **The Delegated Decision Committee** considers straightforward requests for continuation funding, requests to reassess or 'flex' a grant during its term and recommendations for development grants and Africa Group capacity-building grants.
- **Initial Assessments Decisions Committee** consider and decide allocations of funding of a straightforward continuation request for an organisation, which doesn't require the level of further work. Grants are submitted for ratification to the Trustee Committee,
- **The Agroecology Group** (previously called the Africa Group) reviews and run a targeted grants programme promoting ecological agriculture in Zimbabwe, Kenya, and Uganda. This group reports to the Trustee Committee.

At the beginning of the year 2024, with the appointment of new board, the trustees considered different approaches to governance and agreed on formation of sub-committees that are designed to support the compliance and fiduciary functions and duties of the Board.

Following two sub committees were established:

- 1) **Finance Committee** - The overall purpose of this Committee is to assist Trustees in their duty to supervise the broad direction of the Charity's financial affairs. The Committee will also act as an Audit Committee and an Investment Committee.
- 2) **People and Culture (P&C) Committee** - The overall purpose of this Committee is to ensure that rigorous and transparent employee, trustee and volunteer policies, procedures, and systems, in line with relevant employment legislation and values of the Tudor Trust, are in place and are kept under review. The Committee will also act as Remuneration Committee

The overall responsibility of governance sits with the full Board which includes all matters relating to strategy, including a wider conversation about investments, risks, communications, and organisational culture. The Board agreed that three meetings will be held in a year, that are the equivalent of a full day. In addition, there will be an annual staff and trustee away day that is at least one day.

Day-to-day operation of the Trust

The trustees delegate the day-to-day management and operation of the Trust to the Senior Leadership Team under the leadership of the Interim Chief Executive. Changes have been made to the Senior Leadership Team over the course of the year, and since February 2024, the SLT comprises of the Chief Executive, Head of Finance and Resources and Head of People and Culture. The Head of People and Culture is seconded from A Little Bit of HR.

Grant-making Policy and Aims

The Tudor Trust operates for the public benefit. The ultimate beneficiaries of the Trust are the people that the groups we fund work with and support, rather than the groups themselves. The trustees have considered the Charity Commission's general guidance on public benefit when reviewing Tudor's aims and objectives and when planning future activities, setting grant-making policy and making grants.

When Sir Godfrey Mitchell endowed the charitable trust with an expendable endowment, he specified that the trustees should be able to apply the funds to any charitable purpose. Over the years the breadth of these objects and powers has allowed the trustees to reassess how best we can make best use of Tudor's funds. 2023/24 was a review year and so whilst we continued to commit £15.8m focus on repeat funding for current grant holders, with a pause on new grant-making.

Our funding guidelines are in the process of change as we work towards a renewed purpose of funding the grassroots and organisations seeking racial, social and economic justice in the UK.

The Tudor Trust wants to support smaller groups, embedded in their communities, which work directly with people who are on the edges of mainstream society in ways which encourage inclusion, integration and independence.

We don't have specific funding programmes designed to advance a particular agenda as we think that the groups we support are best placed to identify problems and develop solutions.

Objectives and Activities

Over the year, Tudor continued to fund work across the UK which met our overarching aim of addressing the many different needs of people at the margins of society. A detailed breakdown of our grant-making is available on our website or on request from the Trust.

As part of our commitment to responsible exits, we made grants to:

- **We Belong**, a youth led, organisation who engage, empower and build young migrants to campaign and advocate for change and create a counter narrative to the UK's immigration system
- **Sunrise Diversity** in North Devon, supporting their work on strengthening communities by embracing diversity to create a more cohesive society, helping break down barriers and celebrating difference

Organisations that received final three-year funding included:

- **London Renters Union**, wanting to transform the housing system so everyone has access to an affordable, secure and decent home. Using community organising model to stand up to landlords, secure lower rents, longer tenancies and better housing for everyone. Tudor's grant has contributed to a community organisers salary
- **Advance Brighter Futures** in Wrexham, North Wales helping people build happier and more fulfilling lives through improving mental wellbeing, valuing the lived experiences and expertise that those with personal experiences bring
- **Urban Roots**, a community led environmental charity in Glasgow to promote community development, environmental sustainability and healthier lifestyles with a community woodland, community gardening, community meals for the whole community
- **Participation, Practice and Rights** for the **New Script for Mental Health**, campaigning for improved access to mental health across Northern Ireland through strengthening connection, developing compassion, building community and promoting choice. One of 4 campaigns the grant has supported salaries and running costs.

Achievements and Performance

We made 410 grants, totalling £15,860,000. This was primarily exit funding for grant holders already in our grant-making portfolio, reflecting our ongoing commitment to longer term funding and developing strong relationships with our grantees.

Transformation achievements to date include:

People and Culture:

- A review of our staff handbook and policies
- A new recruitment strategy, under which four new staff members have been appointed
- A review of our Justice, Equity, Diversity and Inclusion (JEDI) framework and the development of a new behaviours' framework
- A review of our hybrid working policy to allow for greater collaboration
- Review of staff structure and appointment of new staff

Governance:

- Appointment of new trustees and exit of long standing trustees
- Induction of a new Board of trustees
- Handover between the Chair and the Chair Designate
- Design of new sub-committees
- Consideration to Board culture and behaviour
- Review of risk policy and risk management

Strategy Review:

- Initial external mapping conducted with the support of external consultants, Stephen Bediako, Fancy Sinantha and Louise Mousseau
- Careful consideration given to all exiting trustees' perspectives
- A workshop for Board to consider a total asset approach to our strategic direction, which aligns our investments and our grant-making
- A commitment to making new grants in 2024

Communications:

- A website refresh, with clearer messaging about the Trust's direction of travel
- Regular newsletters and blogs to keep in touch with our stakeholders

Changes to our working environment:

- Physical changes were made to the office environment, to make the space more suitable for collaborative working. Further updates will be planned for later in the year
- A review was carried out of our IT needs and we moved to a new

provider, with a view to maximising how we use Sharepoint for the purpose of greater collaboration

We are also grateful to external consultants who working with us during this reporting year to help us to achieve the above. Vanessa Johnson Burgess, CEO of A Little Bit of HR has been instrumental in supporting the Board, the Chair and CEO with People and Culture strategy; independent consultant, Nina Kowalska oversaw the refresh of our website and external newsletter.

Looking Ahead

Following on from the year currently under review, Cadence Partners were commissioned to begin recruitment of additional trustees. The Board has identified a need for trustees with expertise in both social entrepreneurship and People and Culture.

An extensive recruitment process has begun to build up a new staff team. Whilst the development of a more detailed staffing structure is still under review, the job descriptions for Programme Officers and an Office Manager/EA were designed and we are expecting newly appointed staff to take up their roles in June 2024.

With a renewed Board and staff team, we will continue our transformation plans and open up our grant-making. We want to explore a long-term goal to build alternative economic and infrastructural models that centre community wealth building and stewardship.

Organisation Strategy:

- Strategic development that takes a total asset approach - aligning our investments to our grant-making
- Agree a set of strategic learning questions to underpin our revised mission
- Open up the grant-making in line with the above

Governance Rebuild:

- The induction of a second round of new Board members and continued handover between Chair and Chair Designate
- The Board will work together on building culture and behaviours that align with the strategic direction of the organisation
- Continue to develop approach to governance

People and Culture:

- Alignment of annual appraisal cycle, professional development, pay and conditions to JEDI and our behaviours framework
- Agreed style of leadership to foster Inclusivity
- A review of our staffing structures and recruitment of permanent CEO, Head of Finance and Resources and Head of People and Culture

Operational systems

- Ensure the robustness and effectiveness of all our operating systems for a model of hybrid working. This includes maximising our use of office 365 tools and cloud based software to ensure a culture of collaboration and learning.

- A review of the best use of our office space, ensuring that it is a welcoming and productive space for all our staff, trustees and volunteers, as well as our external partners and stakeholders.

Financial Review

During the financial year, Tudor focused on maintaining a high level of support to existing grant holders and was closed to new applications. For the year under review, Tudor entered new grant commitments to the value of £15.8 million (2023: 20.2 million), comprising 410 (2023: 482) individual grants.

Note 4, on page 39 of the financial statements, provides further analysis of the grant commitments made in the year.

In line with a policy adopted some years ago, which is periodically reviewed, Tudor's expenditure continues to exceed its income. Net charitable expenditure for the year was £12.8 million (2023: £17.9 million) and was funded through capital withdrawals from the expendable endowment.

The trustees monitor the long-term real return of the portfolio and recognise that, in some years, this will result in the underlying value of the fund increasing and in other years diminishing. At this year's balance sheet date, the investments were valued at £245.7 million (2023: £247.5 million), reflecting movements in the markets during the financial year. The market movement on investments has changed the year's net expenditure position from deficit of £12.8m to surplus of £4.7m (2023: Deficit £38.2 million).

Income earned on Tudor's investment portfolio this year has increased to £5.9 million (2023: £5.6 million).

As an endowed foundation, Tudor does not engage in public fundraising and does not use professional fundraisers or commercial participators.

Remuneration

The trustees consider the Board of Trustees, and the Senior Leadership Team as the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. During the year five of the trustees were remunerated and their remuneration is set out in note 5 to the accounts on page 40. This remuneration is paid in accordance with Tudor's memorandum.

Trustees are required to disclose all relevant interests and register them with the Head of Finance and Resources and, in accordance with the Trust's conflicts of interest policy, withdraw from decisions where a conflict of interest arises. The Chair reviews the conflicts of interest register.

The remuneration of the paid trustees, and all staff has traditionally been reviewed annually and usually increased in accordance with the Consumer Price Index including

owner-occupied housing costs (CPIH). In 2023, in line with the total Board refresh, paid trustee remuneration was reviewed with Cadence Partners and brought in line with paid Board positions in the not for profit sector. The Interim CEO's salary was reviewed by the full Board, who undertook a benchmarking exercise, to remunerate in line with the strategic change and high level outputs required.

All staff salaries are also benchmarked with grant-making charities of a similar size and activity on a regular basis to ensure that the remuneration set is fair and not out of line with that paid for similar roles.

Investments

Tudor has adopted an investment policy for its expendable endowment which seeks to optimise performance through a diversified asset portfolio applying a medium risk strategy. This is reflected in its asset allocation as shown in note 7 on page 42. The performance of the portfolio is monitored monthly and reviewed on a quarterly basis by the Investment Committee. At these meetings trustees discuss investment strategy and asset allocation. Investment performance and market trends are discussed with the Trust's investment managers at regular meetings.

Tudor has operated a responsible investment policy for 24 years. It seeks to invest in companies that demonstrate socially responsible values, and which offer the potential for sustainable growth in the future. This positive, long-term approach to investing is a key part of the strategy for the portfolio. Negative screening, where industry sectors or companies are excluded from investment, may limit future opportunities - however some investments are not held as they are inimical to the work of the Trust.

Tudor remains a long-term social investor in ameliorating society's ills and its investment strategy continues to look for long-term performance rather than short-term gain. The trustees believe that taking a responsible, long-term approach to investment will ultimately improve returns.

Sarasin manages a global equity portfolio for Tudor: The Responsible Fund. At the year-end Tudor's equity portfolio was valued at £170.74 million (2023: £169.94 million). Liontrust manages Tudor's SRI Corporate Bond Fund, which was valued at £46.05 million (2023: £43.65 million) at the year end.

A combination of prior year withdrawals from the investment portfolio and current year repayments from the Paloma Real Estate Funds I II and III have sustained Tudor's activities in the year. In addition, to rebalance the portfolio, £10.4 million (2023: £9 million) was taken out of equities during the year. This was to guard against markets overheating and to ensure that Tudor was not a forced seller in turbulent markets.

The market value of Tudor's investments at 31st March 2024 was £248.9 million (2023:

£250.5 million), including social investments. The portfolio at this date comprised 69% UK and global equities, 19% fixed interest holdings, 4% in Real Estate Funds, 7% in cash and 1% as social/unlisted investments (2021: 68%, 18%, 3%, 10% and 1% respectively).

Cash flow requirement is reviewed at each Investment Committee meeting.

During the year in review, the financial markets have had some periods of growth but have, in the main, been somewhat volatile. As Tudor holds an overseas equity portfolio the Investment Committee has agreed to allow Sarasin to hold limited forward foreign exchange positions to mitigate, partly, the effect of sterling movements. Valuations have seen large swings in the year, sometimes on a monthly basis. We end the year with an investment gain totalling to £17.5 million (2023: £20.2 million loss).

Tudor's portfolios are all managed against a range of indicators and benchmarks deemed to be appropriate by the trustees. The trustees are committed to seeking good long-term performance from the funds and therefore monitor the performance of the equity portfolio against the MSCI All Countries World Daily.

During the year the Responsible Fund underperformed its benchmark by 9.7% for the year (2023: underperformance of 4.5%). The Corporate Bond Fund is managed against a bespoke benchmark and during the year has outperformed its benchmark by 1.3% (2023: outperformance of 1.272%). The Finance and Investment Committee continues to review and discuss performance on a quarterly basis.

Social investments

Tudor has been interested in using part of its endowment for social investment for a number of years. The trustees have continued to discuss how social investment might enhance Tudor's work and how this is best reported. We look for good opportunities for social investment which are closely aligned with Tudor's aims but are mindful of the time and resources well-judged social investment requires and the need to balance this with Tudor's core work as a grant-maker operating in a difficult funding environment. At the year end the value of social investments held was £3.16 million (2023: £3.02 million), representing 1.26% (2023: 1.21%) of the endowment.

There have been no changes to the social investment portfolio during the year. The trustees review the value of social investments annually and this year agreed to make a number of further provisions to the investments.

Reserves

Under the terms of the Trust Deed, the Unrestricted Fund is expendable at the trustees' discretion. All unexpended funds are therefore held in the Unrestricted Fund. The trustees intend to continue monitoring the value of the Fund in real terms to ensure that

they are able to achieve both income and capital appreciation so as to maintain the existing level of charitable giving for the foreseeable future. At the year end the value of unrestricted reserves held was £231 million (2023: £226 million).

Risk Management

The trustees are responsible for establishing and monitoring internal control systems within the Trust. The trust reviewed and updated risk management policy in early 2024.

The Trust has a formal risk management process to assess business risks and implement risk management strategies in the context of the Trust's plan to deliver its objectives. This involves identifying the types of risks it faces, categorising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks.

The Board review the major risks which may impact on the operations of the Trust on an ongoing basis and are satisfied that the system of internal controls currently in place is adequate, whilst recognising that it is designed to manage rather than eliminate risk.

The trustees continue to consider the principal risk to the Trust is that of not fulfilling its core purpose: good grant-making. Failure to maximise the opportunities afforded an independently endowed grant-maker would be damaging to the communities we work with and those we might work with in the future. In order to mitigate this, Trustees will continue to oversee risk in relation to the reopening of our grant-making. Whilst we remain committed to funding organisations closest to the grassroots, the criteria that underpins our decision making will change significantly. We also want to explore how we change our relationship with our grant holders so that they are our strategic learning partners with whom we develop longer term strategies. This is likely to lead to longer term, multi-year funding.

Tudor's resources are also subject to the unpredictability of the financial markets. To mitigate this risk the trustees, review the asset allocation and fund performance at each Board meeting. The Trust also retains expert investment managers. Lack of resources would affect our ability to make available as much funding support as we might like and to deliver the objectives set out in our funding guidelines.

Additional significant risks identified by the Trust, during this transformation period, and the plans for mitigating these are as follows:

- **Transition of leadership and governance** - to ensure smooth transition between Chairs, clear handover process and documents are set in place as well as getting support from expert to support incoming Chair to go through governance process through a Justice, Equality, Diversity and Inclusion perspective. Newly formed Board will be working together on terms of reference and behaviours' framework.

- **Communication backlash** - given the backlash earlier in the financial year, the board is mindful of reoccurrence of hostility from right wing press to the changes in Tudor's approach to grant-making. And disappointment from our current stakeholders who may not fit into the new strategy. To reduce this, we have made significant changes to the website and working on appointing Communication Lead and keeping the wider sector up to date through regular newsletter and blog posts.
- **People and Culture** - with departure of long-standing staff earlier in the financial year, there is need to rebuild the staff team to support and deliver on the renewed strategy and the organisation must create a space where everyone feels supported and there is psychological safety. Work has started to review HR policy and processes to include clear induction plan, regular supervision and annual appraisal as well as having a clear behaviours framework.

Auditor

Sayer Vincent LLP has indicated its willingness to continue in office.

Statement of Trustees' Responsibilities

The trustees (who are also directors of The Tudor Trust for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees of Tudor Trust on 8th July 2024 and signed on their behalf by:

Matt Dunwell
Chair

Jonathan Bell
Trustee Director

Independent auditor's report to the members of The Tudor Trust

Opinion

We have audited the financial statements of The Tudor Trust (the 'charitable company') for the year ended 31 March 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 charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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 charitable company 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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 Finance committee, 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.

Use of our report

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

Joanna Pittman (Senior statutory auditor)

19 September 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Reference and Administrative Information

The Tudor Trust is a charitable company limited by guarantee, incorporated in the United Kingdom. The principal and registered office address is 7 Ladbroke Grove, London W11 3BD.

Telephone: 020 7727 8522

Website: www.tudortrust.org.uk

Company Limited by Guarantee Number: 5196041

Registered in England and Wales Charity Number: 1105580

Trustees of the Tudor Trust

Matt Dunwell - Chair

Derek Bardowell - Chair designate (appointed 9th February 2024)

Anthony Murphy (appointed 9th February 2024)

Ben Dunwell (resigned 29th November 2023)

Catherine Antcliff (resigned 29 November 2023)

Christienna Fryar (appointed 9th February 2024)

Christopher Graves (resigned 30th April 2023)

Elizabeth Crawshaw (resigned 29th November 2023)

Francis Runacres (resigned 18th April 2024)

Holly Baine (resigned 18 April 2024)

James Long (resigned 18th April 2024)

Jonathan Bell

Louise Collins (resigned 25th April 2023)

Monika Barlow (resigned June 2024)

Saba Shafi (appointed 9th February 2024)

Susan (Xiaocen) Wang (appointed 9th February 2024)

Christopher Graves

Director (retired 30 April 2023)

Raji Hunjan

Chief Executive Officer (appointed 5 June 2023)

Associates of the Tudor Trust

John Wilson

Associate - Africa

Bankers

Barclays Bank PLC
Marble Arch Corporate Banking
PO Box 32016
London
NW1H 2ZH

Auditor

Sayer Vincent LLP
110 Golden Lane
London
EC1Y 0TG

Investment managers, advisors and custodian

Liontrust
8 West Marketgait
Dundee
DD1 1QN

Sarasin & Partners LLP (including provision of equity custodian services)
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Solicitors

Bates Wells LLP
10 Queen Street Place
London
EC4R 1BE

Russell-Cooke LLP
2 Putney Hill
London
SW15 6AB

Statement of Financial Activities
 (incorporating an income and expenditure account)
 Year ended 31 March 2024

	Notes	Unrestricted 2024 £000	Restricted 2024 £000	Total 2024 £000	Total 2023 £000
Income					
Donations	13	-	-	-	-
Investment income	2	5,951	-	5,951	5,645
Total income		5,951	-	5,951	5,645
Expenditure					
Costs of raising funds					
Investment Management Costs	3	747	-	747	860
Expenditure on charitable activities					
Grantmaking					
Grants approved	4/5a	15,760	-	15,760	20,426
Grants withdrawn	5a	(274)	-	(274)	(137)
Management of grants	5b	2,200	-	2,200	2,220
Professional support costs	5b	224	-	224	80
Governance costs	5b	70	-	70	83
Cost of grantmaking		17,980	-	17,980	22,672
Total expenditure		18,727	-	18,727	23,532
Net (expenditure)/income before gains and losses on investments		(12,776)	-	(12,776)	(17,887)
Net gains on investments	7	17,539	-	17,539	(20,282)
(Increase)/decrease in provisions on social investments	8	(71)	-	(71)	5
(Deficit)/surplus for the year and net movement in funds		4,691	-	4,691	(38,163)
Funds balance at beginning of year	13	226,259	291	226,550	264,713
Funds balance at the end of the year	13	230,950	291	231,241	226,550

The statement of financial activities includes all gains and losses recognised in the year.
 All incoming resources and resources expended derive from continuing activities.
 A copy of the 2023 Statement of Financial Activities is included at note 21

Balance Sheet

As at 31 March 2024

Company number: 5196041

	Notes	2024 £000	2023 £000
Fixed Assets			
Investments	7	245,745	247,531
Social investments	8	3,157	3,023
Tangible assets	9	823	887
		249,725	251,440
Current Assets			
Debtors	10	258	294
Cash at bank and in hand		1,080	1,000
		1,339	1,294
Current liabilities			
Creditors: amounts falling due within one year	11	(16,265)	(17,602)
		(14,927)	(16,308)
Total assets less current liabilities		234,799	235,133
Creditors: amounts falling due after more than one year	12	(3,558)	(8,583)
		231,241	226,550
Funds			
Unrestricted fund	13	230,950	226,259
Restricted fund	13	291	291
		231,241	226,550

The financial statements were approved and authorised for issue by the Trustees of the Tudor Trust on 08 July 2024 and signed on their behalf by:

Matt Dunwell
Trustee/Director

Jonathan Bell
Trustee/Director

Statement of Cash Flows

Year ended 31 March 2024

	2024 £000	2023 £000
Net cash used in operating activities (note 14)	(25,161)	(22,201)
Cash flows from investing activities:		
Interest and dividends	5,951	5,645
Proceeds from sale of investments	61,015	70,297
Purchase of investments	(49,360)	(51,639)
Forward foreign exchange transactions	248	(1,682)
Repayments from social investments	9	69
Purchase of social investments	(227)	(636)
Purchase of fixed assets	(1)	(52)
Net cash provided by investing activities	17,636	22,002
Change in cash and cash equivalents in the year	(7,526)	(199)
Cash and cash equivalents at the beginning of the year	27,222	27,420
Cash and cash equivalents at the end of the year (note 15)	19,696	27,222

Notes to the Accounts

1. Accounting policies

a Basis of accounts 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 Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Tudor is a public benefit entity as defined by FRS 102. Tudor is also a Charitable company limited by guarantee and is incorporated in the United Kingdom. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The registered office address is 7 Ladbrooke Grove, London, W11 3B0.

In view of the level of investments held at the balance sheet date the trustees are of the opinion that the Trust is a going concern. The trustees consider this at each board meeting and are of the view that the Tudor Trust will remain able to meet its commitments as they arise for a period of at least 12 months from the date of this report. The Trust has no material uncertainties.

The results of the subsidiary The Family Centre Trust have not been consolidated with the Trust's accounts in the year to 31 March 2022 or prior year. This is due to the immaterial nature of the transactions through this charity during the year. Further details of the Family Centre Trust are given in note 18.

b Investments

All investments are stated at market value. It is the Trust's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the Statement of Financial Activities (SOFA) only includes those unrealised losses or gains arising from the investment portfolio throughout the year. Any change in fair value will be recognised in the statement of financial activities.

During the year Tudor has taken sterling hedge positions against the effect of fluctuations in the Euro and US dollar as Tudor's equity portfolio is mainly held in these currencies. Provisions are recognised on a monthly basis. The hedge position is realised on a quarterly basis and the resulting cash movement is recognised through the SOFA. The accounting policy for financial instruments is included as note 1 l).

Social investments are carried at fair value where practicable otherwise at cost less impairment. Such investments are subject to regular review, and any diminution is charged to the SOFA. Investments valuations are not enhanced to more than original cost. Tudor considers all social investments to be mixed motive investments, rather than programme related investments.

Notes to the Accounts

1. Accounting policies

1. Accounting policies (continued)

- c Investment income
Investment income is stated on an accruals basis and includes the related tax credit. As a charity the Trust has an exemption to income tax and capital gains tax granted by HM Revenue and Customs..
- d Voluntary income
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.
- e Tangible fixed assets
Fixed assets acquired with a value below £1,000 are evaluated for capitalisation based on the economic benefit derived in use. All other assets are capitalised on acquisition.

The value of freehold land cannot be separately identified as such the entire cost of the freehold property is depreciated. The impact of this is not material. Depreciation is calculated to write-off the cost less residual value of tangible assets on a straight-line basis over their estimated useful economic lives as

Freehold building	Fifty years
Furniture, fittings and equipment	Five to ten years
Computer equipment	Three to five years

- f Resources expended
- i. **Cost of generating funds**
The fees due in respect of investment managers' services are charged against income as the cost of generating funds.
- ii. **Charitable donations**
Grants awarded are charged in full against income when a grant has been approved by the Trustee Committee and communicated to the recipient;

hence the Trust is considered to have a legal or constructive obligation, irrespective of the time period it may cover. Grants awarded but unpaid at the balance sheet date are recognised as grant commitments under creditors. Grants withdrawn or cancelled in the year are credited against new grant commitments made in the same year.

- iii. **Support costs**
All expenditure incurred in the course of grant making is shown as support costs. Resources utilised for this purpose are defined as staff time, office expenses, accommodation and IT costs. As noted below no costs are allocated to governance costs.

- iv. **Governance costs**
Governance costs relate to direct expenditure incurred in compliance with the constitutional and statutory requirements of the Trust. Due to the way in which the Trust works it is difficult to attribute a meaningful breakdown of staff costs and other support costs relating to governance work.

Notes to the Accounts

1. Accounting policies

1. Accounting policies (continued)

- g Exchange gains and losses
All realised and unrealised exchange gains and losses on investments are accounted for in the SOFA.
- h Leased assets
The cost of operating leases is charged to the Statement of Financial Activities on a straight line basis.
- i Pension schemes
The Trust makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the Trust in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The Trust has no liability under the schemes other than the payment of those contributions.
- j Funds
All unexpended funds are held in the General Fund (expendable endowment) which can, under the terms of the Trust Deed, be used at the discretion of the trustees.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets
- k VAT Status and Irrecoverable VAT
Tudor cannot be registered for VAT. All VAT suffered by the Trust is irrecoverable and all expenditure is stated gross of VAT.
- l Financial instruments
With the exception of the listed investments described above and derivative financial instruments as described below, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Trust uses forward foreign currency contracts to reduce exposure to foreign exchange rates. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives at the reporting date are taken to the relevant income/expenditure heading(s) in the SoFA as appropriate.

The Trust does not currently apply hedge accounting for foreign exchange derivatives.
- m Cash at bank and in hand
Cash at bank and cash in hand includes the regular bank account. 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 are reported within fixed asset investments as cash, but are included within the statement of cash flows as cash and cash equivalents.

Notes to the Accounts

2. Investment income

	2024 Total £000	2023 Total £000
Dividends and Interest		
Equity investments	2,481	2,404
Fixed interest	1,963	1,852
Real Estate Fund distributions	667	889
Social investments	41	58
Misc income	29	51
Bank interest	770	390
	5,951	5,645

3. Investment management costs

	2024 £000	2023 £000
Investment management fees	742	856
Accountancy fees re tax reclaims	5	4
	747	860

4. Analysis of grants by classification

	% by number of grants	Number	2024 Total £000	% by number of grants	Number	2023 Total £000
Grants by classification						
Youth	13	55	2,186	12	32	2,264
Older People	1	6	109	2	5	328
Community	42	173	8,046	55	153	11,202
Relationships	9	36	1,371	11	29	1,922
Housing	5	21	779	4	10	917
Mental Health	5	21	929	7	19	1,492
Substance Misuse	2	8	160	0	1	63
Learning	0	2	75	1	2	125
Financial Security	1	4	207	1	2	205
Criminal Justice	3	12	436	4	12	1,040
Overseas	17	71	1,464	4	11	456
Wellbeing (£2k)	-	-	-	-	206	412
	100	409	15,760	99	482	20,426

Previously, wellbeing grants have been shown separately. The Trustees decided to include wellbeing grants as part of the main grants this year and these have been included with the relevant classification.

A full list of grants is available from the Trust's website <http://tudortrust.org.uk/downloads> or by application for a printed copy.

Notes to the Accounts

5. Expenditure

a) Grants approved

	2024 Number	2024 £000	2023 Number	2023 £000
Mainstream grants approved during the year	384	15,710	276	20,014
Immediate support grants made during the year	2	4	-	
Wellbeing grants made during the year	23	46	206	412
Grants cancelled or adjusted during the year	(22)	(274)	(4)	(137)
	387	15,486	478	20,289

The number of fully cancelled grants in the year was 22 (2023: 7), adjustments were made to 2 other grants (2023: 2).

b) Resources expended

		2024 Total	2023 Total
Management of grants			
	Staff costs	1,646	1,686
	Office expenses	137	133
	Depreciation	64	62
	Accommodation costs	163	132
	IT costs	119	113
	Trustee remuneration	63	85
	Trustees' expenses	9	9
		2,200	2,220
Professional support costs		224	80

Professional support costs include amounts paid to consultants and professional advisors who are providing beneficiaries with expert support. They also include costs associated with work around new grantmaking approaches and the implementation of Tudor's values.

Governance costs

	Legal & professional fees	49	62
	Auditor's remuneration	21	21
		70	83

Notes to the Accounts

5. Expenditure (continued)

The Trustees are reimbursed for out-of-pocket travel and subsistence expenses. During the year, 4 trustees (2023: 5) received reimbursement of £8,558.06 (2023: £8,874.89) for travel expenses, subsistence and overnight accommodation.

There is provision in the Memorandum of Association that no more than half of the trustee board can be offered reasonable remuneration. Members of the Trustee Committee can work up to 60 days a year for the Trust with other trustees working up to 25 days.

	2024	2023
	Total	Total
	£000	£000
	£	£
James Long	21	30
Monica Barlow	21	30
Holly Baine	19	25
Saba Shafi	1	-
Christienna Fryar	1	-

In addition on 4th July 2014, following a change to Tudor's memorandum, the Charity Commission gave its consent to remunerate Christopher Graves (a trustee) in his role as Executive Director of the Trust. Christopher retired on 30th April 2023. His remuneration in the year was £10,055.09 (2023: £105,406) and Tudor made contributions of £1,106.06 towards his pension (2023: £11,595).

The Executive Director's remuneration costs are included in the employment costs note. The other trustees' remuneration costs are shown separately as part of the management of grants costs.

None of the other trustees received remuneration.

c) Net expenditure for the year

	2024	2023
	Total	Total
	£000	£000
This is stated after charging:		
Operating leases	86	77
Auditor's remuneration (net of VAT) - statutory audit	19	18
Depreciation	64	62

Notes to the Accounts

6. Employment costs

	2024 £000	2023 £000
Wages and salaries	982	1,146
Termination payments	283	130
Temporary staff	48	26
Social Security costs	112	159
Pension costs	186	187
Insurance costs	35	39
	<u>1,646</u>	<u>1,686</u>

The average head count for the year was 19.9 (2023: 23.3). The average full-time equivalent number of employees during the year was 19.3 (2023: 18.2).

The following number of employees received employee benefits (excluding employer pension costs and employer national insurance) during the year between:

	2024 £000	2023 £000
£60,000 - £69,999	2	1
£70,000 - £79,999	1	2
£80,000 - £89,999	-	-
£90,000 - £99,999	1	-
£100,000 - £109,999	-	1
£300,000 - £310,000	-	1

Tudor considers that its key management personnel are the trustees, the Director, the Head of Finance and Resources, the Head of Grantmaking and the Head of Research and Information. The total employment benefits of the key management personnel (including employer national insurance and employer pension contributions) were £403,232 (2023: £752,386).

7. Investments

	2024 £000	2023 £000
Fair value of investments at 1 April	247,531	284,836
Purchases at cost made during the year	49,360	51,639
Sales proceeds on disposal	(61,015)	(70,297)
Forward foreign exchange transactions in year	(248)	1,682
(Decrease)/Increase in investment cash held	(7,422)	(47)
Net gain on change in fair value	<u>17,539</u>	<u>(20,282)</u>
Fair value of investments at 31 March	<u>245,745</u>	<u>247,531</u>

With the exception of the Unlisted UK fixed interest investments and Unlisted Jersey-based Real Estate Fund all investments are listed investments.

Notes to the Accounts

7. Investments (continued)

Fair value comprised:

	2024 £000	2023 £000
UK equity investments	27,350	27,350
UK fixed interest investments	46,057	43,655
Overseas equity investments	143,394	142,258
Foreign exchange hedge	(65)	183
Cash on deposit awaiting investment held in the UK	18,615	26,038
Unlisted Jersey-based Real Estate Fund	10,394	8,047
	<hr/> 245,745	<hr/> 247,532

Derivative financial instruments - foreign exchange contracts

The Trust enters into foreign currency contracts to mitigate the exchange risk for certain foreign currency transactions within its equity investment portfolio. At 31 March 2024 there were 2 (2023: 2) open currency commitments. This is included within the forward foreign exchange transactions in the year.

The forward currency contracts are measured at fair value using quoted forward exchange rates.

8. Social investments

	2024 £000	2023 £000
Value of investments at 1 April	3,023	2,503
Additions during the year	227	636
Sales proceeds on disposal	(9)	(69)
Conversion of social investment to grant	-	(40)
Net expenditure including management fees	(13)	(12)
Provisions against investments	(71)	5
	<hr/> 3,157	<hr/> 3,023

Social investments comprise of:

	2024 £000	2023 £000
Charity Bank Limited	618	455
Charities Aid Foundation Community Land Trust Fund I	4	16
Charities Aid Foundation Community Land Trust Fund II	122	247
Charities Aid Foundation Venturesome	131	238
Charities Aid Foundation Venturesome Community Led Housing Fund	86	89
Ethical Property Company	170	170
Fair for You	250	250
Social and Sustainable Housing	1,776	1,558
	<hr/> 3,157	<hr/> 3,023

The value of the social investments at the end of year is shown at cost less amounts either provided for or written off. The trustees review the value of the investments annually and where necessary make provisions.

Notes to the Accounts

9. Tangible fixed assets

	Freehold land & building £000	Furniture, fittings & equipment £000	Computer equipment £000	Total £000
Cost				
At 1 April 2023	2,145	204	94	2,443
Additions in the year	-	1	-	1
Assets written off in year	-	-	-	-
At 31 March 2024	2,145	205	94	2,444
Depreciation				
At 1 April 2023	1,342	143	72	1,556
Charge for the year	43	10	11	64
Assets written off in year	-	-	-	-
At 31 March 2024	1,385	152	83	1,621
Net book value at 31 March 2024	760	52	11	823
Net book value at 31 March 2023	803	61	22	888

All fixed assets are used for charitable purposes.

10. Debtors

	2024 £000	2023 £000
Accrued investment income	187	231
Other debtors and prepayments	71	63
	258	294

Notes to the Accounts

11. Creditors: amounts falling due within one year

	2024 £000	2023 £000
Grants payable (note 16)	15,987	17,034
Trade creditors	23	91
Taxation and Social Security	18	2
Other creditors	26	17
Accruals	211	458
	16,265	17,602

12. Creditors: amounts falling due after more than one year

	2024 £000	2023 £000
Grants payable in 2 - 5 years (note 16)	3,558	8,583

13. Movement in funds for the current year

	Funds balances at start of the year £000	Income £000	Expenditure £000	Net investment gains/ (losses) £000	Funds balance at end of year £000
Restricted fund					
Salvaire	185	-	-	-	185
Grant funds	106	-	-	-	106
Total restricted funds	291	-	-	-	291
Total unrestricted fund	226,259	5,951	(18,798)	17,539	230,950
Total funds	226,550	5,951	(18,798)	17,539	231,241

Represented by:	Fixed assets £000	Net current liabilities £000	Creditors >1 year £000	Net assets £000
Unrestricted fund	249,725	(15,218)	(3,558)	230,950
Restricted funds	-	291	-	291
	249,725	(14,927)	(3,558)	231,241

Restricted funds

During the 2019 year Tudor was asked to distribute the closing funds of Salvaire (charity number: 1150709) to charities working in the criminal justice sphere within the greater Sheffield area. Another fund of £106k, from an anonymous donor, was received in 2021 to distribute funds to a project in Uganda. As the trust has been closed for the grant making, no new grant commitments were made in 2023/24. There are plans in place to fully commit the restricted fund balance in the year 2024/25.

Notes to the Accounts

13. Movement in funds note (continued)

Unrestricted funds

Under the Articles of Association, Capital and Accumulated income are expendable at the trustees' discretion. The Trust has adopted a total return basis of investing. All unexpended funds are therefore held as unrestricted funds.

It is the trustees' current intention to monitor the value of the unrestricted funds in real terms to ensure that they can maintain the Trust's existing level of charitable donations and meet its outstanding grant commitments over future years.

13b. Movement in funds for the year ended 31 March 2023

	Funds balances at start of the year	Income	Expenditure	Net investment gains	Funds balance at end of year
	£000	£000	£000	£000	£000
Restricted fund					
Salvaire	185	-	-	-	185
Grant funds	106	-	-	-	106
Total restricted funds	291	-	-	-	291
Total unrestricted funds	264,422	5,646	(23,527)	(20,828)	226,259
Total funds	264,713	5,646	(23,527)	(20,828)	226,550

	Fixed assets £000	Net current liabilities £000	Creditors >1 year £000	Net assets £000
Unrestricted fund	251,441	(16,599)	(8,583)	226,259
Restricted funds	-	291	-	291
Represented by:	251,441	(16,308)	(8,583)	226,550

Notes to the Accounts

14. Reconciliation of net (expenditure) to net cash flow from operating activities

	2024	2023
	£000	£000
Net (expenditure) for the reporting period (as per the statement of financial activities)	(12,776)	(17,886)
Depreciation charges	64	62
Investment income	(5,951)	(5,645)
Other movements on social investments	(134)	52
Movement in Foreign exchange hedge	-	141
Movement in working capital:		
decrease in debtors	36	(36)
decrease in creditors	(471)	59
decrease in grant commitments	(5,928)	1,052
Cash outflow from operating activities	(25,161)	(22,201)

15. Analysis of cash and cash equivalents

	At 31	At 31
	March	March
	2024	2023
	£000	£000
Cash at bank and in hand	1,080	1,000
Investment cash	18,615	26,221
	19,696	27,221

16. Grant commitment reconciliation

	2024	2023
	£000	£000
Commitment at the start of the year		
Payable in less than one year (note 11)	17,034	16,467
Payable in more than one year (note 12)	8,583	8,098
	25,617	24,565
Grants committed during the year (note 5a)	15,760	20,426
Grants written back or adjusted (note 5a)	(274)	(137)
Grants paid during the year	(21,558)	(19,237)
Commitment at the end of the year		
Payable in less than one year (note 11)	15,987	17,034
Payable in more than one year (note 12)	3,558	8,583
	19,546	25,617

Notes to the Accounts

17. Operating lease commitments

The Trust's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	2024 £000	2023 £000
Payable within one year	87	86
Payable within two to five years	8	79
	<u>95</u>	<u>166</u>

During the 2022 year, Tudor entered into a new lease agreement for office premises with an annual charge of £86,400. The minimum term of the lease is three years. The Trust will be giving in notice in September 2024 to terminate the lease on 1 March 2025. In the March 2023, Tudor entered into a new lease agreement for the office equipment for three years with an annual charge of £8,064.

The minimum term of this lease is also three years.

18. Related organisations

In 2009 the Board agreed to finance the construction of a new family visitors' centre at HMP Wormwood Scrubs through The Family Centre Trust, a new charitable company.

The Tudor Trust is the sole member of the Family Centre Trust. All trustees of FCT are appointed by the Tudor Trust. When considering future appointments at least three trustees must be individuals who are neither directors of the Tudor Trust nor employed by the Tudor Trust.

The centre continued to operate throughout the year and transactions through FCT are now minimal. In March 2020, following a review, the trustees took the decision to wind the charity up and have instructed solicitors. FCT's balance sheet as at 31 March 2023, 2022 and 2021 is as follows; these entries have not been consolidated into the Tudor accounts in this accounting period.

	2024 £000	2023 £000
Cash at bank and in hand	17	17
Creditors: amounts due within one year	(4)	(4)
	<u>13</u>	<u>13</u>

19. Capital and other commitments

In December 2015, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund I. At this year's balance sheet date £375,247 of the commitment remained to be drawn.

In June 2018, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund II. At this year's balance sheet date £1,917,086 of the commitment remained to be drawn.

In May 2019, Tudor entered into a legal agreement with Social and Sustainable Capital to invest £1,500,000 into their Building Fund. In October 2020, a further £500,000 was committed to the Fund. At this year's balance sheet date £138,616 of the commitment remained to be drawn.

In January 2020, Tudor entered into a legal agreement with Charities Aid Foundation to invest £400,000 in their Venturesome Community Led Housing Fund. At this year's balance sheet date £250,000 of the commitment remained to be drawn.

Notes to the Accounts

20. Related party transactions

Christopher Graves was both the salaried director of Tudor and a trustee until 30 April 2023. Full details of his remuneration are set out in note 5.

There were no other related party transactions.

Notes to the Accounts

Note 21. Statement of Financial Activities for the previous year

(incorporating an income and expenditure account)

Year ended 31 March 2023

	Notes	Unrestricted 2023 £000	Restricted 2023 £000	Total 2023 £000
Income				
Donations	13	1	-	1
Investment income	2	5,646	-	5,646
Total income		5,647	-	5,647
Expenditure				
Costs of raising funds				
Investment Management Costs	3	860	-	860
Expenditure on charitable activities				
Grantmaking				
Grants approved	4/5a	20,426	-	20,426
Grants withdrawn	5a	(137)	-	(137)
Management of grants	5b	2,220	-	2,220
Professional support costs	5b	80	-	80
Governance costs	5b	83	-	83
Cost of grantmaking		22,672	-	22,672
Total expenditure		23,532	-	23,532
Net (expenditure)/income before gains and losses on investments		(17,886)	-	17,886
Net gains on investments	7	(20,282)	-	(20,282)
Decrease/(increase) in provisions on social investments	8	5	-	5
Surplus/(deficit) for the year and net movement in funds		(38,163)	-	(38,163)
Funds balance at beginning of year	13	264,422	291	264,713
Funds balance at the end of the year	13	226,259	291	226,550

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

THE TUDOR TRUST

England & Wales - Charity number 1105580

Accounts

THE TUDOR TRUST

Annual Report and Accounts
2022/23

Company number 5196041

Registered charity number

1105580

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Trustees' report for the year ended 31 March 2023

Tudor's principles

Tudor's principles underpin all aspects of our work and are intended to guide us as we reflect on our practice or consider challenging issues.

1. Supporting communities to drive their own positive change.
2. Investing in relationships as the foundation of all we do - starting from a position of trust and demonstrating that we can be trusted.
3. Listening with intent: always trying to hear the real voice.
4. Valuing people's time: acting quickly where helpful and taking time where needed.
5. Drawing on learning, creativity and experience to offer flexible, practical support to people, ideas and communities.
6. Making the most of our resources and independence and being open to challenge

Introduction

The Tudor Trust is an independent grant-making trust which has traditionally supported voluntary and community groups working to meet the needs of people at the margins of UK society. In this reporting year, our distinctive philosophy continued to be rooted in trusting those we support to be able to articulate the needs of the community. This is reflected in our commitment to ongoing core funding to build capacity and resilience in the sector.

In 2022/23, we have approved 276 grants with a value of over £20m and we are grateful to all our staff for their involvement in this. Not only do they ensure timely and fair grantmaking processes, they also work to maintain strong relationships with those we fund. We also continued to support the wellbeing needs of the organisations we fund as well as responding to their development needs.

In addition to our grant-making, we also went through a period of self-reflection through a series of internal staff and trustee facilitated events under the theme of “Reimagining” to better understand how mainstream models of grant-making risk reinforcing existing inequitable structures within the sector and wider society. A particular focus was on anti-racism and understanding what this means from an organisational perspective. Whilst difficult and sometimes uncomfortable, the Reimagining work generated rich learning and we remain committed to completing the vital process of change that we have begun.

A significant staffing change was that in February 2023, our long-standing Director, Christopher Graves, announced his retirement. Christopher’s remarkable contribution to Tudor and to the voluntary sector spanned nearly four decades. The appointment of an Interim Director, following Christopher’s departure, coincided with Trustees beginning the implementation of a long-standing decision to retire and refresh the whole Board. Though we were originally established as a family trust, we have for some time been exploring how we can transition into a new, more open and diverse structure and culture. A total Board refresh allows for significant changes to our governance, culture and long-term strategic grantmaking.

We very much look forward to sharing more with the sector as our plans continue to take shape.

Structure, governance and management

On 1st March 1955 Sir Godfrey Mitchell endowed a charitable trust with a gift of shares in the construction company George Wimpey. In 1979 this trust became known as The Tudor Trust. The Tudor Trust's governing document is its memorandum and articles (incorporated 3rd August 2004 and amended by special resolution(s) dated 29th May 2014). The Trust was incorporated as a company limited by guarantee on 1st April 2005, with all assets and liabilities of the previous Trust being transferred to the current legal entity on that date. The company is also registered with the Charity Commission (registered 20th August 2004).

Trustees

The Trust's trustees are listed on page 18 of this report. The Board of Trustees appoints the trustees and while the articles of association provide for a minimum of six and there are currently 6 trustees.

The composition of the Board is kept under review and if additional trustees are needed, we look to recruit new members with relevant skills and experience. An induction programme and trustee handbook are provided for all new trustees and as part of their introduction and subsequent induction a new trustee meets key staff and attends a wide range of meetings and committees. Trustees also receive updates and informal training through briefing papers and newsletters, by taking part in regular meetings and discussions with applicants and grant holders and through attending in-house discussion, training and skill-sharing sessions. No new trustees were appointed in the year under review. Nell Buckler and Roz Dunwell retired as trustees on 31st December 2022. Louise Collins retired as trustee on 31st March 2023.

Decision making

The Board of Trustees normally meets three times a year and holds ultimate responsibility for the Trust. The Board agrees the broad strategy of the Trust, reviews and confirms policy decisions, ratifies grant approvals, and discusses financial and investment issues. The following is the list of committees, sub-committees and groups that were live in this reporting year.

- The Trustee Committee review and develop grant-making policy, confirm grants and investigate and make decisions on more complex applications.
- The Investment Committee focuses on the development and implementation of Tudor's investment policy, asset allocation and the performance of investments, including social investments.
- The Audit Group and Remuneration Committee
- The Delegated Decision Committee considers straightforward requests for continuation funding, requests to reassess or 'flex' a grant during its term and recommendations for development grants and Africa Group capacity-building grants.
- Initial Assessments Decisions Committee consider and decide allocations of funding of a straightforward continuation request for an organisation, which doesn't require the level of further work. Grants are submitted for ratification to the Trustee Committee,
- The Agroecology Group (previously called the Africa Group) reviews and run a targeted grants programme promoting ecological agriculture in Zimbabwe,

Kenya, and Uganda. This group reports to the Trustee Committee.

Day-to-day operation of the Trust

The trustees delegate the day-to-day management and operation of the Trust to the Director and the Head of Finance and Resources, Head of Grant Making and Head of Research and Information. This management team implements policies and strategy on the trustees' behalf, giving direction and support to the staff.

Grant-making policy and aims

The Tudor Trust operates for the public benefit. The ultimate beneficiaries of the Trust are the people that the groups we fund work with and support, rather than the groups themselves. The trustees have considered the Charity Commission's general guidance on public benefit when reviewing Tudor's aims and objectives and when planning future activities, setting grant-making policy and making grants.

When Sir Godfrey Mitchell endowed the charitable trust with an expendable endowment, he specified that the trustees should be able to apply the funds to any charitable purpose. Over the years the breadth of these objects and powers has allowed the trustees to reassess how best we can make best use of Tudor's funds.

While we made no fundamental changes to our funding guidelines for 2022-2023, we did provide more guidance on some key issues including our particular focus on core funding, our thinking around reserves and our understanding of the challenges faced by groups in a time of great uncertainty.

Tudor doesn't only support 'direct work' in communities: we are also interested in funding social change and advocacy work challenging injustice and inequality, particularly where this is rooted in lived experience.

Whilst we continued to commit £20m in grants to organisations across the UK, we made a decision to focus on repeat funding for current grant holders and put a pause on new applications. This allowed for time to rethink our strategies and all our work through the lens of reimagining.

Our funding guidelines set out the Trust's aims in the UK as follows:

The Tudor Trust wants to support smaller groups, embedded in their communities, which work directly with people who are on the edges of mainstream society in ways which encourage inclusion, integration and independence.

We don't have specific funding programmes designed to advance a particular agenda as we think that the groups we support are best placed to identify problems and develop solutions.

Our funding guidelines are broad because we want to support the work that groups really want to do. We seek to give those organisations we support the opportunity and practical tools to do the work that they know is needed.

Objectives and activities

Over the year, Tudor continued to fund work across the UK which met our overarching aim of addressing the many different needs of people at the margins of society. A detailed breakdown of our grant making is available on our website or on request from the Trust.

Our responsive approach has enabled us to fund a broad range of organisations, focusing on a range of different issues across the UK including:

- Families and Friends of Prisoners to support children, parents and partners of prisoners at HMP Swansea.
- Recycling Unlimited to provide a supportive recovery space for people with mental health problems.
- Harrow Law Centre to provide legal support in North West London
- Signal Film and Media to provide arts activities for marginalised young people and adults in Barrow-in-Furness.
- Armagh Roma Traveller Support to provide family support to Traveller and Roma communities in Armagh, Northern Ireland

Achievements and Performance

We made 276 grants, totalling £20,014,000. This was primarily continuation funding for grant holders already in our grantmaking portfolio, reflecting our ongoing commitment to longer term funding and developing strong relationships with our grantees.

In addition to awarding a multi-year grant, grant holders were also offered a small wellbeing grant of £2,000. Wellbeing grants were introduced at the beginning of the pandemic, to provide groups the ability to offer wellbeing support to staff, trustees and volunteers. Having discovered through feedback, the value of these small grants in terms of responding to an unarticulated but clear need for groups to focus on wellbeing without having to justify the expenditure, we committed to continuing this practice. During the year 206 organisations and groups were given wellbeing grants to a total of £412,000.

Tudor is primarily a UK funder, but we also continued our targeted grants programme promoting ecological agriculture in Zimbabwe, Kenya and Uganda. In this year, we provide core funding to 11 organisations, totalling £456,204.

We also continued our work with five other funders - City Bridge Trust, Esmee Fairbairn Foundation, LankellyChase Foundation, Lloyds Bank Foundation for England and Wales and Paul Hamlyn Foundation and six local places - on LocalMotion. This is a long-term initiative to support local people to address social, environmental and economic injustices that they have identified. It has also been designed to help trusts learn as much as possible about how collective philanthropy can support long-term systemic change with local communities.

In April 2022 the Trust embarked on an ambitious 'Reimagining' process, intended to help it embed anti-racism both internally and externally and to rethink its offer to the community and voluntary sector. Closing to new applications made time and space for this work to take place, although we continued to provide support (including further funding) to the 700 plus grant holders that were live in our portfolio.

Over the course of the year, it became clear in all our learning across the Board and the staff, that there was a need for Tudor to transform into an organisation better equipped to distribute resources in a post pandemic context and with a deeper focus on inequity. This learning will be integral to our plans going forward as described below.

Looking Ahead

Following on from the year currently under review, in June 2023, an Interim Director was appointed to support the Trust to develop change plans to oversee governance and strategic changes across all of Tudor's work, including its grant making.

The Board felt the time was right to begin to implement their plans to exit as long-standing trustees of Tudor. They spent time understanding different models of governance and what it means to exit an organisation responsibly. In September 2023, work to exit the whole Board over a 12-to-18-month period, and recruitment for new trustees began.

In addition, long-standing staff who were ready to move on were also supported in their professional, personal and career development through coaching support and the option of an exit plan.

The next 18 months will focus on implementing change plans to ensure the transformation and long-term effectiveness of the Tudor Trust.

Changes to governance

- The Board will move from being deeply embedded in the grant making, to an oversight model which will allow for a greater focus on long-term strategy and investments.
- A new and more diverse Board with lived experience as well as the skills and competencies to implement strategies, systems and processes that

intentionally tackle inequity and racism.

- Responsible exit of long-standing trustees who are ready to retire, ensuring knowledge transfer and learning to be embedded.
- A review of all our sub-committees to ensure they are in line with other planned changes.

People Culture

- Overhaul of all our staff, trustee and volunteer policies, handbook and recruitment processes to ensure a robust implementation of Equity, Diversity, Inclusion and Behaviours
- Clearer support for all our staff and volunteers in their personal and professional development.
- A review of all our staffing structures and skill sets to ensure we are equipped to plan and implement a new strategy.

Grant making Strategy

- Formal closure of our existing strategy, with exit grants to enable current grant holders to business plan for their longer term sustainability.
- Continued support and engagement with our existing grant holders, and exploring ways in which they can contribute to strategy development.
- Research and wider engagement with stakeholders to develop a new strategy that builds on our long standing commitment to smaller groups and the grassroots, paying attention to race and intersectionality.
- Launch of a three year strategy that opens up some grantmaking, whilst allowing space for continued learning to develop a longer term strategy, looking out ten years.

Investments

- A review of our investments sub-committee and how we ensure a robust oversight of all our investments.
- Plans to further align our investments strategies to our longer term grant making strategies.
- Further investigation in social investments and ESG to understand how our strategies can be more intentionally aligned to our commitment to Equity, Diversity and Inclusion.

Operational systems

- Ensure the robustness and effectiveness of all our operating systems for a model of hybrid working. This includes maximising our use of office 365 tools and cloud based software to ensure a culture of collaboration and learning.
- A review of the best use of our office space, ensuring that it is a welcoming and productive space for all our staff, trustees and volunteers, as well as our external partners and stakeholders.

Financial review

During the financial year, Tudor focused on maintaining a high level of support to existing grant holders and was closed to new applications. For the year under review, Tudor's Board approved a grant commitment range of £19 million to £21 million. Over the year, Tudor entered new grant commitments to the value of £20.4 million (2022: 20.2 million), comprising 408, including wellbeing grants of £2k to 206 (2022: 292) individual grants.

Note 5 of the financial statements, provides further analysis of the grant commitments made in the year.

Throughout the year, trustees regularly reviewed the overall level of grants being committed: the level of funding recommended by the Initial Assessments Decisions Committee, Delegated Decisions Committee and the Grants Committees, and the level of funding approved by the Trustee Committee. Grants commitments remained within the upper limit of the budget set for the year, and the level of grant making undertaken by the various Committees was within the parameters set by the Board.

In line with a policy adopted some years ago, which is periodically reviewed, Tudor's expenditure continues to exceed its income. Net charitable expenditure for the year was £17.9 million (2022: £18.5 million) and was funded through capital withdrawals from the expendable endowment.

The trustees monitor the long-term real return of the portfolio and recognise that, in some years, this will result in the underlying value of the fund increasing and in other years diminishing. At this year's balance sheet date, the investments were valued at £247.5 million (2022: £284.8 million), reflecting pressures on the markets in the final quarter of the financial year. The market movement on investments has increased the year's net charitable expenditure position of £17.9 million to a deficit of £38.2 million (2022: £8.2 million).

Income earned on Tudor's investment portfolio this year has increased to £5.6 million (2022: £4.3 million).

As an endowed foundation, Tudor does not engage in public fundraising and does not use professional fundraisers or commercial participators.

Remuneration

The trustees consider the Board of Trustees, the Director, Head of Finance and Resources, Head of Grant Making and Head of Research and Information as the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. During the year four (2022: 5) of the trustees were remunerated, including Christopher Graves, Executive Director, and their remuneration is set out in note 5 to the accounts. This remuneration is paid in accordance with Tudor's memorandum.

Trustees are required to disclose all relevant interests and register them with the Head of Finance and Resources and, in accordance with the Trust's conflicts of interest policy, withdraw from decisions where a conflict of interest arises. The Chair reviews the conflicts of interest register.

The remuneration of the paid trustees, Director, Head of Finance and Resources, Head of Grant Making and Head of Research and Information is reviewed annually and usually increased in accordance with the Consumer Price Index including owner-occupied housing costs (CPIH). The trustees and Director's salary are reviewed by the Remuneration Committee and the staff salaries are reviewed by the Trustee Committee. Staff salaries are also benchmarked with grant-making charities of a similar size and activity on a regular basis to ensure that the remuneration set is fair and not out of line with that paid for similar roles.

Investments

Tudor has adopted an investment policy for its expendable endowment which seeks to optimise performance through a diversified asset portfolio applying a medium risk strategy. This is reflected in its asset allocation as shown in note 7. The performance of the portfolio is monitored monthly and reviewed on a quarterly basis by the Investment Committee. At these meetings trustees discuss investment strategy and asset allocation. Investment performance and market trends are discussed with the Trust's investment managers at regular meetings.

Tudor has operated a responsible investment policy for 21 years. It seeks to invest in companies that demonstrate socially responsible values, and which offer the potential for sustainable growth in the future. This positive, long-term approach to investing is a key part of the strategy for the portfolio. Negative screening, where industry sectors or companies are excluded from investment, may limit future opportunities - however some investments are not held as they are inimical to the work of the Trust.

Tudor remains a long-term social investor in ameliorating society's ills and its investment strategy continues to look for long-term performance rather than short-term gain. The trustees believe that taking a responsible, long-term approach to investment will ultimately improve returns.

Sarasin manages a global equity portfolio for Tudor: the Responsible Fund. At the year-end Tudor's equity portfolio was valued at £169.9 million (2022: £193.4 million). Liontrust manages Tudor's SRI Corporate Bond Fund, which was valued at £43.65 million (2022: £55.2 million) at the year end.

A combination of prior year withdrawals from the investment portfolio and current year repayments from the Paloma Real Estate Funds I II and III have sustained Tudor's activities in the year. In addition; to rebalance the portfolio, £19 million (2022: £12.5 million) was taken out of equities during the year. This was to guard against markets overheating and to ensure that Tudor was not a forced seller in turbulent markets.

The market value of Tudor's investments at 31st March 2023 was £250.5 million (2022: £287.3 million), including social investments. The portfolio at this date comprised 68% UK and global equities, 18% fixed interest holdings, 3% in Real Estate Funds, 10% in cash and 1% as social/unlisted investments (2021: 67%, 19%, 4%, 9% and 1% respectively).

Cash flow requirement is reviewed at each Investment Committee meeting.

During the year in review, the financial markets have had some periods of growth but have, in the main, been somewhat volatile. As Tudor holds an overseas equity portfolio the Investment Committee has agreed to allow Sarasin to hold limited forward foreign exchange positions to mitigate, partly, the effect of sterling movements. Valuations

have seen large swings in the year, sometimes on a monthly basis. We end the year with an investment loss totaling to £20.2 million (2022: £10.3 million gain).

Tudor's portfolios are all managed against a range of indicators and benchmarks deemed to be appropriate by the trustees. The trustees are committed to seeking good long-term performance from the funds and therefore monitor the performance of the equity portfolio against the MSCI All Countries World Daily.

During the year the Responsible Fund underperformed its benchmark by 4.5% for the year (2022: underperformance of 4.4%). The Corporate Bond Fund is managed against a bespoke benchmark and during the year has outperformed its benchmark by 1.27% (2021: outperformance of 1.12%). The Investment Committee continues to review and discuss performance on a quarterly basis.

Social investments

Tudor has been interested in using part of its endowment for social investment for a number of years. The trustees have continued to discuss how social investment might enhance Tudor's work and how this is best reported. We look for good opportunities for social investment which are closely aligned with Tudor's aims but are mindful of the time and resources well-judged social investment requires and the need to balance this with Tudor's core work as a grant maker operating in a difficult funding environment. At the year end the value of social investments held was £3.02 million (2022: £2.5 million), representing 1.21% (2022: 0.87%) of the endowment.

The trustees review the value of social investments annually and this year agreed to close and dispose two funds, Gloucestershire Gateway Trust and Comrie Development Trust.

Reserves

Under the terms of the Trust Deed, the Unrestricted Fund is expendable at the trustees' discretion. All unexpended funds are therefore held in the Unrestricted Fund. The trustees intend to continue monitoring the value of the Fund in real terms to ensure that they are able to achieve both income and capital appreciation so as to maintain the existing level of charitable giving for the foreseeable future. At the year end the value of unrestricted reserves held was £226 million (2022: £264.4 million).

Risk management

The trustees are responsible for establishing and monitoring internal control systems within the Trust. They review the major risks which may impact on the operations of the Trust on an ongoing basis and are satisfied that the system of internal controls currently in place is adequate, whilst recognising that it is designed to manage rather than eliminate risk. Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the Trust.

The trustees continue to consider the principal risk to the Trust is that of not fulfilling its core purpose: good grant making. Failure to maximise the opportunities afforded an independently endowed grant maker would be damaging to the communities we work with and those we might work with in the future. In order to mitigate this, we regularly review our grant-making practices and monitor and evaluate grants made.

Tudor's resources are also subject to the unpredictability of the financial markets. To

mitigate this risk the trustees, review the asset allocation and fund performance at each Board meeting. The Trust also retains expert investment managers. Lack of resources would affect our ability to make available as much funding support as we might like and to deliver the objectives set out in our funding guidelines.

Auditor

Sayer Vincent LLP has indicated its willingness to continue in office.

Statement of trustees' responsibilities

The trustees (who are also directors of The Tudor Trust for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and

- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees of Tudor Trust on 26 January 2024 and signed on their behalf by:

DocuSigned by:
Matthew Dunwell
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Matt Dunwell
Chair

Independent auditor's report to the members of The Tudor Trust

Opinion

We have audited the financial statements of The Tudor Trust (the 'charitable company') for the year ended 31 March 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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 charitable company 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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 Audit Group, 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.

Use of our report

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



Joanna Pittman (Senior statutory auditor)
30 January 2024

for and on behalf of Sayer Vincent LLP, Statutory
Auditor Invicta House, 110 Golden Lane, LONDON,
EC1Y 0TG

Reference and administrative information

The Tudor Trust is a charitable company limited by guarantee, incorporated in the United Kingdom, Company Number 5196041 and Charity Number 1105580. The principal and registered office address is 7 Ladbroke Grove, London W11 3BD. Website: www.tudortrust.org.uk

Trustees of the Tudor Trust

Catherine Antcliff (Retired 29 th November 2023)	Matt Dunwell * # (Chair from 23rd August 2022)
Holly Baine * #	Roz Dunwell (Retired 31st December 2022)
Monika Barlow * #	Christopher Graves * # (Retired 30th April 2023)
Jonathan Bell #	James Long * #
Nell Buckler * (Retired 31st December 2022)	Francis Runacres
Louise Collins (Retired 31st March 2023)	Ben Dunwell * # (Retired 29 th November 2023)
Elizabeth Crawshaw # (Retired 29 th November 2023)	

** member of the Trustee Committee; # member of the Investment Committee*

Executive Director

Christopher Graves * # (retired 30th April 2023)
Raji Hunjan * # (appointed 5th June 2023)

Associates of the Tudor Trust

John Wilson Associate - Africa

Bankers

Barclays Bank PLC
Marble Arch Corporate
Banking PO Box 32016
London NW1H 2ZH

Auditor

Sayer Vincent LLP
Invicta House
110 Golden Lane
London EC1Y 0TG

Investment managers, advisers and custodian

Liontrust
8 West Marketgait
Dundee DD1 1QN

Sarasin & Partners LLP
(including provision of equity custodian services)
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

Solicitors

Bates Wells LLP
10 Queen Street Place
London EC4R 1BE

Russell-Cooke LLP
2 Putney Hill
London SW15 6AB

Statement of Financial Activities
 (incorporating an income and expenditure account)
 Year ended 31 March 2023

	Notes	Unrestricted 2023 £000	Restricted 2023 £000	Total 2023 £000	Total 2022 £000
Income					
Donations		1	-	-	399
Investment income	2	5,645	-	5,645	4,323
Total income		5,646	-	5,646	4,725
Expenditure					
Costs of raising funds					
Investment Management Costs	3	860	-	860	1,118
Expenditure on charitable activities					
Grantmaking					
Grants approved	4/5a	20,426	-	-	20,207
Grants withdrawn	5a	(137)	-	(137)	(12)
Management of grants	5b	2,220	-	2,220	1,799
Professional support costs	5b	80	-	80	83
Governance costs	5b	83	-	83	28
Cost of grantmaking		22,672	-	22,672	22,105
Total expenditure		23,532	-	23,532	23,224
Net (expenditure)/income before gains and losses on investments					
		(17,886)	-	(17,886)	(18,499)
Net gains on investments	7	(20,282)	-	(20,282)	10,382
(Increase)/decrease in provisions on social investments	8	5	-	5	(69)
(Deficit)/surplus for the year and net movement in funds					
		(38,163)	0	(38,163)	(8,186)
Funds balance at beginning of year	13	264,422	291	264,713	272,899
Funds balance at the end of the year	13	226,259	291	226,550	264,713

The statement of financial activities includes all gains and losses recognised in the year.
 All incoming resources and resources expended derive from continuing activities.
 A copy of the 2022 Statement of Financial Activities is included at note 21

Company number: 5196041

Balance Sheet

As at 31 March 2023

	Notes	2023 £000	2022 £000
Fixed Assets			
Investments	7	247,531	284,836
Social investments	8	3,023	2,503
Tangible assets	9	887	898
		251,441	288,236
Current Assets			
Debtors	10	294	258
Cash at bank and in hand		1,000	1,293
		1,294	1,551
Current liabilities			
Creditors: amounts falling due within one year	11	(17,602)	(16,976)
Net current liabilities		(16,308)	(15,425)
Total assets less current liabilities		235,133	272,811
Creditors: amounts falling due after more than one year	12	(8,583)	(8,098)
Net assets		226,550	264,713
Funds			
Unrestricted fund	13	226,259	264,422
Restricted fund	13	291	291
		226,550	264,713

The financial statements were approved and authorised for issue by the Trustees of the Tudor Trust on 26 January 2024 and signed on their behalf by:

DocuSigned by:

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Matt Dunwell
 Trustee/Director

Statement of Cash Flows

Year ended 31 March 2023

	2023 £000	2022 £000
Net cash used in operating activities (note 14)	(22,201)	(21,457)
Cash flows from investing activities:		
Interest and dividends	5,645	4,323
Proceeds from sale of investments	70,297	66,634
Purchase of investments	(51,639)	(54,016)
Forward foreign exchange transactions	(1,682)	(702)
Repayments from social investments	69	141
Purchase of social investments	(636)	(465)
Purchase of fixed assets	(52)	(27)
Net cash provided by investing activities	22,002	15,888
Change in cash and cash equivalents in the year	(199)	(5,569)
Cash and cash equivalents at the beginning of the year	27,420	32,989
Cash and cash equivalents at the end of the year (note 15)	27,222	27,420

Notes to the Accounts

1. Accounting policies

a Basis of accounts 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 Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Tudor is a public benefit entity as defined by FRS 102. Tudor is also a Charitable company limited by guarantee and is incorporated in the United Kingdom. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The registered office address is 7 Ladbrooke Grove, London, W11 3B0.

In view of the level of investments held at the balance sheet date the trustees are of the opinion that the Trust is a going concern. The trustees consider this at each board meeting and are of the view that the Tudor Trust will remain able to meet its commitments as they arise for a period of at least 12 months from the date of this report. The Trust has no material uncertainties.

The results of the subsidiary The Family Centre Trust have not been consolidated with the Trust's accounts in the year to 31 March 2022 or prior year. This is due to the immaterial nature of the transactions through this charity during the year. Further details of the Family Centre Trust are given in note 18.

b Investments

All investments are stated at market value. It is the Trust's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the Statement of Financial Activities (SOFA) only includes those unrealised losses or gains arising from the investment portfolio throughout the year. Any change in fair value will be recognised in the statement of financial activities.

Notes to the Accounts

1. Accounting policies

During the year Tudor has taken sterling hedge positions against the effect of fluctuations in the Euro and US dollar as Tudor's equity portfolio is mainly held in these currencies. Provisions are recognised on a monthly basis. The hedge position is realised on a quarterly basis and the resulting cash movement is recognised through the SOFA. The accounting policy for financial instruments is included as note 1 l).

Social investments are carried at fair value where practicable otherwise at cost less impairment. Such investments are subject to regular review, and any diminution is charged to the SOFA. Investments valuations are not enhanced to more than original cost. Tudor considers all social investments to be mixed motive investments, rather than programme related investments.

c Investment income

Investment income is stated on an accruals basis and includes the related tax credit. As a charity the Trust has an exemption to income tax and capital gains tax granted by HM Revenue and Customs..

d Voluntary income

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.

e Tangible fixed assets

Fixed assets acquired with a value below £1,000 are evaluated for capitalisation based on the economic benefit derived in use. All other assets are capitalised on acquisition.

The value of freehold land cannot be separately identified as such the entire cost of the freehold property is depreciated. The impact of this is not material. Depreciation is calculated to write-off the cost less residual value of tangible assets on a straight-line basis over their estimated useful economic lives as follows:

Freehold building	Fifty years
Furniture, fittings and equipment	Five to ten years
Computer equipment	Three to five years

f Resources expended

i. **Cost of generating funds**

The fees due in respect of investment managers' services are charged against income as the cost of generating funds.

Notes to the Accounts

1. Accounting policies

ii. Charitable donations

Grants awarded are charged in full against income when a grant has been approved by the Trustee Committee and communicated to the recipient;

hence the Trust is considered to have a legal or constructive obligation, irrespective of the time period it may cover. Grants awarded but unpaid at the balance sheet date are recognised as grant commitments under creditors. Grants withdrawn or cancelled in the year are credited against new grant commitments made in the same year.

iii. Support costs

All expenditure incurred in the course of grant making is shown as support costs. Resources

iv. Governance costs

Governance costs relate to direct expenditure incurred in compliance with the constitutional and statutory requirements of the Trust. Due to the way in which the Trust works it is difficult to attribute a meaningful breakdown of staff costs and other support costs relating to governance work.

g Exchange gains and losses

All realised and unrealised exchange gains and losses on investments are accounted for in the SOFA.

h Leased assets

The cost of operating leases is charged to the Statement of Financial Activities on a straight line basis.

i Pension schemes

The Trust makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the Trust in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The Trust has no liability under the schemes other than the payment of those contributions.

j Funds

All unexpended funds are held in the General Fund (expendable endowment) which can, under the terms of the Trust Deed, be used at the discretion of the trustees.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure

k VAT Status and Irrecoverable VAT

Tudor cannot be registered for VAT. All VAT suffered by the Trust is irrecoverable and all expenditure is stated gross of VAT.

Notes to the Accounts

1. Accounting policies

l Financial instruments

With the exception of the listed investments described above and derivative financial instruments as described below, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Trust uses forward foreign currency contracts to reduce exposure to foreign exchange rates. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives at the reporting date are taken to the relevant income/expenditure heading(s) in the SoFA as appropriate.

The Trust does not currently apply hedge accounting for foreign exchange derivatives.

m Cash at bank and in hand

Cash at bank and cash in hand includes the regular bank account. 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 are reported within fixed asset investments as cash, but are included within the statement of cash flows as cash and cash equivalents.

Notes to the Accounts

2. Investment income

	2023 Total £000	2022 Total £000
Dividends and Interest		
Equity investments	2,404	2,279
Fixed interest	1,852	1,807
Real Estate Fund distributions	889	175
Social investments	58	49
Misc income	51	-
Bank interest	390	13
	5,645	4,323

3. Investment management costs

	2023 £000	2022 £000
Investment management fees	856	1,113
Accountancy fees re tax reclaims	4	4
	860	1,118

4. Analysis of grants by classification

	% by number of grants	Number	2023 Total £000	% by number of grants	Number	2022 Total £000
Grants by classification						
Youth	12	32	2,264	9	25	1,652
Older People	2	5	328	3	8	529
Community	55	153	11,202	49	144	10,480
Relationships	11	29	1,922	11	31	1,932
Housing	4	10	917	5	15	914
Mental Health	7	19	1,492	8	23	1,311
Substance Misuse	-	1	63	4	11	895
Learning	1	2	125	1	4	326
Financial Security	1	2	205	1	3	260
Criminal Justice	4	12	1,040	5	15	1,088
Overseas	4	11	456	4	13	820
Wellbeing (£2k)		206	412			
	101	482	20,426	100	292	20,207

A full list of grants is available from the Trust's website <http://tudortrust.org.uk/downloads> or by application for a printed copy.

Notes to the Accounts

5. Expenditure

a) Grants approved

	2023 Number	2023 £000	2022 Number	2022 £000
Mainstream grants approved during the year	276	20,014	288	20,199
Immediate support grants made during the year	-		2	4
Wellbeing grants made during the year	206	412	2	4
Grants cancelled or adjusted during the year	(4)	(137)	(3)	(12)
	478	20,289	289	20,195

The number of cancelled grants in the year was 7 (2022: 1), adjustments were made to 2 other grants (2022: 2).

b) Resources expended

	2023 Total £000	2022 Total £000
Management of grants		
Staff costs	1,686	1,347
Office expenses	133	130
Depreciation	62	60
Accommodation costs	132	55
IT costs	113	113
Trustee remuneration	85	93
Trustees' expenses	9	1
	2,220	1,799

Professional support costs	80	83
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Professional support costs include amounts paid to consultants and professional advisors who are providing beneficiaries with expert support. They also include costs associated with work around new grantmaking approaches and the implementation of Tudor's values.

Governance costs

Legal & professional fees	62	10
Auditor's remuneration	21	18
	83	28

Notes to the Accounts

5. Expenditure (continued)

The Trustees are reimbursed for out-of-pocket travel and subsistence expenses. During the year, 5 trustees (2022: three) received reimbursement of £8,875 (2022: £1,235) for travel expenses, subsistence and overnight accommodation.

There is provision in the Memorandum of Association that no more than half of the trustee board can be offered reasonable remuneration. Members of the Trustee Committee can work up to 60 days a year for the Trust with other trustees working up to 25 days.

	2023	2022
	Total	Total
	£000	£000
	£	£
James Long	30	26
Monica Barlow	30	26
Shilpa Shah	-	24
Holly Baine	25	10

In addition on 4th July 2014, following a change to Tudor's memorandum, the Charity Commission gave its consent to remunerate Christopher Graves (a trustee) in his role as Executive Director of the Trust. This is a role that he held on an unpaid basis for a number of years. His remuneration in the year was £105,406 (2022: £102,958) and Tudor made contributions of £11,595 towards his pension (2022: £20,587). In the year, his hours were brought more in line with pre-pandemic levels.

The Executive Director's remuneration costs are included in the employment costs note. The other trustees' remuneration costs are shown separately as part of the management of grants costs.

None of the other trustees received remuneration.

c) Net expenditure for the year

	2023	2022
	Total	Total
	£000	£000
This is stated after charging:		
Operating leases	77	16
Auditor's remuneration (net of VAT) - statutory audit	18	15
Depreciation	63	60

Notes to the Accounts

6. Employment costs

	2023	2022
	£000	£000
Wages and salaries	1,211	1,070
Termination payments	130	
Social Security costs	159	121
Pension costs	187	192
	1,686	1,383

The average head count for the year was 23.3 (2022: 21). The average full-time equivalent number of employees during the year was 18.2 (2022: 18).

The following number of employees received employee benefits (excluding employer pension costs and employer national insurance) during the year between:

	2023	2022
	£000	£000
£60,000 - £69,999	1	1
£70,000 - £79,999	2	-
£80,000 - £89,999	-	1
£90,000 - £99,999	-	1
£100,000 - £109,999	1	1
£300,000 - £310,000	1	-

Tudor considers that its key management personnel are the trustees, the Director, the Head of Finance and Resources, the Head of Grantmaking and the Head of Research and Information. The total employment benefits of the key management personnel (including employer national insurance and employer pension contributions) were £ 752,386 (2022: £535,795).

7. Investments

	2023	2022
	£000	£000
Fair value of investments at 1 April	284,836	291,451
Purchases at cost made during the year	51,639	54,016
Sales proceeds on disposal	(70,297)	(66,634)
Forward foreign exchange transactions in year	1,682	721
(Decrease)/Increase in investment cash held	(47)	(5,101)
Net gain on change in fair value	(20,282)	10,382
Fair value of investments at 31 March	247,531	284,836

With the exception of the Unlisted UK fixed interest investments and Unlisted Jersey-based Real Estate Fund all investments are listed investments.

Notes to the Accounts

7. Investments (continued)

Fair value comprised:

	2023 £000	2022 £000
UK equity investments	27,350	21,691
UK fixed interest investments	43,655	55,177
Overseas equity investments	142,258	171,687
Foreign exchange hedge	183	42
Cash on deposit awaiting investment held in the UK	26,038	26,085
Unlisted Jersey-based Real Estate Fund	8,047	10,153
	247,531	284,836

Derivative financial instruments - foreign exchange contracts

The Trust enters into foreign currency contracts to mitigate the exchange risk for certain foreign currency transactions within its equity investment portfolio. At 31 March 2023 there were 2 (2022: two) open currency commitments.

The forward currency contracts are measured at fair value using quoted forward exchange rates.

8. Social investments

	2023 £000	2022 £000
Value of investments at 1 April	2,503	2,327
Additions during the year	636	465
Sales proceeds on disposal	(69)	(141)
Conversion of social investment to grant	(40)	(50)
Net expenditure including management fees	(12)	(29)
Provisions against investments	5	(69)
Value of social investments at 31 March	3,023	2,503

Social investments comprise of:

	2023 £000	2022 £000
Charity Bank Limited	455	455
Charities Aid Foundation Community Land Trust Fund I	16	25
Charities Aid Foundation Community Land Trust Fund II	247	197
Charities Aid Foundation Venturesome	238	254
Charities Aid Foundation Venturesome Community Led Housing Fund	89	123
Comrie Development Trust	-	50
Ethical Property Company	170	170
Fair for You	250	250
Gloucestershire Gateway Trust	-	50
Social and Sustainable Housing	1,558	929
Value of social investments at 31 March	3,023	2,503

The value of the social investments at the end of year is shown at cost less amounts either provided for or written off. The trustees review the value of the investments annually and where necessary make provisions.

Notes to the Accounts

9. Tangible fixed assets

	Freehold land & building £000	Furniture, fittings & equipment £000	Computer equipment £000	Total £000
Cost				
At 1 April 2022	2,145	169	77	2,391
Additions in the year	-	35	17	52
Assets written off in year	-	-	-	-
At 31 March 2023	2,145	204	94	2,443
Depreciation				
At 1 April 2022	1,299	133	62	1,494
Charge for the year	43	10	10	63
At 31 March 2023	1,342	143	72	1,557
Net book value at 31 March 2023	803	61	22	886
Net book value at 31 March 2022	846	36	15	897

All fixed assets are used for charitable purposes.

10. Debtors

	2023 £000	2022 £000
Accrued investment income	231	211
Other debtors and prepayments	63	47
	294	258

Notes to the Accounts

11. Creditors: amounts falling due within one year

	2023 £000	2022 £000
Grants payable (note 16)	17,034	16,467
Trade creditors	91	27
Taxation and Social Security	2	35
Other creditors	17	167
Accruals	458	280
	<hr/> 17,602	<hr/> 16,976

12. Creditors: amounts falling due after more than one year

	2023 £000	2022 £000
Grants payable in 2 - 5 years (note 16)	8,583	8,098

13. Movement in funds for the current year

	Funds balances at start of the year £000	Income £000	Expenditure £000	Net investment gains/ (losses) £000	Funds balance at end of year £000
Restricted fund					
Salvaire	185	-	-	-	185
Four Acre Trust	-	-	-	-	-
Grant funds	106	-	-	-	106
Total restricted funds	<hr/> 291	<hr/> -	<hr/> -	<hr/> -	<hr/> 291
Total unrestricted fund	<hr/> 264,422	<hr/> 5,646	<hr/> (23,527)	<hr/> (20,282)	<hr/> 226,259
Total funds	<hr/> 264,713	<hr/> 5,646	<hr/> (23,527)	<hr/> (20,282)	<hr/> 226,550

Represented by:	Fixed assets £000	Net current liabilities £000	Creditors >1 year £000	Net assets £000
Unrestricted fund	251,441	(16,599)	(8,583)	226,259
Restricted funds	-	291	-	291
	<hr/> 251,441	<hr/> (16,308)	<hr/> (8,583)	<hr/> 226,550

Restricted funds

During the 2019 year Tudor was asked to distribute the closing funds of Salvaire (charity number: 1150709). In keeping with its objects Tudor has committed to distribute the £302,000 received during 2019 and 2020 from Salvaire as new grant commitments to charities working in the criminal justice sphere within the greater Sheffield area. In the year, two new grant commitments were made.

Notes to the Accounts

13. Movement in funds note (continued)

Restricted funds (continued)

During the 2022 year Four Acre Trust agreed to contribute to Tudor's grant making to youth projects. In the current year Four Acre funds covered grants totalling £399,000 (in 2021 the funds covered grants totalling £400,000), which were made through our normal grant making process.

During the 2021 year funds to the equivalent of £106,204 were received as a contribution towards a Tudor-funded project in Kampala, Uganda. The implementing partner is expected to draw down these funds across two financial years.

Unrestricted funds

Under the Articles of Association, Capital and Accumulated income are expendable at the trustees' discretion. The Trust has adopted a total return basis of investing. All unexpended funds are therefore held as unrestricted funds.

It is the trustees' current intention to monitor the value of the unrestricted funds in real terms to ensure that they can maintain the Trust's existing level of charitable donations and meet its outstanding grant commitments over future years.

13b. Movement in funds for the year ended 31 March 2022

	Funds balances at start of the year	Income	Expenditure	Net investment gains	Funds balance at end of year
	£000	£000	£000	£000	£000
Restricted fund					
Salvaire	302	-	117	-	185
Four Acre Trust	-	399	(399)	-	-
Grant funds	106	-	-	-	106
Total restricted funds	408	399	(516)	-	291
Total unrestricted funds	272,491	4,326	(22,777)	10,382	264,422
Total funds	272,899	4,725	(23,293)	10,382	264,713

	Fixed assets £000	Net current liabilities £000	Creditors >1 year £000	Net assets £000
Unrestricted fund	288,236	(15,716)	(8,098)	264,422
Restricted funds	-	291	-	291
Represented by:	288,236	(15,425)	(8,098)	264,713

Notes to the Accounts

14. Reconciliation of net (expenditure) to net cash flow from operating activities

	2023 £000	2022 £000
Net (expenditure) for the reporting period (as per the statement of financial activities)	(17,886)	(18,499)
Depreciation charges	62	60
Investment income	(5,645)	(4,323)
Other movements on social investments	52	79
Movement in working capital:	141	-
decrease in debtors	(36)	12
increase in creditors	59	164
increase in grant commitments	1,052	1,050
Cash outflow from operating activities	(22,201)	(21,457)

15. Analysis of cash and cash equivalents

	At 1 April 2022 £000	At 31 March 2023 £000
Cash at bank and in hand	1,293	1,000
Investment cash	26,127	26,221
	27,420	27,221

16. Grant commitment reconciliation

	2023 £000	2022 £000
Commitment at the start of the year		
Payable in less than one year (note 11)	16,467	15,204
Payable in more than one year (note 12)	8,098	8,311
	24,565	23,515
Grants committed during the year (note 5a)	20,426	20,207
Grants written back or adjusted (note 5a)	(137)	(12)
Grants paid during the year	(19,237)	(19,145)
Commitment at the end of the year		
Payable in less than one year (note 11)	17,034	16,467
Payable in more than one year (note 12)	8,583	8,098
	25,617	24,565

Notes to the Accounts

17. Operating lease commitments

The Trust's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	2023 £000	2022 £000
Payable within one year	86	81
Payable within two to five years	79	166
	<u>166</u>	<u>247</u>

During the 2022 year, Tudor entered into a new lease agreement for office premises with an annual charge of £86,400. The minimum term of the lease is three years. In the previous year, Tudor entered into a new lease agreement for office equipment with an annual charge of £8,985.

The minimum term of this lease is also three years.

18. Related organisations

In 2009 the Board agreed to finance the construction of a new family visitors' centre at HMP Wormwood Scrubs through The Family Centre Trust, a new charitable company.

Tudor's director Christopher Graves and trustee Nell Buckler are two of the three directors of this company. During the 2010 year Tudor committed a grant of £1.35m to FCT for the costs of developing the family and visitors' centre. Practical completion was achieved on 18 May 2011 and the centre was donated to the Ministry of Justice on 29 June 2011.

The Tudor Trust is the sole member of the Family Centre Trust. All trustees of FCT are appointed by the Tudor Trust. When considering future appointments at least three trustees must be individuals who are neither directors of the Tudor Trust nor employed by the Tudor Trust.

The centre continued to operate throughout the year and transactions through FCT are now minimal. In March 2020, following a review, the trustees took the decision to wind the charity up and have instructed solicitors. FCT's balance sheet as at 31 March 2023, 2022 and 2021 is as follows; these entries have not been consolidated into the Tudor accounts in this accounting period.

	2023 £000	2022 £000
Cash at bank and in hand	17	17
Creditors: amounts due within one year	(4)	(4)
	<u>13</u>	<u>13</u>

19. Capital and other commitments

In December 2015, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund I. At this year's balance sheet date £375,247 of the commitment remained to be drawn.

In June 2018, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund II. At this year's balance sheet date £1,917,086 of the commitment remained to be drawn.

In May 2019, Tudor entered into a legal agreement with Social and Sustainable Capital to invest £1,500,000 into their Building Fund. In October 2020, a further £500,000 was committed to the Fund. At this year's balance sheet date £1,005,207 of the commitment remained to be drawn.

In January 2020, Tudor entered into a legal agreement with Charities Aid Foundation to invest £400,000 in their Venturesome Community Led Housing Fund. At this year's balance sheet date £250,000 of the commitment remained to be drawn.

Notes to the Accounts

20. Related party transactions

Christopher Graves is both the salaried director of Tudor and a trustee. Full details of his remuneration are set out in note 5. Tudor has four other paid trustees; all of whom are non executive, details of their remuneration is also set out in note 5.

There were no other related party transactions.

Notes to the Accounts

Note 21. Statement of Financial Activities for the previous year

(incorporating an income and expenditure account)
Year ended 31 March 2022

	Notes	Unrestricted 2022 £000	Restricted 2022 £000	Total 2022 £000
Income				
Donations	13	3	399	402
Investment income	2	4,323	-	4,323
Total income		4,326	399	4,725
Expenditure				
Costs of raising funds				
Investment Management Costs	3	1,118	-	1,118
Expenditure on charitable activities				
Grantmaking				
Grants approved	4/5a	19,691	516	20,207
Grants withdrawn	5a	(12)	-	(12)
Management of grants	5b	1,799	-	1,799
Professional support costs	5b	83	-	83
Governance costs	5b	28	-	28
Cost of grantmaking		21,589	516	22,105
Total expenditure		22,708	516	23,224
Net (expenditure)/income before gains and losses on investments		(18,382)	106	(18,276)
Net gains on investments	7	10,382	-	10,382
Decrease/(increase) in provisions on social investments	8	(69)	-	(69)
Surplus/(deficit) for the year and net movement in funds		(8,069)	(117)	(8,186)
Funds balance at beginning of year	13	272,491	408	272,899
Funds balance at the end of the year	13	264,422	291	264,713

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

THE TUDOR TRUST

England & Wales - Charity number 1105580

Accounts

THE TUDOR TRUST

**Annual Report and Accounts
2021/2022**

Company number 5196041

Registered charity number 1105580

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Trustees' report for the year ended 31 March 2022

Tudor's principles

Tudor's principles underpin all aspects of our work and are intended to guide us as we reflect on our practice or consider challenging issues. In the year under review - the second year of the Covid pandemic - these principles helped us as we interpreted and reacted to an unstable environment and changing circumstances.

- 1. Supporting communities** to drive their own positive change
- 2. Investing in relationships** as the foundation of all we do - starting from a position of trust and demonstrating that we can be trusted
- 3. Listening with intent:** always trying to hear the real voice
- 4. Valuing people's time:** acting quickly where helpful and taking time where needed
- 5. Drawing on learning, creativity and experience to offer flexible, practical support to people, ideas and communities**
- 6. Making the most of our resources and independence and being open to challenge**

At many points these principles helped shape our responses to the challenges facing both the organisations and communities we support, and Tudor itself. However there were also times during the year when we have had to recognise that we haven't fully lived up to these principles, and that we need to recalibrate. Our plans for a 'reset' during 2022-2023, when Tudor's trustees and staff will work together to revisit and redefine our vision for the Trust, flow in part from this knowledge.

Introduction

Tudor supports smaller-scale groups working all over the UK, addressing a huge range of issues. As we entered the second year of the Covid 19 pandemic these organisations were often exhausted and depleted but continued to demonstrate huge commitment and focus as they served communities and individuals reeling from the interlocking social, emotional and financial trauma unleashed by the pandemic, while also facing the additional challenge of increasing costs.

We continued to be inspired by their determination to make a real and lasting difference in the communities in which they work, their flexibility and responsiveness, and their commitment to their communities at a time of deep uncertainty. It was our privilege to be able to provide some of the support that groups need, taking a trusting, flexible and straightforward approach which built on our original pandemic response. Sustaining organisational wellbeing remained a priority: in the year under review we developed our thinking around how we can continue to support the groups we fund around this issue, in response to the evaluation of the wellbeing grants programme we delivered in 2020-2021.

The staff team continued to work with great commitment and adaptability to sustain our day-to-day grant making in difficult circumstances. While we intended to move towards hybrid working, even two days a week working from the office proved difficult to sustain as we moved in and out of different phases of the Covid pandemic. The first few months of the year brought other challenges, first with a fire and then water damage in our building. Though both of these events compromised our IT infrastructure, the skilful and focused response of Tudor's Resources Team meant that work was able to continue with minimal interruption. The Resources Team then built on this emergency response by successfully implementing a number of complex projects, including the introduction of protocols for Covid-secure working, a move to a cloud-based IT system and upgrades to both our telephone network and our database, all of which meant that we ended the year a more secure, and more resilient, organisation.

As we moved out of the 'emergency' phase of the pandemic the need to make small immediate support grants, to help grant holders meet urgent needs in their communities, began to fall away. We focused on providing stability by making new longer-term grants, primarily towards core costs, while also flexing (whether by increasing or extending) some of our existing grants to help groups react quickly to changing needs. For example, in Autumn 2021 we gave additional funding to five refugee and asylum seeker groups, without the requirement for a formal application, to help increase their capacity as they responded to increased demand relating to the Afghan refugee crisis.

Racial inequity and injustice continued to be a focus in the year under review, with trustees and staff undertaking a period of guided work to help us explore our own understanding of racism and white supremacy culture and think through how Tudor needs to change to move towards becoming an anti-racist organisation. This work uncovered some deep challenges around Tudor's internal culture which required focused attention, both to provide a more inclusive environment for

racialised staff within Tudor and to create a stronger foundation for our work with diverse communities externally. How we are with each other needs to inform the kind of grant maker we aspire to be.

As we moved through the year it became clear that we lacked the time and space to fully engage with the crucial challenges raised by this anti-racism work, and with other key issues too. For example, our wider approach to diversity, equity and inclusion; how we can share power more equitably across the different strands of our work; and our response to climate change all need thought. The demands of day-to-day grant making and grant management work, at a time when groups needed more support than usual, left little space for the focused strategic work which was urgently required. In October 2021 the Board therefore considered and agreed a proposal to intentionally ringfence some time so that the whole of Tudor could take part in a 'Reimagining' process throughout 2022-2023.

During the second half of the year we developed our plans and made the difficult decision that the only way in which we could free up the kind of time needed to undertake this work would be to reduce our direct grant making during 2022-2023. We decided to close temporarily to new applications for the year from April 2022 to March 2023, while remaining open to continuation funding requests from groups we are already funding. This decision was not taken lightly: we know the pressure under which the voluntary and community sector is operating, and that finding the funding needed to sustain crucial work is becoming increasingly difficult. However Tudor's trustees feel strongly that we need to pause, reflect and listen to ensure that we have a shared vision of who we are, the role we want to play and who the trust's beneficiaries might be in the future.

We announced our temporary closure to new applicants in January 2022: this inevitably led to an enormous increase in applications as March approached, with a thousand arriving in that month alone. While the run up to this closure, and the first couple of months of the current year, were demanding this period offered a real opportunity for Tudor's three staff teams - Information, Resources and Grants - to work together to respond to a massive increase in enquiries and receive, assess and respond to this huge volume of applications.

This has been a difficult year for the Trust, as it has for many other organisations: two years of maintaining 'business as usual' during the pandemic has caused significant stress and exhaustion. Both staff and trustees have faced their own individual challenges during different phases of the pandemic; systemic weaknesses in the way we work have been revealed and we have been frustratingly aware of the internal work needed to address power imbalances within the organisation, while lacking the capacity to address this properly. While painful, this disruption needs to be seen as an opportunity: the trustees are confident that there is the appetite within Tudor to face our challenges squarely and to come together to develop a vision and approach which will unlock the potential of everyone within the organisation, allowing us to provide better, more thoughtful support to groups doing crucial work to build and sustain their communities.

Structure, governance and management

On 1st March 1955 Sir Godfrey Mitchell endowed a charitable trust with a gift of shares in the construction company George Wimpey. In 1979 this trust became known as The Tudor Trust. The Tudor Trust's governing document is its memorandum and articles (incorporated 3rd August 2004 and amended by special resolution(s) dated 29th May 2014). The Trust was incorporated as a company limited by guarantee on 1st April 2005, with all assets and liabilities of the previous Trust being transferred to the current legal entity on that date. The company is also registered with the Charity Commission (registered 20th August 2004).

Trustees

The Trust's trustees are listed on page 55 of this report. The Board of Trustees appoints the trustees and while the articles of association provide for a minimum of six there are currently 13 trustees. In accordance with the articles, one-third of the trustees retired from office and offered themselves for reappointment at the annual general meeting of the company on 27th October 2021. Trustees over the age of 70 serve for a term of one year, retiring from office and offering themselves for reappointment at each annual general meeting, if they so wish.

The composition of the Board is kept under review and if additional trustees are needed, we look to recruit new members with relevant skills and experience. An induction programme and trustee handbook are provided for all new trustees and as part of their introduction and subsequent induction a new trustee meets key staff and attends a wide range of meetings and committees. Trustees also receive updates and informal training through briefing papers and newsletters, by taking part in regular meetings and discussions with applicants and grant holders and through attending in-house discussion, training and skill-sharing sessions. No new trustees were appointed in the year under review.

Carey Weeks resigned as a trustee in October 2021, with Shilpa Shah stepping down in March 2022. Both Carey and Shilpa will be greatly missed by both their fellow trustees and by the staff team. Carey's straightforward and thoughtful approach, her positivity, and ability to get to the heart of an issue by asking the right questions have been hugely valuable over the last few years. Shilpa brought great insight, wisdom and warmth to her work as a trustee, and has helped the Trust begin to shift from a binary 'either/or' approach towards more open 'both/and' thinking. We are delighted that Shilpa will be staying alongside Tudor over the year ahead, taking the role of independent facilitator during the Reimagining.

Decision making

The **Board of Trustees** normally meets three times a year and holds ultimate responsibility for the Trust. The Board agrees the broad strategy of the Trust, reviews and confirms policy decisions, ratifies grant approvals and discusses financial and investment issues. A number of committees, sub-committees and groups support the work of the Trust.

- The **Trustee Committee** currently has eight members and reports directly to the Board. It normally meets every four weeks to review and develop grant-making policy, confirm grants and investigate and make decisions on more complex applications. The Trustee Committee also oversees the operation and activities of the Trust, whilst leaving the day-to-day decision-making to the management team.
- The **Investment Committee** currently has six members and reports directly to the Board. It meets quarterly, focusing on the development and implementation of Tudor's investment policy, asset allocation and the performance of investments.
- The **Audit Group and Remuneration Committee** also report directly to the Board.
- The **Delegated Decision Committee** meets every four weeks, reporting to the Trustee Committee. A member of the management team, usually the Director of the Trust, chairs the meeting, with other Grants Managers (in rotation) being members. The remit of the Delegated Decision Committee is to consider straightforward requests for continuation funding, requests to reassess or 'flex' a grant during its term and recommendations for development grants and Africa Group capacity-building grants.
- **Grants Meetings** report to the Trustee Committee and consider the majority of grant applications put before trustees. Two to three Grants Meetings take place every four weeks, with three or four trustees taking part in each meeting, alongside staff.
- The **Africa Group** runs a targeted grants programme promoting ecological agriculture in Zimbabwe, Kenya and Uganda, focusing on strengthening sustainable agriculture networks by resourcing centres of good practice and farmer-to-farmer learning. This group reports to the Trustee Committee.
- The **Complexity Friendly Funding Group** engages in learning and action research in order to gain insight into what complexity-informed practice might look like in Tudor's context, with the aim of improving our grant making practice when supporting groups working in increasingly complex environments. This group reports to the Trustee Committee.
- The **Children and Young People's Group** focuses on developing Tudor's approach to engaging with children and young people and exploring how we can be a better funder of youth-led work. The group continued a listening and learning exercise with young people from youth-led organisations culminating in a listening session involving all Tudor's trustees and staff in November 2021. The Children and Young People's Group also reports to the Trustee Committee.

In 2021-2022 55% of funding committed over the year was agreed at Grants Meetings, 24% by the Delegated Decisions Committee, 15% by the Trustee Committee, 3% by the Board and 3% by the Africa Group. This breakdown is within the parameters set by the Board.

Day-to-day operation of the Trust

The trustees delegate the day-to-day management and operation of the Trust to the Director and the Head of Finance and Resources, Head of Grant Making and Head of Research and Information. This management team implements policies and strategy on the trustees' behalf, giving direction and support to the staff. The Tudor Trust has three staff teams:

- The **Resources Team** maximises the effective use of the Trust's resources by managing its overall finances, investments, IT infrastructure and systems, human resources and the working environment.
- The **Grants Team** is responsible for the grant-making process through assessing new proposals, engaging with applicants, presenting applications to trustees and managing the grants portfolio.
- The **Information Team** is responsible for the effective management of Tudor's first-stage application process and for internal and external learning, communications, information and research work.

Grant-making policy and aims

The Tudor Trust operates for the public benefit. The ultimate beneficiaries of the Trust are the thousands of people that the groups we fund work with and support, rather than the groups themselves. The trustees have considered the Charity Commission's general guidance on public benefit when reviewing Tudor's aims and objectives and when planning future activities, setting grant-making policy and making grants.

When Sir Godfrey Mitchell endowed the charitable trust with an expendable endowment, he specified that the trustees should be able to apply the funds to any charitable purpose. Over the years the breadth of these objects and powers has allowed the trustees to reassess how best we can make use of Tudor's funds, when this feels necessary.

While we made no fundamental changes to our funding guidelines for 2021-2022, we did provide more guidance on some key issues including our particular focus on core funding, our thinking around reserves and our understanding of the challenges faced by groups in a time of great uncertainty. We also clarified that Tudor doesn't only support 'direct work' in communities: we are also interested in funding social change and advocacy work challenging injustice and inequality, particularly where this is rooted in lived experience.

Our funding guidelines set out the Trust's aims in the UK as follows:

The Tudor Trust wants to support smaller groups, embedded in their communities, which work directly with people who are on the edges of mainstream society in ways which encourage inclusion, integration and independence.

We don't have specific funding programmes designed to advance a particular agenda as we think that the groups we support are best placed to identify problems and develop solutions.

Our funding guidelines are broad because we want to support the work that groups really want to do. We seek to give those organisations we support the opportunity and practical tools to do the work that they know is needed.

Objectives and activities

Over the year Tudor funded work across the UK which met our overarching aim of addressing the many different needs of people at the margins of society. We also made grants in Africa under a targeted programme. Details of all the grants we made over the year are given in our *Grants List 2021-2022*, available on our website (www.tudortrust.org.uk) or on request from the Trust.

Our aim as a funder is to respond to the needs identified by our applicants, providing some of the resources they need to achieve their aims and make a positive difference within their communities. This responsive approach means that the grants we made during 2021-2022 supported a wide range of organisations across the UK including:

- A self-help charity in Glasgow led by and for racialised women.
- A men's shed project in the Causeway Coast and Glens area of Northern Ireland.
- A Roma-led organisation running a centre for the whole community in Peterborough.
- A CIC in Leeds taking a gendered approach to establishing and supporting user-led support groups for people experiencing mental ill health.
- A charity using gaming to engage with autistic young people around the UK.
- A CIC in Devon, led by lived experience, working with young people with care experience.

Achievements and performance

At the beginning of the year under review Tudor's key objectives were:

- To make around 300 grants committing between £19 million and £21 million, supporting smaller-scale, community-based organisations to do the work they identify as most needed.
- To make grants reaching people at the margins of society.
- To develop our approach to relational funding, continuing to be an open, enabling and flexible grant maker providing useful and appropriate support to grant holders and applicants.
- To start our journey towards becoming a more inclusive, anti-racist organisation.
- To continue working towards becoming a 'learning organisation'.
- To continue to make the most effective use of the Trust's resources.

To make around 300 grants committing between £19 million and £21 million

Comparisons with the previous year are more complex than usual as in that year, 2020-2021, we made many more grants than usual: 1,052 grants which included 705 'exceptional' small Covid-related grants. To allow for sensible comparison some analysis within this annual report is therefore based solely on our 'mainstream' grant making in 2020-2021: the 347 grants made under our usual funding guidelines.

- In March 2021 Tudor's Board approved a grant commitment range of £19 million to £21 million. Over the year we made **292 grants** (2021: 1,052 overall; 347 mainstream) totalling **£20.2 million** (2021: £21.4 million overall; £20.1 mainstream).
- Average grant size increased to **£72,627** (2021: £57,799 mainstream).
- When smaller-scale grants (staff grants, development grants and Africa capacity-building grants) are discounted the total number of grants made reduced to **261** (2021: 310 mainstream) with an average grant size of **£77,011** (2021: £64,377). This growth in average grant size recognises the challenges groups on the ground are facing as they work to meet increasing demand while also dealing with spiralling costs themselves.

To make grants which support smaller-scale, community-based organisations to do the work they identify as most needed

Grants by region 2021-2022

<u>Region</u>	<u>Number of Grants</u>	<u>Value of Grants</u>	<u>Percentage by Value</u>	<u>Percentage of UK Population</u>	<u>Grant per head</u>
					(UK only)
East Midlands	12	£809,000	4%	7%	£0.17
Eastern	15	£1,054,000	5%	9%	£0.17
London	37	£2,151,275	11%	13%	£0.24
North East	17	£1,138,500	6%	4%	£0.43
North West	34	£2,456,100	12%	11%	£0.33
Northern Ireland	8	£620,500	3%	3%	£0.33
Scotland	24	£1,654,500	8%	8%	£0.30
South East	12	£771,390	4%	14%	£0.08
South West	15	£967,500	5%	8%	£0.17
Wales	12	£918,800	4%	5%	£0.29
West Midlands	11	£823,650	4%	9%	£0.14
Yorkshire & the Humber	22	£1,803,900	9%	8%	£0.33
National/multi-regional	59	£4,216,500	21%	NA	NA
Overseas	14	£821,522	4%	NA	NA
Total	292	£20,207,137	100%	NA	NA

- Tudor’s responsive approach mean that we see fluctuations in grants going to different parts of the UK from year to year. When reviewing our ‘give’ per region at the end of the year we focus on the grant per head figure, rather than the actual value of grants made, so that we can assess the spread of our grant commitments in relation to population figures.
- Comparing the percentage by value of our give with the percentage of UK population suggests that a grant per head figure of £0.30 represents an appropriate level of give, purely in line with population. So 8% of our funding by value went to Scotland last year, where 8% of the UK’s population lives. Our give in the North West, Northern Ireland, Wales and Yorkshire and Humber this year was at a similar level, so roughly in line with population figures.
- Our funding guidelines note that we aim to support organisations ‘rooted in overlooked and neglected areas where funding is hard to come by’. Although the largest proportion of grants by number - 13% - went to London the level of funding in terms of the grant per head decreased in the year under review: from £0.30 per head to £0.24 per head. Over the last few years we have attempted to rebalance of the level of our funding going to

London, believing that the London voluntary and community sector is better served than many other areas by dedicated ‘place-based’ funders.

- Tudor is committed to supporting smaller organisations which are embedded in their communities. In 2021-2022 58% of our grants went to organisations with an annual expenditure of less than £250,000 (2021: 56% mainstream). 85% of our grants went to organisations spending less than £500,000 a year (2021: 79% mainstream).
- We are interested in making grants which respond directly to the priorities identified by our applicants and also want fund in ways which strengthen the whole organisation, rather than just a particular aspect of their work. For most of the groups who apply to us this means they are looking for core funding - so a grant covering things like key salaries and day-to-day running costs. In 2021-2022, by value, 91% of our mainstream revenue grants went towards core costs, rather than to specific projects (2021: 88% mainstream).
- We recognise the benefits that unrestricted funding provides to organisations - the ‘no strings attached’ money which enables them to respond effectively to changing circumstances and make their own decisions on where funding is best placed at any particular time. Giving unrestricted grants demonstrates trust in the people doing the work and respect for their expertise and knowledge. Tudor is committed to making more grants on an unrestricted basis, though it is important to note that because we fund groups operating under a wide range of legal structures we can’t always do this. In the year under review 24% of our core grants were made on an unrestricted basis (2021: 15% mainstream).
- In 2021-2022 26% of our UK grants went to community centres and resource centres, community development groups, community food projects, community gardens and growing schemes and local advice and advocacy projects - reflecting the trustees’ wish to back those crucial local organisations which support people going through tough times and which help keep communities strong, resilient and connected.

To make grants reaching people at the margins of society

- Tudor’s funding guidelines emphasise our commitment to supporting work which addresses marginalisation, however our applicants decide to define it, while also explaining how this sits alongside the other key characteristics and qualities we are looking for in the organisations we fund. The principle of ‘*Supporting communities to drive their own positive change*’ underpins the approach we take when deciding which applications should go forward. While we support work which addresses marginalisation and exclusion, we are particularly interested in organisations which do this by recognising and unleashing the strengths and potential held within their communities - taking an asset-based rather than deficit-focused approach. In many cases their ability to do this is rooted in the lived experience of those steering the organisation.

- Alongside our funding for ‘neighbourhood’ work addressing marginalisation within local communities, Tudor also supports groups which respond to marginalisation in a more targeted way, by working within particular communities of interest. So in 2021-2022 14% of our grants went to groups providing support to refugees, asylum seekers and migrants, 12% to work with a mental health focus, 5% towards work with people involved in the criminal justice system and 5% to groups working with people with disabilities.
- As already noted, over the year under review Tudor’s trustees and staff continued to reflect on how we can embed racial equity more firmly into our grant making. Historically, while we have monitored the proportion of our grants going towards targeted work with Black, Asian or other Minority Ethnic communities, we haven’t been able to identify how much of our funding was going to groups *led* by members of racialised communities.
- In April 2021 we therefore introduced a new question on organisational leadership within the first-stage application, asking applicants to tell us whether most of their trustees/ directors/management committee members were drawn from the community they serve. Applicants could select any number of options from multiple descriptors - for example led by BAME people, led by Deaf or disabled people, led by lived experience or ‘neighbourhood’ led - on the basis that communities intersect and groups are often working across a range of different issues.
- Our hope was that responses to this question would give us a better sense both of who is applying to us and who we are funding - and not funding. In practice the information we gathered was not as reliable as we might have hoped. Not all applicants answered these questions and it appears that the guidance on what we meant by ‘community led’ or ‘user led’ was not always understood in the way we had intended, so we haven’t been able to use this information in the nuanced way we had hoped, for instance looking at who we are saying no to as well as who we are funding. We want to develop a better approach to gathering and using this information as we review our work more widely over the year ahead.
- Nevertheless, the data relating just to approved grants appears strong enough to give an indication of the direction of travel. In the year under review, 26% of our UK grants by number (2021: 20% mainstream) and 27% by value (2021: 24% mainstream) went towards work focused on BAME communities. Alongside this, 21% of our grants by number, and 24% by value, went to groups which told us they were led by people from racialised communities.
- We were also interested in understanding how many of the groups we fund are ‘user-led’, asking applicants to tell us if most of the people leading their organisation have lived experience of the issues they exist to address. Gaining a sense of the lived experience at the heart of an organisation is just one thing we aim for when we assess applications: we can and do make

grants to organisations which might not be viewed as ‘user-led’ under this definition, but which are still embedded in and highly responsive to the communities they serve. However, in 2021-2022, 36% of our grants by number, and 42% by value, went to groups which described themselves as user-led.

- Tudor is primarily a UK funder, but we also run a targeted grants programme promoting ecological agriculture in Zimbabwe, Kenya and Uganda. This programme is led by our Africa Group - a special interest group made up of trustees and staff - and focuses on strengthening sustainable agriculture networks by resourcing centres of good practice and farmer-to-farmer learning. In 2019-2020 the Group ‘reset’ its relationship with all of its regularly funded organisations by committing core grants running over five years. This resulted in grant commitments totalling £2.2 million, with these core grants running until 2025. In the year under review the Africa Group focused on sustaining and developing these core funding relationships, and nurturing strategic collaborations, committing £586,500 (2021: £401,000) in grant funding over the year.

To develop our approach to relational funding, continuing to be an open, enabling and flexible grant maker offering useful and appropriate support to grant holders and applicants

- It is our view that ‘how’ we fund is just as important as ‘what’ we fund. Relationships form the foundation for our work and these relationships are stronger when based on mutual understanding and trust. Four of our key principles therefore relate strongly to the ‘how’ of our grant making: *Investing in relationships; Listening with intent; Valuing people’s time and Using learning, our experience and creativity to offer flexible support to communities.*
- Over the last few years we have worked hard to develop our relational funding approach: getting to know and supporting the people who make up an organisation; being as accessible as possible; working in an open, trusting and flexible way and trying to provide support ‘beyond the funding’, where that is helpful. We built on and intensified this relational funding approach as the pandemic hit in March 2020, signing up to London Funders’ *We Stand with the Sector* statement, pledging to listen to our grant holders, adapt activities, outcomes and timeframes, and offer flexibility around how funding was used. In February 2021 we became a founding member of IVAR’s *Open and Trusting Grant Making* community of practice, committed to ensuring that gains made around simplified and flexible funding aren’t lost as we move beyond the immediate Covid crisis.
- In the year under review Tudor’s grants managers looked after a portfolio of around 850 active grants. As groups emerged from the emergency phase of the Covid pandemic they found themselves working in an environment of increased demand and complexity, working with individuals and communities experiencing stress and trauma. Many organisations were also

dealing with internal difficulties, struggling to deliver their work due to staff and volunteer sickness, or facing funding challenges. Grants managers worked to help groups respond to changing circumstances in many different ways: by adjusting grants periods, agreeing a change of use for a grant, unrestricting grants, revising payment schedules and sometimes flexing the size of a grant.

- Grants managers offered guidance and support on issues such as governance, organisational development, financial management or evaluation, either directly or by connecting the grant holder with an organisation which can provide more specialist advice. Where more intensive and expert support is needed grants managers can recommend a development grant - a small grant intended to help strengthen a particular aspect of an organisation. In 2021-2022 we made 10 development grants which allowed groups to buy in specialist consultancy to address a variety of governance, strategic and financial issues. We also 'flexed' 14 grants, either increasing the amount of funding made available within the grants term or extending the grant for a further period without the need for a formal application.
- Both development grants and flex grants emerge from the relationships that grants managers establish with their grant holders, and their understanding of the challenges they are facing. These relationships are usually nurtured in quite a low-key way through grants managers keeping in touch, suggesting useful contacts and resources, listening and acting as a sounding board. They may also (if asked) offer an external perspective on challenging issues
- We introduced on-line applications from 1st April 2021, with the aim of simplifying things for applicants while also streamlining administration, freeing up staff time to focus on more relational work with applicants and grant holders. This transition was successfully achieved, thanks to focused work from Tudor's Information and Resources Teams, who paid particular attention to providing helpful guidance to applicants who might be less comfortable with applying in this way. Email and telephone support was offered to anyone who needed this, and we also encouraged groups to contact us if making an application on-line was difficult for them, so we could agree a different way of applying.
- We know we are at our least relational at the first stage of our application process. Although we are 'open' for pre-application phone calls (something we know many applicants really value) we do not currently give focused feedback to the many applicants we turn down at first stage. This can lead unsuccessful applicants to feel that their time has not been valued, and that they haven't been 'listened to': both things we identify as important through our principles.
- This issue was brought into sharp focus towards the end of the year when we received 1,000 applications in March, before we closed to new applications from 1st April. While we had been clear in communicating that

we wouldn't be taking forward significantly more applications than usual in the run up to the closure, saying 'no' to the vast majority of these applications was challenging, and we know that many applicants were disappointed to receive a 'standard' email response to their application. Over this one-month period just one in 16 applications progressed to second stage, compared to one in seven over the previous 11 months. As we review our approach over the next year, we will be thinking about how we can develop funding guidelines which give a clearer sense of the kind of work we want to fund, while also providing a stronger framework for giving constructive feedback to applicants.

- During the year under review we maintained some new practices we had introduced during the first year of the pandemic to 'make space' for more relational work with grant holders - more trustees involvement at the 'pre decision' stage; lighter-touch due diligence; more streamlined paperwork and more exploratory and open discussions at grants meetings. We were keen to resist the temptation to 'play it safe' at a point when things felt less certain by making shorter-term grants, or by focusing our attention on groups we already funded and so knew well. It felt important that any 'risk' should sit with us as funder, rather than with groups already working under great pressure.
- We therefore continued to make the longer-term grants which give organisations stability and security in challenging times. In the year under review 52% of our grants were made over three years or more (2021: 38% mainstream). Alongside this, we wanted to remain an open and accessible funder, placing trust in organisations we hadn't funded before even when working in a lighter-touch way. In the year under review 39% of the groups we funded were entirely new to us (2021: 33% mainstream).
- We know that timely decision making is greatly valued by applicants: in 2021-2022 it took us an average of 21 days (2021: 23 days) to assess a first-stage application and tell the applicant whether or not it would progress to the second stage. This is well within the one-month target we specify in our funding guidelines. We also aim to let applicants know whether or not they have received a grant within four months of receiving their application. In the year under review it took us an average of 83 days to reach a final decision on a grant, from the date the application was received.
- We have always prioritised face-to-face engagement with applicants and grant holders, involving both staff and trustees in visits and in meetings at our office. In the year under review visiting was still largely impossible, but we continued to undertake assessment calls and catch ups on Zoom, often involving trustees, or colleagues from other teams, in these calls alongside grants managers. This additional capacity allowed us to maintain a degree of 'face-to-face' contact, while also allowing more people from across Tudor to listen in an unmediated way to applicants, getting a stronger sense of the people behind the application and adding another perspective

to the discussion at decision-making stage.

- As reported last year, in December 2020 we responded to the increasing strain organisations were under as a result of the pandemic by offering small wellbeing grants of £2,000 to 635 of our current grant holders. This was intended to provide groups with some resource to draw on to help them address staff, volunteer and trustee wellbeing. In September 2021 we asked the 614 groups who accepted the grant to respond to a short on-line survey, to help us understand the difference these grants had made, how they were used and their impact on individuals and organisations. We were also interested in their experience of receiving the grant and what grant holders thought we, and other funders, could do to support organisational wellbeing in future.
- We discovered that the wellbeing grants responded to an unarticulated but clear need, providing an opportunity for groups to focus on wellbeing without having to justify the money or time spent either to themselves, or externally. Ring-fencing the funding sent a clear message that it was OK to prioritise wellbeing, but the flexibility built in to the offer meant that groups could respond in a way that recognised their own particular needs. Ultimately groups reported that the grants made a significant difference to both individual and organisational wellbeing, and that they supported their organisation to deliver its charitable purpose: 82% of respondents to the survey said that the grant had ‘helped to support team/organisational culture’ and 73% said that it ‘helped us work more effectively by reducing stress and tension’.
- Moving beyond the immediate impact of the grant, we also asked grant holders how they felt Tudor, and other funders, could support organisational wellbeing in future. Many respondents were keen that we should look at building focused funding for wellbeing into our general grant making. So in January 2022 a Wellbeing Grants Group, drawn from Tudor’s three teams, came together to act on this feedback and develop a proposal around adding an additional restricted grant to support organisational wellbeing to all grants approved during 2022-2023. Trustees agreed this proposal in March 2022. Over the year ahead we will trial offering a £2,000 wellbeing grant to all groups receiving a mainstream grant from us, to be spent at any time over the term of their main grant.
- Groups were also keen that we should share learning from these grants: we did this by making the evaluation report *The Tudor Trust wellbeing grant: one year on*, available on our website and by blogging and tweeting about the lessons learned. Organisations felt that this piece of work might influence other funders to think more about organisational wellbeing. We were pleased to share our thinking with a number of funders over the year, and to learn that they had offered similar support to their grant holders.
- Looking at the bigger picture, however, it is interesting to note that many grant holders felt that funding in a relational way already demonstrates a

commitment to organisational wellbeing. By ensuring that organisations are properly resourced - with flexible, multi-year funding - and by developing grant making and funding processes which don't unduly burden groups doing the work on the ground, funders can help stop organisations becoming overworked and overstressed in the first place. Funding in a relational way - with trust, flexibility and openness - can be an effective way of ensuring that a group has the capacity to deliver effectively while reducing the unnecessary pressures which can impact on organisational wellbeing.

To start our journey towards becoming a more inclusive, anti-racist organisation

- In the year under review Tudor continued its journey towards a better understanding of racism, the inequity it perpetuates and how it can be dismantled. Guided by external facilitators, staff and trustees took part in a series of workshops, with a different focus for those who are Black, Asian or from other minority groups, and those who are White. These sessions culminated in a review and reflection day for both trustees and the staff team in September 2021. Our facilitators then shared their reflections and recommendations in a report on anti-racism work within Tudor in October 2021.
- This report made challenging and often painful reading. As a funder, our default is to jump to the external, focusing on how we can embed racial equity in our grant making and be a better funder of groups experiencing structural racism. This perhaps feels easier than thinking about where power is held within Tudor, how whiteness operates as an unspoken norm within the organisation and how our working culture reinforces racial inequity and marginalises racialised colleagues.
- The report urged us to resist the temptation to look outwards too quickly, but instead to focus real time and attention on Tudor's internal structures, processes and relationships. This is what we intend to do during the initial phase of the Reimagining year, focusing primarily on rebuilding and strengthening relationships, and our capacity to support and challenge each other, as we move towards becoming a more inclusive and anti-racist organisation.
- In the last months of 2021, building on a recommendation within this report, a small group, led by our Head of Finance and Resources Aabida Mohmed and trustee Shilpa Shah, undertook the groundwork required to set up a Racial Justice Organising Group within Tudor. This group, established in early 2022, is currently made up of white staff and trustees who are working to develop approaches to strengthen psychological safety for racialised colleagues, so that everyone within Tudor feels fully able to contribute to the life of the Trust. Aabida and Shilpa have continued to support and guide the work of the group. We are still working to reach a point where colleagues from racialised communities feel able to take part in this work.

To continue working towards becoming a ‘learning organisation’

- For much of the year under review we were supported in our learning work by IVAR, who acted as our learning partner while Annie Salter, Tudor’s Learning and Communications Manager, was on maternity leave. This was a positive and productive relationship, and we very much valued the insight, thoughtfulness and wider external perspective Katie Turner, who held much of the work, brought to our thinking around learning.
- *“Tudor wants to use learning practices to explore how communities drive their own positive change and how we can best support them. By prioritising learning, as an organisation and as individuals, we intend to invest in this exploration and act on what we learn.”* This is Tudor’s learning intention, agreed by staff and trustees in early 2020. Throughout the year under review we continued to make space for reflection and learning in our day-to-day work, centred learning in some key pieces of work and supported our grant holders as they used their learning to provide the most appropriate support to their communities, always with the intention of moving from learning into action.
- The weekly initial assessment meeting, where we decide which applications will be taken to second stage, remained central to our learning in the year under review. Reviewing and discussing a wide range of applications from all over the UK provides valuable opportunities for sharing knowledge, comparing different approaches and both questioning and developing our thinking around the characteristics we look for in the organisations we fund.
- In the run up to the Reimagining, and our temporary closure to new applications, discussions around particular applications also helped us identify some of the key issues we want to think about over the year ahead: how can we make sure we are really listening to the communities we want to support? What do we really mean when we talk about lived experience, or work which is user-led? How can we be more accessible and get better at reaching into communities we’re not hearing from? What would it take for Tudor to make progress on becoming an anti-racist funder?
- Our four-weekly grants meetings are another point where our values of *Listening with intent* and *Drawing on our learning, creativity and experience to offer flexible, practical support* come into play. Trustees and staff think through how we can best support and learn from the groups we’re discussing, with these conversations informing our grant decisions. Space is made within each grants meeting to talk through any wider issues which have emerged and which may need further discussion, and to reflect on any particular positives or challenges within the meeting itself. More widely, we’ve also focused on making space for learning and reflection within our regular team and project meetings: this approach has been pioneered by the Resources Team who have dedicated time to developing

their listening and learning practices.

- We have always valued learning directly from our applicants and grant holders, dedicating time around our grants meetings for a wider programme of face-to-face meetings with groups, allowing us to hear directly from those working in communities or to learn more about issues which are less familiar to us. There was less space for this kind of learning meeting in the year under review: as we emerged from our immediate pandemic response the focus quickly shifted onto the internal work we needed to do to prepare the ground for the Reimagining. Tudor's trustees came together to discuss issues including what Tudor can contribute as an independent grant-making trust; the longevity of the trust; trustee responsibilities; Tudor's journey towards becoming an anti-racist organisation; and devolving and sharing power as a grant maker.
- Tudor is a generalist grant maker supporting a diverse range of organisations working across many different issues. This open access approach means that it isn't possible for us to evaluate the overall 'difference' our grant making makes to society as a whole. However we are interested in learning from our individual grants and in using that learning to inform our relationships with applicants, grant holders and the wider sector, and adjust and improve our wider practice and approach. We also aim to support our grant holders to develop approaches to monitoring and evaluation that work for them and which help them reflect on their work, and learn and improve.
- We usually ask our grant holders for written reports, which we read, respond to and learn from. However things have shifted over the last couple of years - partly as we tried to reduce pressure on our grant holders during the pandemic and partly in response to wider work, instigated by IVAR, around making grant reporting a more meaningful and mutually beneficial experience. So while many groups reported in writing as usual, we also offered different options: shorter written reports followed up with a phone call; no written report at all, just a phone call or Zoom meeting; reports written for other funders; shared reporting, with a group of funders agreeing the basis for a single report and in some cases, funding released on the basis of regular catch-up conversations rather than a year-end report.
- All of this reflects a wider shift in our own thinking. Over the last few years we have become less interested in ticking off outcomes as we read a report, and more focused on gaining a better understanding of how an organisation learns, and how it uses that learning to develop its work and approach. The groups we support seem to understand - whether instinctively or intentionally - that 'what works' isn't set in stone: 'what works' when supporting one person might not for another, and 'what worked' pre pandemic might not work now. These groups measure to learn and improve, rather than to 'prove' to others that they are effective. Ultimately, we trust that organisations know what they are doing and why

they are doing it. It must therefore make sense that they adapt and flex in response to changing circumstances rather being pressured to ‘deliver’ against outcomes set in very different times.

- Our wider thinking about learning and evaluation (both for ourselves and for our grant holders) continued to be informed by the work of two special interest groups - the Complexity Friendly Funding Group and the Children and Young People’s Group. The Complexity Friendly Funding Group is investigating how Tudor might be a more creative funder of groups working in complex environments, and how we can think about accountability in different ways. The work of this group is rooted in Toby Lowe’s research at Northumbria University, exploring trust-based funding in complex systems.
- We continued to work with a small group of grant holders already working in complexity, to develop and test a more complexity-friendly funding approach. We also remained a member of a case study cohort which forms part of Northumbria University’s programme of action research around the ‘Human, Learning, Systems’ approach. Beyond this, we continued to see ‘complexity-friendly’ approaches manifesting in our regular grant making, as grants managers focused on working in a more relational and flexible way with all our grant holders as, by necessity, they navigated ever more complex systems and circumstances.
- During the year members of the Children and Young People’s Group continued to build relationships with young people from three youth-led organisations: Castlemilk Youth Complex, Peer Power and Comics Youth. While the group was keen to understand more about the issues that are important to these young people and how we can better support youth leadership, we also learnt a huge amount from the way in which these young people engaged with us, particularly when the groups designed and ran listening sessions for all of Tudor’s staff and trustees in November 2021. These sessions were energising and powerful and challenged us around how we can address the power dynamic between funded and funder, build more reciprocal relationships and be better listeners. Children and Young People’s Group members also contributed to the work of The Listening Fund, a pooled fund managed by The Blgrave Trust, which aims to make the youth sector more accountable to the young people it exists to serve.

To consider how we can make the most effective use of the Trust’s resources

- Tudor is committed to *making the most of our resources and independence*, as we believe this will allow us to make the strongest possible contribution to the health and strength of civil society. We want to use *all* our resources - not just our money - as effectively as possible.
- Our relational funding approach depends on regular, focused engagement from our trustees, and it is vital that the key resources of trustees’ time, energy and experience are directed in ways which support and develop the

work of the trust. During the year under review trustees have listened, learned and reflected throughout these early stages of Tudor's anti-racism journey and have been open to thinking about how power can be more equitably distributed within the organisation. The trustees are committed to looking at roles and responsibilities within the organisation and will continue to explore what structures could best support a more equitable distribution of power across Tudor.

- One way of releasing trustee time and energy is to delegate some decision making to staff. The Delegated Decisions Committee (DDC) continued to operate throughout the year under review, with the staff team taking responsibility for making decisions on applications for continuation funding and flex grants, within agreed parameters. This makes effective use of grants managers' skills and experience, allowing them to steer the development of established funding relationships. Over the year 33% of grant decisions were made by the DDC. We intend to develop this approach further during 2022-2023 by introducing a new decision-making forum, involving staff drawn from all teams, to trial a quicker and more straightforward way of making decisions on continuation applications. This committee will draw on learning from the Reimagining to develop a new approach to collective decision making. Tudor's Board approved the terms of reference for this new committee - the Initial Assessment Decisions Committee - in March 2022.
- Our partnership with the Four Acre Trust, established in 2018, entered its final year in 2021-2022, with their trustees committing £399,000 (2021: £400,000) to help resource Tudor's grant making within the youth sector. Four Acre's approach aligns closely with our own and this funding allowed us to provide an enhanced level of support to four excellent youth organisations. Since 2018 Four Acre has trusted Tudor to distribute £1.2 million: we are hugely grateful for the confidence Four Acre's trustees have placed in us. This partnership has now drawn to a close as we will not be making grants to new organisations over the year ahead, but we hope that there may be opportunities for us to work together again in the future.
- Tudor is an endowed charitable trust, which gives us a degree of freedom and independence which is unusual within the wider charitable sector. Working collaboratively is one way in which we can use this freedom and maximise the impact of our resources. In the year under review we continued to work with five other funders - City Bridge Trust, Esmée Fairbairn Foundation, LankellyChase Foundation, Lloyds Bank Foundation for England and Wales and Paul Hamlyn Foundation and six local places - on *LocalMotion*. This is a long-term initiative to support local people to address social, environmental and economic injustices that *they* have identified. It has also been designed to help trusts learn as much as possible about how collective philanthropy can support long-term systemic change with local communities. Tudor is represented within LocalMotion at trustee, CEO and senior staff level.

- Since April 2020 LocalMotion has been working with local people and organisations in Carmarthen, Enfield, Lincoln, Middlesbrough, Oldham and Torbay. This initial discovery phase, intended to develop relationships, build local partnerships and alliances and develop local narratives and aspirations started just as the pandemic hit, when local core groups were under huge pressure supporting the immediate needs of their local communities. This meant that most local areas did not feel ready to move straight into a full long-term programme of systemic change. Instead it was agreed that an interim ‘test and learn’ phase would run from November 2021 to October 2023, to support places develop their skills, build more cross sector alliances and develop their long-term strategies for systemic change. Tudor committed £480,000 towards the total costs of this phase in July 2021.
- During this phase Kathleen Kelly, LocalMotion’s Director of Collaboration, has been supporting local core groups as they develop their membership, consult their local communities and develop co-production strategies. Kathleen has also been working with the groups to design governance which will ensure that work is fully held and co-ordinated at a local level.
- The independence and freedom we hold as an endowed charitable fund allows us to speak out on issues without jeopardising our funding or losing public support. In the year under review we added Tudor’s name to two open letters - from The Runnymede Trust and the Association of Charitable Foundations - rejecting the findings of the Commission on Race and Ethnic Disparities whose overarching narrative was that structural racism is not endemic in the UK. This did not reflect the experience of the groups we fund, or our own developing understanding of racism, and it felt important for us to say that.
- However this was something of a departure for us: as a responsive, generalist funder our usual approach is to use our platform to amplify the voices of the groups we support, recognising that they are the experts on the key challenges facing their communities, not us. As already noted, we updated our funding guidelines for 2021-2022 to make it clearer that we don’t just fund ‘direct work’ - we also make grants to organisations which challenge injustice and inequality in their communities and wider society, particularly where this work is rooted in the lived experience of those they work with. Alongside this we can also make grants to organisations with a wider systems change agenda.
- For example in the year under review we made grants to Transport for All, a disability-led charity working to increase access to transport and streetspaces across England; Maslaha, a charity working to challenge and change the conditions that create inequalities for Muslim communities; and Action on Empty Homes, an organisation working to bring empty homes back into use across England and Wales. We are committed to supporting organisations which address the root causes of marginalisation, as well as those which respond to the consequences of marginalisation.

- Tudor trustees believe it is crucial that all our financial assets are used in a way which reinforces, rather than undermines, our grant-making approach. We have operated a responsible investment policy for the management of the Trust's endowment for 21 years now, with the aim of ensuring this alignment. In the year under Tudor's Investment Committee focused on Environmental, Social and Governance (ESG) issues in relation to our investments. Supported by our fund managers, trustees discussed issues around fast fashion, audit, deforestation, modern slavery, governance and earth jurisprudence when reviewing the stocks we hold. Social investment is another way of using our assets to achieve our aims and has been part of Tudor's toolkit for over seventeen years. Working to social investment principles established in 2020, Tudor is now primarily interested in 'disruptive' social investments and in investments where we can work in a relational way with our investees, helping them to protect their mission and purpose.
- The staff team, one of Tudor's key resources, was able to work effectively, and without interruption, across the whole of the year under review, thanks to the efforts of the Resources Team. Having managed the sudden transition to remote working which took place at the beginning of the pandemic, the Resources Team continued to improve and refine Tudor's organisational infrastructure in the year under review - sometimes in response to emergencies, including a fire and a flood. Focused and dedicated work from the team, often in challenging circumstances, brought Tudor to a stronger, more resilient place by the end of the year, with an improved IT infrastructure, a new phone system, building repairs and improvements completed and Covid-safe work protocols in place. The team also managed the acquisition of a new workspace for the Trust, as we took a lease on the ground floor of a nearby building: this will provide us with more space to come together in person over the Reimagining year and convene larger meetings.
- The year under review saw no major staff changes, although it was good to welcome three colleagues - Jennifer Oatley, Hannah Torkington and Annie Salter - back from maternity leave at different points in 2021-2022. However towards the end of the year we started to prepare for a moment of real transition: the retirement of Catriona Slorach, who had been a Grants Manager at Tudor for almost thirty years. Catriona provided support, advice and encouragement to hundreds of groups during her time at Tudor, equally comfortable providing clear guidance on complex issues or offering a listening and supportive ear. She has also been a rock-solid colleague: someone who 'got things done' while remaining available and supportive to both fellow staff and trustees. Catriona retired in May 2022 and we will miss her very much. Keisha Simms was recruited as a new Grants Manager towards the end of the year under review, formally starting work with the Trust in May 2022. Catriona spent time with Keisha before she took on her new role, handing over grant relationships and sharing some of her experience of working for Tudor. We are delighted to welcome Keisha and

look forward to bringing her talents, experience and new perspective into Tudor over the year ahead.

Looking ahead

We will maintain a dual focus over the year ahead, ensuring that we provide strong support to our 770 existing grant holders (including providing further funding to some whose grants end this year) while also using the time and space we have created by closing to new applications to become a better, more inclusive version of Tudor. We will begin by looking inwards as we know that we have work to do to rebuild trust and relationships within the team and come to a shared understanding of the values which lie at the heart of our work.

We believe that this work will stand us in good stead as we start to think about who we want to be as funder, what kind of work we want to support and how we can provide that support in a way which responds to the priorities of groups on the ground. We aim to spend time learning about how we can listen carefully to voices we may not have heard before, and to challenge ourselves about how we can acknowledge power dynamics and make ourselves more accessible. We will think through how we can incorporate all aspects of diversity, equity and inclusion into our work. Flowing from this we'll be looking at how we present ourselves in our funding guidelines and website and considering practical issues such as how we can begin to give feedback to unsuccessful applicants and how to provide 'funder plus' support in a way that is responsive to the needs of individual organisations.

During the year we expect to commit around £13.5 million through direct grant making - to groups whose applications were received in the last couple of months of 2021-2022, as well as to those who apply to us for continuation funding over the year ahead. Given that our annual commitment level has been at the £20 million level for the last few years we also want to consider devolving some of our funding, beginning by thinking through what we could achieve by doing this. Our aim is that this will involve more than simply ensuring that money is not 'lost' to the community and voluntary sector. By devolving funding in this way we hope to find a 'way in' to those communities we've historically not done well in supporting and gain useful learning we can draw on as we reopen to applications in April 2023.

We hope that we will be able to fold the learning from the many different aspects of our work into our new vision for Tudor: from the wide-ranging work of the Reimagining; from more than 60 years' experience of grant making; from the work of special interest groups within Tudor - the Africa Group, Children and Young People's Group and Complexity Friendly Funding Group; and from collaborations such as LocalMotion and the Open and Trusting Grant Making Initiative. While we don't know where we will end up our sense is that we are likely to continue with the responsive, flexible and relational approach to grant making that has become our hallmark. This will include a continued commitment to making multi-year grants and giving core/unrestricted funding. We look forward to sharing our new approach with the sector in April 2023.

Financial review

Charitable expenditure

As noted earlier in the report, in this second year of the Covid 19 pandemic, Tudor focused on maintaining a high level of support to existing grant holders, while also remaining open to new applications. For the year under review, Tudor's Board approved a grant commitment range of £19 million to £21 million. Over the year, Tudor entered into new grant commitments to the value of £20.2 million (2021: £21.4 million), comprising 292 (2021: 1,052 overall; 347 mainstream) individual grants.

This downward movement, in both the value and number of grants, reflects the effect of the wellbeing grants of £2,000 that were offered to 635 of our grant holders in December 2020. This programme was not repeated in the year under review. There were also significantly fewer small-scale Covid-related grants agreed during the year: these were not expected to continue at the same level as the first year of the pandemic. Note 5, on page 39 of the financial statements, provides further analysis of the grant commitments made in the year.

Throughout the year, trustees regularly reviewed the overall level of grants being committed: the level of funding recommended by the Delegated Decisions Committee and the Grants Committees, and the level of funding approved by the Trustee Committee. Grants commitments remained within the upper limit of the budget set for the year, and the level of grant making undertaken by the various Committees was within the parameters set by the Board.

When deciding how much Tudor might commit during the year, trustees bear in mind the needs of communities the Trust currently works with and those we hope to engage with in the future. In line with a policy adopted some years ago, which is periodically reviewed, Tudor's expenditure continues to exceed its income. Net charitable expenditure for the year was £17.4 million (2021: £18.3 million) and was funded through capital withdrawals from the expendable endowment. The trustees monitor the long-term real return of the portfolio and recognise that, in some years, this will result in the underlying value of the fund increasing and in other years diminishing. At this year's balance sheet date, the investments were valued at £284.8 million (2021: £291.5 million), reflecting pressures on the markets in the final quarter of the financial year. The market movement on the investments has reduced the year's net charitable expenditure position of £17.4 million to a deficit of £8.2 million (2021: £45.8 million surplus).

Income earned on Tudor's investment portfolio this year has fallen slightly to £4.3 million (2021: £4.4 million). This reflects the ongoing caution exercised by companies in paying out dividends during the pandemic and the continuation of a low interest rate environment.

Another source of income in the year was the continued partnership with the Four Acre Trust, who contributed £0.4 million towards Tudor's grant making in the youth sector.

In line with a grant-making budget at more usual levels, charitable expenditure fell slightly to £22.1 million (2021: £23.2 million). This also reflects a focus on mainstream grant commitments, without an accompanying additional wellbeing grants programme. As mentioned earlier in the report, over the year ahead, wellbeing grants of £2,000 will be offered to all groups receiving a mainstream grant from us, as an addition to that grant.

The trustees set a budget for support and administrative costs at the start of each financial year. Actual expenditure against budget is monitored on a monthly basis during the year and reported to both the Trustee Committee and the Board at regular intervals. The total cost of supporting Tudor's grant-making activities for the year was £1.8 million (2021: £1.7 million). This small uplift in expenditure reflects the cost of migrating to a cloud-based IT system, upgrading the ISDN telephone system to VoIP technology and the opening up and more regular use of the office in a Covid secure way.

Expenditure on professional support costs, representing fees paid to external consultants and professional advisers in support of grant applications and ongoing grant work, was £83,000 this year (2021: £48,000). The expenditure in this area has returned to more usual pre-pandemic levels in the year.

Perhaps inevitably a small number of the projects Tudor has supported closed during the year, resulting in the cancellation of the associated grant balances. For the third consecutive year we have seen the level of grants cancelled or withdrawn reduce. This year grant cancellations and withdrawals totalled £12,000 (2021: £94,000): one (2021: two) grant was fully withdrawn, with adjustments made to two (2021: six) others.

As an endowed foundation, Tudor does not engage in public fundraising and does not use professional fundraisers or commercial participators.

Remuneration

The trustees consider the Board of Trustees, the Director, Head of Finance and Resources, Head of Grant Making and Head of Research and Information as the key

management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. During the year five of the trustees were remunerated and their remuneration is set out in note 5 to the accounts on page 40. This remuneration is paid in accordance with Tudor's memorandum.

Trustees are required to disclose all relevant interests and register them with the Head of Finance and Resources and, in accordance with the Trust's conflicts of interest policy, withdraw from decisions where a conflict of interest arises. The Chair reviews the conflicts of interest register.

The remuneration of the paid trustees, Director, Head of Finance and Resources, Head of Grant Making and Head of Research and Information is reviewed annually and usually increased in accordance with the Consumer Price Index including owner-occupied housing costs (CPIH). The trustees and Director's salary are reviewed by the Remuneration Committee and the staff salaries are reviewed by the Trustee Committee. Staff salaries are also bench-marked with grant-making charities of a similar size and activity on a regular basis to ensure that the remuneration set is fair and not out of line with that paid for similar roles.

Investments

Tudor has adopted an investment policy for its expendable endowment which seeks to optimise performance through a diversified asset portfolio applying a medium risk strategy. This is reflected in its asset allocation as shown in note 7 on page 42. The performance of the portfolio is monitored monthly and reviewed on a quarterly basis by the Investment Committee. At these meetings trustees discuss investment strategy and asset allocation. Investment performance and market trends are discussed with the Trust's investment managers at regular meetings.

Tudor has operated a responsible investment policy for 21 years. It seeks to invest in companies that demonstrate socially responsible values, and which offer the potential for sustainable growth in the future. This positive, long-term approach to investing is a key part of the strategy for the portfolio. Negative screening, where industry sectors or companies are excluded from investment, may limit future opportunities - however some investments are not held as they are inimical to the work of the Trust.

In July 2016, following an extensive period of review, the Board updated its Investment Principles. These Investment Principles continue to promote the mission of the Trust (supporting the many different needs of people at the margins of society). Tudor has aligned its assets with the Trust's philanthropic principles in a manner that resonates with our grant-making strategy. This investment approach highlights areas that continue to be actively debated by the Investment Committee

and during the 2019 financial year the Board agreed that Tudor would divest from investments in oil and gas companies. The Investment Committee considers at each meeting areas for ongoing discussion and this year has discussed nuclear, governance, earth jurisprudence and the rights of nature. Trustees regularly review these factors and in May 2020 decided to not hold investments in companies that derive more than 5% of their turnover from nuclear energy. All of Tudor's investments align with our investment principles.

Tudor remains a long-term social investor in ameliorating society's ills and its investment strategy continues to look for long-term performance rather than short-term gain. The trustees believe that taking a responsible, long-term approach to investment will ultimately improve returns.

Sarasin manages a global equity portfolio for Tudor: the Responsible Fund. At the year-end Tudor's equity portfolio was valued at £193.4 million (2021: £192.6 million). Liontrust manages Tudor's SRI Corporate Bond Fund, which was valued at £55.2 million (2021: £60.2 million) at the year end.

A combination of prior year withdrawals from the investment portfolio and current year repayments from the Paloma Real Estate Funds I and II have sustained Tudor's activities in the year. In addition, to rebalance the portfolio, £12.5 million was taken out of equities during the year. This was to guard against markets overheating and to ensure that Tudor was not a forced seller in turbulent markets.

The market value of Tudor's investments at 31st March 2022 was £287.3 million (2021: £293.8 million), including social investments. The portfolio at this date comprised 67% UK and global equities, 19% fixed interest holdings, 4% in Real Estate Funds, 9% in cash and 1% as social/unlisted investments (2021: 65%, 20%, 3%, 11% and 1% respectively). Cash flow requirement is reviewed at each Investment Committee meeting.

During the year in review, the financial markets have had some periods of growth but have, in the main, been somewhat volatile largely due to the impact of the ongoing coronavirus pandemic. As Tudor holds an overseas equity portfolio the Investment Committee has agreed to allow Sarasin to hold forward foreign exchange positions to mitigate the effect of sterling movements. Valuations have seen large swings in the year, sometimes on a monthly basis. We end the year with a reduction in the social investments provision and investment gains totalling to £10.3 million (2021: £65.2 million).

Tudor's portfolios are all managed against a range of indicators and benchmarks deemed to be appropriate by the trustees. The trustees are committed to seeking good long-term performance from the funds and therefore monitor the

performance of the equity portfolio against the MSCI All Countries World Daily. During the year the Responsible Fund underperformed its benchmark by 4.4% for the year (2021: outperformance of 1.6%). The Corporate Bond Fund is managed against a bespoke benchmark and during the year has outperformed its benchmark by 1.12% (2021: outperformance of 4.38%). The Investment Committee continues to review and discuss performance on a quarterly basis.

Social investments

Tudor has been interested in using part of its endowment for social investment for a number of years. The trustees have continued to discuss how social investment might enhance Tudor's work and how this is best reported. We look for good opportunities for social investment which are closely aligned with Tudor's aims but are mindful of the time and resources well-judged social investment requires and the need to balance this with Tudor's core work as a grant maker operating in a difficult funding environment. At the year end the value of social investments held was £2.5 million (2021: £2.3 million), representing 0.87% (2021: 0.79%) of the endowment.

There have been no changes to the social investment portfolio during the year. The trustees review the value of social investments annually and this year agreed to make a number of further provisions to the investments.

Reserves

Under the terms of the Trust Deed, the Unrestricted Fund is expendable at the trustees' discretion. All unexpended funds are therefore held in the Unrestricted Fund. The trustees intend to continue monitoring the value of the Fund in real terms to ensure that they are able to achieve both income and capital appreciation so as to maintain the existing level of charitable giving for the foreseeable future. At the year end the value of unrestricted reserves held was £264.4 million (2021: £272.5 million).

Risk management

The trustees are responsible for establishing and monitoring internal control systems within the Trust. They review the major risks which may impact on the operations of the Trust on an ongoing basis and are satisfied that the system of internal controls currently in place is adequate, whilst recognising that it is designed to manage rather than eliminate risk. Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the Trust.

The trustees continue to consider the principal risk to the Trust is that of not fulfilling its core purpose: good grant making. Failure to maximise the opportunities afforded an independently-endowed grant maker would be damaging

to the communities we work with and those we might work with in the future. In order to mitigate this we regularly review our grant-making practices and monitor and evaluate grants made.

Tudor's resources are also subject to the unpredictability of the financial markets. To mitigate this risk the trustees review the asset allocation and fund performance at each Board meeting. The Trust also retains expert investment managers. Lack of resources would affect our ability to make available as much funding support as we might like and to deliver the objectives set out in our funding guidelines.

Auditor

Sayer Vincent LLP has indicated its willingness to continue in office.

Statement of trustees' responsibilities

The trustees (who are also directors of The Tudor Trust for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and

- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company'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 of Tudor Trust on 23rd August 2022 and signed on their behalf by:

Matt Dunwell
Chair

Francis Runacres
Trustee Director

Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 March 2022

	Notes	Unrestricted 2022 £000	Restricted 2022 £000	Total 2022 £000	Total 2021 £000
Income					
Donations	13	3	399	402	506
Investment income	2	4,323	-	4,323	4,355
Total income		4,326	399	4,725	4,861
Expenditure					
Costs of raising funds					
Investment Management Costs	3	1,118	-	1,118	1,093
Expenditure on charitable activities					
Grantmaking					
Grants approved	4/5a	19,691	516	20,207	21,449
Grants withdrawn	5a	(12)	-	(12)	(94)
Management of grants	5b	1,799	-	1,799	1,732
Professional support costs	5b	83	-	83	48
Governance costs	5b	28	-	28	17
Cost of grantmaking		21,589	516	22,105	23,152
Total expenditure		22,708	516	23,224	24,245
Net (expenditure)/income before gains and losses on investments		(18,382)	(117)	(18,499)	(19,384)
Net gains on investments	7	10,382	-	10,382	65,111
(Increase)/decrease in provisions on social investments	8	(69)	-	(69)	67
(Deficit)/surplus for the year and net movement in funds		(8,069)	(117)	(8,186)	45,794
Funds balance at beginning of year	13	272,491	408	272,899	227,105
Funds balance at the end of the year	13	264,422	291	264,713	272,899

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.
A copy of the 2021 Statement of Financial Activities is included at note 21

Balance Sheet
As at 31 March 2022

Company number: 5196041

	Notes	2022 £000	2021 £000
Fixed Assets			
Investments	7	284,836	291,451
Social investments	8	2,503	2,327
Tangible assets	9	898	930
		288,236	294,709
Current Assets			
Debtors	10	258	270
Cash at bank and in hand		1,293	1,781
		1,551	2,051
Current liabilities			
Creditors: amounts falling due within one year	11	(16,976)	(15,550)
Net current liabilities		(15,425)	(13,498)
Total assets less current liabilities		272,811	281,210
Creditors: amounts falling due after more than one year	12	(8,098)	(8,311)
Net assets		264,713	272,899
Funds			
Unrestricted fund	13	264,422	272,491
Restricted fund	13	291	408
		264,713	272,899

The financial statements were approved and authorised for issue by the Trustees of the Tudor Trust on 23 August 2022 and signed on their behalf by:

Matt Dunwell
Trustee/Director

Francis Runacres
Trustee/Director

Statement of Cash Flows
Year ended 31 March 2022

	2022 £000	2021 £000
Net cash used in operating activities (note 14)	(21,457)	(21,357)
Cash flows from investing activities:		
Interest and dividends	4,323	4,355
Proceeds from sale of investments	66,634	90,055
Purchase of investments	(54,016)	(74,786)
Forward foreign exchange transactions	(702)	2,425
Repayments from social investments	141	204
Purchase of social investments	(465)	(446)
Purchase of fixed assets	(27)	(13)
Net cash provided by investing activities	15,888	21,794
Change in cash and cash equivalents in the year	(5,569)	437
Cash and cash equivalents at the beginning of the year	32,989	32,552
Cash and cash equivalents at the end of the year (note 15)	27,420	32,989

Notes to the annual accounts 2021/22

1. Accounting policies

a) Basis of accounts 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 Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Tudor is a public benefit entity as defined by FRS 102. Tudor is also a Charitable company limited by guarantee and is incorporated in the United Kingdom. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The registered office address is 7 Ladbroke Grove, London, W11 3BD.

In view of the level of investments held at the balance sheet date the trustees are of the opinion that the Trust is a going concern. The trustees consider this at each board meeting and are of the view that the Tudor Trust will remain able to meet its commitments as they arise for a period of at least 12 months from the date of this report. The Trust has no material uncertainties.

The results of the subsidiary The Family Centre Trust have not been consolidated with the Trust's accounts in the year to 31 March 2022 or prior year. This is due to the immaterial nature of the transactions through this charity during the year. Further details of the Family Centre Trust are given in note 18.

b) Investments

All investments are stated at market value. It is the Trust's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the Statement of Financial Activities (SOFA) only includes those unrealised losses or gains arising from the investment portfolio throughout the year. Any change in fair value will be recognised in the statement of financial activities.

During the year Tudor has taken sterling hedge positions against the effect of fluctuations in the Euro and US dollar as Tudor's equity portfolio is mainly held in these currencies. Provisions are recognised on a monthly basis. The hedge position is realised on a quarterly basis and the resulting cash movement is recognised through the SOFA. The accounting policy for financial instruments is included as note 1 l).

Social investments are carried at fair value where practicable otherwise at cost less impairment. Such investments are subject to regular review, and any diminution is charged to the SOFA. Investments valuations are not enhanced to more than original cost. Tudor considers all social investments to be mixed motive investments, rather than programme related investments.

c) Investment income

Investment income is stated on an accruals basis and includes the related tax credit. As a charity the Trust has an exemption to income tax and capital gains tax granted by HM Revenue and Customs.

d) Voluntary income

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.

e) Tangible fixed assets

Fixed assets acquired with a value below £1,000 are evaluated for capitalisation based on the economic benefit derived in use. All other assets are capitalised on acquisition.

The value of freehold land cannot be separately identified as such the entire cost of the freehold property is depreciated. The impact of this is not material. Depreciation is calculated to write-off the cost less residual value of tangible assets on a straight-line basis over their estimated useful economic lives as follows:

Freehold building	Fifty years
Furniture, fittings and equipment	Five to ten years
Computer equipment	Three to five years

f) Resources expended

i. **Cost of generating funds**

The fees due in respect of investment managers' services are charged against income as the cost of generating funds.

ii. **Charitable donations**

Grants awarded are charged in full against income when a grant has been approved by the Trustee Committee and communicated to the recipient;

hence the Trust is considered to have a legal or constructive obligation, irrespective of the time period it may cover. Grants awarded but unpaid at the balance sheet date are recognised as grant commitments under creditors. Grants withdrawn or cancelled in the year are credited against new grant commitments made in the same year.

iii. **Support costs**

All expenditure incurred in the course of grant making is shown as support costs. Resources utilised for this purpose are defined as staff time, office expenses, accommodation and IT costs. As noted below no costs are allocated to governance costs.

iv. **Governance costs**

Governance costs relate to direct expenditure incurred in compliance with the constitutional and statutory requirements of the Trust. Due to the way in which the Trust works it is difficult to attribute a meaningful breakdown of staff costs and other support costs relating to governance work.

g) **Exchange gains and losses**

All realised and unrealised exchange gains and losses on investments are accounted for in the SOFA.

h) **Leased assets**

The cost of operating leases is charged to the Statement of Financial Activities on a straight line basis.

i) **Pension schemes**

The Trust makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the Trust in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The Trust has no liability under the schemes other than the payment of those contributions.

j) **Funds**

All unexpended funds are held in the General Fund (expendable endowment) which can, under the terms of the Trust Deed, be used at the discretion of the trustees.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

k) **VAT Status and Irrecoverable VAT**

Tudor cannot be registered for VAT. All VAT suffered by the Trust is irrecoverable and all expenditure is stated gross of VAT.

l) Financial instruments

With the exception of the listed investments described above and derivative financial instruments as described below, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Trust uses forward foreign currency contracts to reduce exposure to foreign exchange rates. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives at the reporting date are taken to the relevant income/expenditure heading(s) in the SoFA as appropriate.

The Trust does not currently apply hedge accounting for foreign exchange derivatives.

m) Cash at bank and in hand

Cash at bank and cash in hand includes the regular bank account. 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 are reported within fixed asset investments as cash, but are included within the statement of cash flows as cash and cash equivalents.

Notes to the Accounts

2. Investment income

	2022 Total £000	2021 Total £000
Dividends and Interest		
Equity investments	2,279	1,842
Fixed interest	1,807	2,109
Real Estate Fund distributions	175	328
Social investments	49	31
Bank interest	13	45
	4,323	4,355

3. Investment management costs

	2022 £000	2021 £000
Investment management fees	1,113	1,089
Accountancy fees re tax reclaims	5	4
	1,118	1,093

4. Analysis of grants by classification

	% by number of grants	Number	2022 Total £000	% by number of grants	Number	2021 Total £000
Grants by classification						
Youth	9	25	1,652	13	139	3,414
Older People	3	8	529	2	18	331
Community	49	144	10,480	52	545	10,769
Relationships	11	31	1,932	11	117	2,464
Housing	5	15	914	6	64	902
Mental Health	8	23	1,311	7	72	1,316
Substance Misuse	4	11	895	2	18	469
Learning	1	4	326	1	12	287
Financial Security	1	3	260	1	16	420
Criminal Justice	5	15	1,088	4	39	564
Overseas	4	13	820	1	12	513
	100	292	20,207	100	1,052	21,449

A full list of grants is available from the Trust's website <http://tudortrust.org.uk/downloads> or by application for a printed copy.

5. Expenditure

a) Grants approved

	2022 Number	2022 £000	2021 Number	2021 £000
Mainstream grants approved during the year	288	20,199	347	20,056
Immediate support grants made during the year	2	4	91	165
Wellbeing grants made during the year	2	4	614	1,228
Grants cancelled or adjusted during the year	(3)	(12)	(8)	(94)
	289	20,195	1,044	21,355

The number of fully cancelled grants in the year was one (2021: two), adjustments were made to two other grants (2021: six).

b) Resources expended

	2022 Total £000	2021 Total £000
Management of grants		
Staff costs	1,347	1,342
Office expenses	130	120
Depreciation	60	63
Accommodation costs	55	30
IT costs	113	89
Trustee remuneration	93	88
Trustees' expenses	1	-
	1,799	1,732

Professional support costs

	83	48
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Professional support costs include amounts paid to consultants and professional advisors who are providing beneficiaries with expert support. They also include costs associated with work around new grantmaking approaches and the implementation of Tudor's values.

Governance costs

Legal & professional fees	10	-
Auditor's remuneration	18	17
	28	17

5. Expenditure (continued)

The Trustees are reimbursed for out-of-pocket travel and subsistence expenses. During the year, three trustees (2021: one) received reimbursement of £1,235.06 (2021: £49.45) for travel expenses, subsistence and overnight accommodation.

There is provision in the Memorandum of Association that no more than half of the trustee board can be offered reasonable remuneration. Members of the Trustee Committee can work up to 60 days a year for the Trust with other trustees working up to 25 days.

	2022 Total £000 £	2021 Total £000 £
James Long	26	25
Monica Barlow	26	25
Shilpa Shah	24	22
Holly Baine	10	8

In addition on 4th July 2014, following a change to Tudor's memorandum, the Charity Commission gave its consent to remunerate Christopher Graves (a trustee) in his role as Executive Director of the Trust. This is a role that he held on an unpaid basis for a number of years. His remuneration in the year was £102,958 (2021: £108,272) and Tudor made contributions of £20,587 towards his pension (2021: £18,027). In the year, his hours were brought more in line with pre-pandemic levels.

The Executive Director's remuneration costs are included in the employment costs note. The other trustees' remuneration costs are shown separately as part of the management of grants costs.

None of the other trustees received remuneration.

c) Net expenditure for the year

	2022 Total £000	2021 Total £000
This is stated after charging:		
Operating leases	16	9
Auditor's remuneration (net of VAT) - statutory audit	15	14
Depreciation	60	64

6. Employment costs

	2022 £000	2021 £000
Wages and salaries	1,070	1,075
Social Security costs	121	120
Pension costs	192	171
	<u>1,383</u>	<u>1,366</u>

The average head count for the year was 21 (2021: 21). The average full-time equivalent number of employees during the year was 18 (2021: 18).

The following number of employees received employee benefits (excluding employer pension costs and employer national insurance) during the year between:

	2022 £000	2021 £000
£60,000 - £69,999	1	1
£70,000 - £79,999	-	1
£80,000 - £89,999	1	-
£90,000 - £99,999	1	-
£100,000 - £110,000	1	1

Tudor considers that its key management personnel are the trustees, the Director, the Head of Finance and Resources, the Head of Grantmaking and the Head of Research and Information. The total employment benefits of the key management personnel (including employer national insurance and employer pension contributions) were £535,795 (2021: £492,202).

7. Investments

	2022 £000	2021 £000
Fair value of investments at 1 April	291,451	239,200
Purchases at cost made during the year	54,016	74,786
Sales proceeds on disposal	(66,634)	(90,055)
Forward foreign exchange transactions in year	721	(3,290)
(Decrease)/Increase in investment cash held	(5,101)	5,699
Net gain on change in fair value	<u>10,382</u>	<u>65,111</u>
Fair value of investments at 31 March	284,836	291,451

With the exception of the Unlisted UK fixed interest investments and Unlisted Jersey-based Real Estate Fund all investments are listed investments.

7. Investments (continued)**Fair value comprised:**

	2022	2021
	£000	£000
UK equity investments	21,691	16,145
UK fixed interest investments	55,177	60,172
Overseas equity investments	171,688	176,464
Foreign exchange hedge	42	23
Cash on deposit awaiting investment held in the UK	26,085	31,186
Unlisted Jersey-based Real Estate Fund	10,153	7,462
	284,836	291,451

Derivative financial instruments - foreign exchange contracts

The Trust enters into foreign currency contracts to mitigate the exchange risk for certain foreign currency transactions within its equity investment portfolio. At 31 March 2022 there were two (2021: two) open currency commitments. The unrealised forward foreign exchange transaction was £42,136 (2021: £22,687). This is included within the forward foreign exchange transactions in the year.

The forward currency contracts are measured at fair value using quoted forward exchange rates.

8. Social investments

	2022	2021
	£000	£000
Value of investments at 1 April	2,327	2,078
Additions during the year	465	446
Sales proceeds on disposal	(141)	(204)
Conversion of social investment to grant	(50)	-
Net expenditure including management fees	(29)	(60)
Provisions against investments	(69)	67
Value of social investments at 31 March	2,503	2,327

Social investments comprise of:

	2022	2021
	£000	£000
Charity Bank Limited	455	455
Charities Aid Foundation Community Land Trust Fund I	25	14
Charities Aid Foundation Community Land Trust Fund II	197	300
Charities Aid Foundation Venturesome	254	248
Charities Aid Foundation Venturesome Community Led Housing Fund	123	139
Comrie Development Trust	50	100
Ethical Property Company	170	230
Fair for You	250	250
Gloucestershire Gateway Trust	50	50
Social and Sustainable Housing	929	540
Value of social investments at 31 March	2,503	2,327

The value of the social investments at the end of year is shown at cost less amounts either provided for or written off. The trustees review the value of the investments annually and where necessary make provisions.

9. Tangible fixed assets

	Freehold land & building £000	Furniture, fittings & equipment £000	Computer equipment £000	Total £000
Cost				
At 1 April 2021	2,145	155	64	2,364
Additions in the year	-	14	13	27
Assets written off in year	-	-	-	-
At 31 March 2022	2,145	169	77	2,391
Depreciation				
At 1 April 2021	1,256	127	51	1,434
Charge for the year	43	6	11	60
Assets written off in year	-	-	-	-
At 31 March 2022	1,299	133	62	1,494
Net book value at 31 March 2022	846	36	15	898
Net book value at 31 March 2021	889	28	13	930

All fixed assets are used for charitable purposes.

10. Debtors

	2022 £000	2021 £000
Accrued investment income	211	103
Other debtors and prepayments	47	167
	258	270

11. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Grants payable (note 16)	16,467	15,204
Trade creditors	27	15
Taxation and Social Security	35	31
Other creditors	167	14
Accruals	280	286
	16,976	15,550

12. Creditors: amounts falling due after more than one year

	2022 £000	2021 £000
Grants payable in 2 - 5 years (note 16)	8,098	8,311

13. Movement in funds for the current year

	Funds balances at start of the year £000	Income £000	Expenditure £000	Net investment gains/ (losses) £000	Funds balance at end of year £000
Restricted fund					
Salvaire	302	-	(117)	-	185
Four Acre Trust	-	399	(399)	-	-
Grant funds	106	-	-	-	106
Total restricted funds	408	399	(516)	-	291
Total unrestricted fund	272,491	4,326	(22,777)	10,382	264,422
Total funds	272,899	4,725	(23,293)	10,382	264,713

Represented by:	Fixed assets £000	Net current liabilities £000	Creditors >1 year £000	Net assets £000
Unrestricted fund	288,236	(15,716)	(8,098)	264,422
Restricted funds	-	291	-	291
	288,236	(15,425)	(8,098)	264,713

Restricted funds

During the 2019 year Tudor was asked to distribute the closing funds of Salvaire (charity number: 1150709). In keeping with its objects Tudor has committed to distribute the £302,000 received during 2019 and 2020 from Salvaire as new grant commitments to charities working in the criminal justice sphere, with priority given to projects in the greater Sheffield area. In the year, two new grant commitments were made.

13. Movement in funds note (continued)

Restricted funds (continued)

During the 2022 year Four Acre Trust agreed to contribute to Tudor's grant making to youth projects. In the current year Four Acre funds covered grants totalling £399,000 (in 2021 the funds covered grants totalling £400,000), which were made through our normal grant making process.

During the 2021 year funds to the equivalent of £106,204 were received as a contribution towards a Tudor-funded project in Kampala, Uganda. The implementing partner is expected to draw down these funds across two financial years.

Unrestricted funds

Under the Articles of Association, Capital and Accumulated income are expendable at the trustees' discretion. The Trust has adopted a total return basis of investing. All unexpended funds are therefore held as unrestricted funds.

It is the trustees' current intention to monitor the value of the unrestricted funds in real terms to ensure that they can maintain the Trust's existing level of charitable donations and meet its outstanding grant commitments over future years.

13b. Movement in funds for the year ended 31 March 2021

	Funds balances at start of the year	Income	Expenditure	Net investment gains	Funds balance at end of year
	£000	£000	£000	£000	£000
Restricted fund					
Salvaire	302	-	-	-	302
Four Acre Trust	-	400	(400)	-	-
Grant funds	-	106	-	-	106
Total restricted funds	302	506	(400)	-	408
Total unrestricted funds	226,803	4,355	(23,778)	65,111	272,491
Total funds	227,105	4,861	(24,178)	65,111	272,899
		Fixed assets	Net current	Creditors >1	Net assets
		£000	liabilities	year	£000
			£000	£000	
Unrestricted fund		294,709	(13,906)	(8,311)	272,491
Restricted funds		-	408	-	408
Represented by:		294,709	(13,498)	(8,311)	272,899

14. Reconciliation of net (expenditure) to net cash flow from operating activities

	2022 £000	2021 £000
Net (expenditure) for the reporting period (as per the statement of financial activities)	(18,499)	(19,384)
Depreciation charges	60	63
Investment income	(4,323)	(4,355)
Other movements on social investments	79	60
Movement in working capital:		
decrease in debtors	12	16
increase in creditors	164	89
increase in grant commitments	1,050	2,154
Cash outflow from operating activities	(21,457)	(21,357)

15. Analysis of cash and cash equivalents

	At 1 April 2021 £000	Cash Flows £000	At 31 March 2022 £000
Cash at bank and in hand	1,781	(488)	1,293
Investment cash	31,208	(5,081)	26,127
	32,989	(5,569)	27,420

16. Grant commitment reconciliation

	2022 £000	2021 £000
Commitment at the start of the year		
Payable in less than one year (note 11)	15,204	14,272
Payable in more than one year (note 12)	8,311	7,089
	23,515	21,361
Grants committed during the year (note 5a)	20,207	20,056
Grants written back or adjusted (note 5a)	(12)	(94)
Grants paid during the year	(19,145)	(17,808)
Commitment at the end of the year		
Payable in less than one year (note 11)	16,467	15,204
Payable in more than one year (note 12)	8,098	8,311
	24,565	23,515

17. Operating lease commitments

The Trust's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	2022 £000	2021 £000
Payable within one year	81	9
Payable within two to five years	166	11
	<u>247</u>	<u>20</u>

During the 2022 year, Tudor entered into a new lease agreement for office premises with an annual charge of £86,400. The minimum term of the lease is three years. In the previous year, Tudor entered into a new lease agreement for office equipment with an annual charge of £8,985. The minimum term of this lease is also three years.

18. Related organisations

In 2009 the Board agreed to finance the construction of a new family visitors' centre at HMP Wormwood Scrubs through The Family Centre Trust, a new charitable company.

Tudor's director Christopher Graves and trustee Nell Buckler are two of the three directors of this company. During the 2010 year Tudor committed a grant of £1.35m to FCT for the costs of developing the family and visitors' centre. Practical completion was achieved on 18 May 2011 and the centre was donated to the Ministry of Justice on 29 June 2011.

The Tudor Trust is the sole member of the Family Centre Trust. All trustees of FCT are appointed by the Tudor Trust. When considering future appointments at least three trustees must be individuals who are neither directors of the Tudor Trust nor employed by the Tudor Trust.

The centre continued to operate throughout the year and transactions through FCT are now minimal. In March 2020, following a review, the trustees took the decision to wind the charity up and have instructed solicitors. FCT's balance sheet as at 31 March 2022 and 2021 is as follows; these entries have not been consolidated into the Tudor accounts in this accounting period.

	2022 £000	2021 £000
Cash at bank and in hand	17	17
Creditors: amounts due within one year	(4)	(4)
	<u>13</u>	<u>13</u>

19. Capital and other commitments

In December 2015, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund I. At this year's balance sheet date £375,247 of the commitment remained to be drawn.

In June 2018, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund II. At this year's balance sheet date £2,494,398 of the commitment remained to be drawn.

In May 2019, Tudor entered into a legal agreement with Social and Sustainable Capital to invest £1,500,000 into their Building Fund. In October 2020, a further £500,000 was committed to the Fund. At this year's balance sheet date £1,005,207 of the commitment remained to be drawn.

In January 2020, Tudor entered into a legal agreement with Charities Aid Foundation to invest £400,000 in their Venturesome Community Led Housing Fund. At this year's balance sheet date £250,000 of the commitment remained to be drawn.

20. Related party transactions

Christopher Graves is both the salaried director of Tudor and a trustee. Full details of his remuneration are set out in note 5. Tudor has four other paid trustees; all of whom are non executive, details of their remuneration is also set out in note 5.

In 2020, as part of Tudor's Wellbeing programme, a grant of £2,000 was made to Migrants' Rights Network. The co-Chief Executive of the organisation, Jilna Shah, is the sister of Shilpa Shah, one of Tudor's trustees. Shilpa Shah was not involved in the decision to make the grant. No further grants were made in the current year.

There were no other related party transactions.

Note 21. Statement of Financial Activities for the previous year

(incorporating an income and expenditure account)

Year ended 31 March 2021

	Notes	Unrestricted 2021 £000	Restricted 2021 £000	Total 2021 £000
Income				
Donations	13	-	506	506
Investment income	2	4,355	-	4,355
Total income		4,355	506	4,861
Expenditure				
Costs of raising funds				
Investment Management Costs	3	1,093	-	1,093
Expenditure on charitable activities				
Grantmaking				
Grants approved	4/5a	21,049	400	21,449
Grants withdrawn	5a	(94)	-	(94)
Management of grants	5b	1,732	-	1,732
Professional support costs	5b	48	-	48
Governance costs	5b	17	-	17
Cost of grantmaking		22,752	400	23,152
Total expenditure		23,845	400	24,245
Net (expenditure)/income before gains and losses on investments		(19,490)	106	(19,384)
Net gains on investments	7	65,111	-	65,111
Decrease/(increase) in provisions on social investments	8	67	-	67
Surplus/(deficit) for the year and net movement in funds		45,688	106	45,794
Funds balance at beginning of year	13	226,803	302	227,105
Funds balance at the end of the year	13	272,491	408	272,899

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

Independent auditor's report to the members of The Tudor Trust

Opinion

We have audited the financial statements of The Tudor Trust (the 'charitable company') for the year ended 31 March 2022 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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 charitable company 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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 Audit Group, 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.

Use of our report

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

Joanna Pittman (Senior statutory auditor)

14 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Reference and administrative information

The Tudor Trust is a charitable company limited by guarantee, incorporated in the United Kingdom. The principal and registered office address is 7 Ladbroke Grove, London W11 3BD.

Telephone: 020 7727 8522 Website: www.tudortrust.org.uk

Company Limited by Guarantee Number 5196041
Registered in England and Wales: Charity Number 1105580

Trustees of the Tudor Trust

Catherine Antcliff	Matt Dunwell * # <i>(Chair from 23rd August 2022)</i>
Holly Baine * #	Roz Dunwell
Monica Barlow * #	Christopher Graves * #
Jonathan Bell #	James Long * #
Nell Buckler *	Francis Runacres
Louise Collins	Shilpa Shah * <i>(resigned 17th March 2022)</i>
Elizabeth Crawshaw #	Carey Weeks <i>(resigned 27th October 2021)</i>
Ben Dunwell * <i>(Chair until 23rd August 2022)</i>	

* member of the Trustee Committee; # member of the Investment Committee

Holly Baine, Ben Dunwell, James Long, Nell Buckler, Christopher Graves and Shilpa Shah all retired from office and were reappointed on 27th October 2021.

Staff of the Tudor Trust

Ihsaan Budaly	Grants Support Officer <i>(left August 2022)</i>
Anna Cooper	Database and Systems Manager
Ruth Crawley	Resources Manager
Jascha Elliot	Grants Manager
Suneer Fida	Grants Manager
Eryl Foulkes	Grants Manager
Christopher Graves	Director * #
Lotte Hiller	PA to the Director
Anne Lane	Head of Grant Making
Nicky Lappin	Head of Research and Information
Meena Mistry	Finance Officer
Aabida Mohmed	Head of Finance and Resources * #
Jennifer Oatley	Grants Manager <i>(on maternity leave until July 2021)</i>
Annie Salter	Learning and Communications Manager <i>(on maternity leave until December 2021)</i>
Keisha Simms	Grants Manager <i>(appointed May 2022)</i>
Catriona Slorach	Grants Manager <i>(retired May 2022)</i>
Frankie Stevens	Grants Manager
Cathy Togher	Grants Manager
Hannah Torkington	Programme Manager (Africa) <i>(on maternity leave until September 2021)</i>
Aris Tsontzos	Database Transition Manager
Ayoade Wallace	Grants Support Officer
Eman Yosry	Resources Officer

Associates of the Tudor Trust

Joanna de Havilland Associate - Older People's work
Richard Jenkins Associate
John Wilson Associate - Africa

Bankers

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Marble Arch Corporate Banking
PO Box 32016
London
NW1H 2ZH

Auditor

Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London EC1Y 0TL

Investment managers, advisers and custodian

Liontrust
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Dundee DD1 1QN

Sarasin & Partners LLP (including provision of equity custodian services)
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

Solicitors

Bates Wells LLP
10 Queen Street Place
London EC4R 1BE

Russell-Cooke LLP
2 Putney Hill
London SW15 6AB

THE TUDOR TRUST

England & Wales - Charity number 1105580

Accounts

THE TUDOR TRUST

**Annual Report and Accounts
2020/2021**

Company number 5196041

Registered charity number 1105580

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Trustees' report for the year ended 31 March 2021

Tudor's principles

Tudor's principles underpin all aspects of our work. We use them as a guide and touchstone when we are reflecting on our practice or considering challenging issues. In the year under review we consciously drew on our principles as we recalibrated our work and our approach in response to the Covid-19 pandemic. Our principles helped us interpret and react to rapidly changing circumstances. They shaped our responses to the challenges facing both the organisations and communities we support, and Tudor itself.

1. **Supporting communities** to drive their own positive change
2. **Investing in relationships** as the foundation of all we do - starting from a position of trust and demonstrating that we can be trusted
3. **Listening with intent:** always trying to hear the real voice
4. **Valuing people's time:** acting quickly where helpful and taking time where needed
5. **Drawing on learning, creativity and experience to offer flexible, practical support to people, ideas and communities**
6. **Making the most of our resources and independence and being open to challenge**

Introduction

We closed the office on 18th March 2020, in response to the Coronavirus pandemic. By 1st April the Tudor team was already settling into remote working and focused on maintaining a high level of support to our existing grant holders. We talked to as many of our grant holders as possible to offer flexibility around all elements of our funding, listened carefully to understand the challenges that groups were facing and made sure that payments went out quickly. Staff and trustees worked together to develop an initial response that was trusting, flexible and straightforward: something we built on over the rest of the year.

From the start of the pandemic, the trustees felt that it was important to maintain a horizon beyond the immediate emergency response to Covid, to provide some level of consistency and reassurance to groups as they adapted, regrouped and rebuilt. We committed to striking a balance between providing flexible support to our current grant holders while staying open to new applications. To support this dual focus, in June trustees agreed a 25% uplift to the grant budget they'd agreed at the Board meeting in March.

We worked across two fronts: flexing (and sometimes increasing or extending) our current grants and making small immediate support grants to help grant holders meet urgent needs in their communities, while also assessing new applications and making new grants through our regular committee meetings. All of these grants were delivered in a lighter-touch way which relied on high levels of trust within the funding relationship - one of our key principles. As we listened to groups throughout the year we also became increasingly aware of the strain their staff, volunteers and trustees were experiencing. In December 2020 the Board agreed a new programme of small wellbeing grants to address this, aimed at supporting the wellbeing of the staff, volunteers and trustees within the organisations we fund.

Racial inequity and injustice was at the forefront of our minds throughout the year, with the disproportionate impact of the pandemic on Black, Asian and other Minority Ethnic communities revealing and reinforcing the systemic links between poverty, poor health and racism. The murder of George Floyd, in May 2020, and the ensuing wave of Black Lives Matter protests, further exposed the systemic racism which causes harm and denies opportunity to so many. Since May, Tudor has been actively reflecting on where we are and where we should be as a funder that aims to support community-led change towards a more just and equitable society.

Throughout the year the staff team has worked with great commitment and adaptability to sustain our day-to-day grant making and the Trust's Covid response. This was done while dealing with the individual challenges imposed by the pandemic. Managing home schooling and child care; meeting wider caring responsibilities; coping with personal health problems; facing isolation, loss or bereavement: team members were dealing with all these issues and more while continuing to provide the best possible support to our grant holders and applicants. Tudor's trustees recognise the huge efforts of the staff team over the year, and wish to thank them for their dedication and resourcefulness, and for the care they have shown to our applicants and grant holders.

The trustees, too, stepped up to support Tudor's work over the year in new ways: working with staff to streamline grant assessment and decision-making processes; meeting more regularly to enable quicker decision making and sharing some of the responsibility for developing relationships with potential grant holders by taking part in Zoom assessment calls. Despite the challenges of remote working, in some ways the full Tudor team now feels better connected than ever.

As planned, Fiona Young, the Trust's long serving Head of Finance and Resources left Tudor at the beginning of April 2020. She kindly agreed to stay on as Interim Head of Finance until August 2020. The trustees would like to thank Fiona for her enormously valuable contribution to Tudor over more than 14 years. She has strengthened our financial systems and played a key role in developing our social investment portfolio. In July 2020 Aabida Mohmed joined the Trust and quickly made her mark - bringing her experience to bear on Tudor's finances, working with the Resources Team to ensure that all Tudor's systems supported remote working as effectively as possible, and giving focused attention to staff wellbeing. Tudor's trustees, and her colleagues, already value Aabida's fresh perspective and thoughtful and creative approach and look forward to meeting her in person over the year ahead!

The impact of Covid-19 has been deeply felt by the organisations we support, and the people and communities they serve. Over the last year we have adapted our thinking and priorities in response to the social, emotional and financial trauma unleashed by the pandemic, and we expect that we will continue to work in this flexible, responsive way over the years ahead.

Tudor funds smaller-scale groups working all over UK, addressing a huge range of issues. Over the last year we have been impressed, though not surprised, by the tenacity, commitment and ability to shift and adapt demonstrated by the hundreds of organisations we support. We continue to be inspired by their determination to make a real and lasting difference in the communities in which they work, and their commitment to their communities in such challenging times. We are pleased that we are able to provide some of the support that these groups need as they move towards an uncertain and often worrying future.

Structure, governance and management

On 1st March 1955 Sir Godfrey Mitchell endowed a charitable trust with a gift of shares in the construction company George Wimpey. In 1979 this trust became known as The Tudor Trust. The Tudor Trust's governing document is its memorandum and articles (incorporated 3rd August 2004 and amended by special resolution(s) dated 29th May 2014). The Trust was incorporated as a company limited by guarantee on 1st April 2005, with all assets and liabilities of the previous Trust being transferred to the current legal entity on that date. The company is also registered with the Charity Commission (registered 20th August 2004).

Trustees

The Trust's trustees are listed on page 55 of this report. The Board of Trustees appoints the trustees and while the articles of association provide for a minimum of six there are currently 15 trustees. In accordance with the articles, one-third of the trustees retired from office and offered themselves for reappointment at the annual general meeting of the company on 23rd September 2020. Trustees over the age of 70 serve for a term of one year, retiring from office and offering themselves for reappointment at each annual general meeting, if they so wish.

The composition of the Board is kept under review and if additional trustees are needed we look to recruit new members with relevant skills and experience. An induction programme and trustee handbook are provided for all new trustees and as part of their introduction and subsequent induction a new trustee meets key staff and attends a wide range of meetings and committees. Trustees also receive updates and informal training through briefing papers and newsletters, by taking part in regular meetings and discussions with applicants and grant holders and through attending in-house discussion, training and skill-sharing sessions. No new trustees were appointed in the year under review.

Decision making

The **Board of Trustees** normally meets three times a year and holds ultimate responsibility for the Trust. In the year under review the Board also held an extraordinary meeting, in June 2020, to discuss and agree Tudor's Covid response. The Board agrees the broad strategy of the Trust, reviews and confirms policy decisions, ratifies grant approvals and discusses financial and investment issues. A number of committees, sub-committees and groups support the work of the Trust.

- The **Trustee Committee** currently has seven members and reports directly to the Board. It normally meets every four weeks to review and develop grant-making policy, confirm grants and investigate and make decisions on more complex applications. The Trustee Committee also oversees the operation and activities of the Trust, whilst leaving the day-to-day decision-making to the management team. During most of the year under review the Trustee Committee met every two weeks, in order to support Tudor's Coronavirus response and facilitate quicker decision making.
- The **Investment Committee** currently has five members and reports directly to the Board. It meets quarterly, focusing on the development and implementation of Tudor's investment policy, asset allocation and the performance of investments.
- The **Audit Group** and **Remuneration Committee** also report directly to the Board.

- The **Delegated Decision Committee** normally meets every four weeks, reporting to the Trustee Committee. A member of the management team, usually the Director of the Trust, chairs the meeting, with other Grants Managers (in rotation) being members. The remit of the Delegated Decision Committee is to consider straightforward requests for continuation funding, requests to reassess or ‘flex’ a grant during its term and recommendations for development grants and Africa Group capacity-building grants. For much of the year under review the Delegated Decision Committee met every two weeks, in response to a higher level of flex grant requests.
- **Grants Meetings** report to the Trustee Committee and consider the majority of grant applications put before trustees. Three to four Grants Meetings take place every four weeks, with three or four trustees taking part in each meeting, alongside staff.
- The **Africa Group** runs a targeted grants programme promoting ecological agriculture in Zimbabwe, Kenya and Uganda, focusing on strengthening sustainable agriculture networks by resourcing centres of good practice and farmer-to-farmer learning. This group reports to the Trustee Committee.
- The **Complexity Friendly Funding Group** engages in learning and action research in order to gain insight into what complexity-informed practice might look like in Tudor’s context, with the aim of improving our grant making practice when supporting groups working in increasingly complex environments. This group reports to the Trustee Committee.
- The **Children and Young People’s Group** focuses on developing Tudor’s approach to funding work with children and young people. The group became more established over the year under review, beginning a listening and learning exercise with young people from youth-led organisations we support, and facilitating a funding application from The Listening Fund, a pooled fund which supports youth-focused organisations to develop their practice in listening to and responding to young people. The Children and Young People’s Group also reports to the Trustee Committee.

In 2020-2021 45% of the ‘mainstream’ (not Covid-related) funding committed over the year was agreed at Grants Meetings, 29% by the Trustee Committee, 24% by the Delegated Decisions Committee and 2% by the Africa Group. This breakdown is within the parameters set by the Board. More detail on the exceptional Covid-related grants made over the year can be found on page 8.

Day-to-day operation of the Trust

The trustees delegate the day-to-day management and operation of the Trust to the Director and the Head of Finance and Resources, Head of Grant Making and Head of Research and Information. This management team implements policies and strategy on the trustees’ behalf, giving direction and support to the staff. The Tudor Trust has three staff teams:

- The **Resources Team** maximises the effective use of the Trust's resources by managing its overall finances, investments, IT infrastructure and systems, human resources and the working environment.
- The **Grants Team** is responsible for the grant-making process through assessing new proposals, engaging with applicants, presenting applications to trustees and managing the grants portfolio.
- The **Information Team** is responsible for the effective management of Tudor's first-stage application process and for internal and external learning, communications, information and research work.

Grant-making policy and aims

The Tudor Trust operates for the public benefit. The ultimate beneficiaries of the Trust are the thousands of people that the groups we fund work with and support, rather than the groups themselves. The trustees have taken into account the Charity Commission's general guidance on public benefit when reviewing Tudor's aims and objectives and when planning future activities, setting grant-making policy and making grants.

When Sir Godfrey Mitchell endowed the charitable trust with an expendable endowment he specified that the trustees should be able to apply the funds to any charitable purpose. Over the years the breadth of these objects and powers has allowed the trustees to reassess how best we can make use of Tudor's funds, when this feels necessary. We know that many organisations value our consistent, relational approach to funding, so we made no changes to our funding guidelines for 2020-2021. We did however provide additional guidance throughout the year on how the Coronavirus pandemic was influencing our grant making and how applicants could best explain their work and plans in a time of great uncertainty.

Our funding guidelines set out the Trust's aims in the UK as follows:

The Tudor Trust wants to support smaller groups, embedded in their communities, which work directly with people who are on the edges of mainstream society in ways which encourage inclusion, integration and independence.

We don't have specific funding programmes designed to advance a particular agenda as we think that the groups we support are best placed to identify problems and develop solutions.

Our funding guidelines are broad because we want to support the work that groups really want to do. We seek to give those organisations we support the opportunity and practical tools to do the work that they know is needed.

Objectives and activities

Over the year Tudor funded work across the UK which met our overarching aim of addressing the many different needs of people at the margins of society. We also made grants in Africa under a targeted programme. Details of all the grants we made over the year, alongside a wider analysis of our grant making, are given in our *Grants review 2020-2021*, available on our website (www.tudortrust.org.uk) or on request from the Trust.

Our aim as a funder is to respond to the needs identified by our applicants, providing some of the resources they need to achieve their aims and make a positive difference within their communities. This responsive approach means that the grants we made during 2020-2021 supported a wide range of organisations across the UK including:

- An organisation supporting marginalised people through community volunteering in Hastings.
- An organisation offering outreach and practical, therapeutic and peer support for sex workers in Grimsby.
- A charity running a befriending project for older people with serious long-term alcohol problems in Edinburgh and the Lothians.
- A charity providing wide-ranging mental health support in Wrexham, North Wales.
- A charity delivering cross-community youth work in West Belfast.
- A community organisation in Sheffield working primarily with the Somali community.

Achievements and performance

At the beginning of the year under review Tudor's key objectives were:

- To make around 300 grants committing up to £19 million, supporting smaller-scale, community-based organisations to do the work they identify as most needed.
- To make grants reaching people at the margins of society.
- To develop our approach to relational funding, continuing to be an open, enabling and flexible grant maker providing useful and appropriate support to grant holders and applicants.

- To continue working towards becoming a ‘learning organisation’ and to encourage learning and knowledge exchange in the organisations we support.
- To continue to make the most effective use of the Trust’s resources.

With the advent of the pandemic an additional factor came to underpin these objectives: a commitment to sustaining our day-to-day grant making throughout the year while also providing thoughtful, flexible and timely support to our existing grant holders.

To make around 300 grants committing up to £19 million

- In March 2020 Tudor’s Board agreed that we should aim to make around 300 grants over the year, with a grants range of £18.5 million to £19 million. At an extraordinary Board meeting in June 2020 the Board agreed to raise the upper limit of our grant making to £24 million. At this meeting the trustees also agreed an intention to maintain our grant making at the level of at least £19 million over the next two years, 2021-2022 and 2022-2023.
- We made **1,052 grants** (2020: 344) totalling **£21.4 million** (2020: £20.9 million). The size of the average grant decreased to £20,389 (2020: £60,875).
- However 705 of these grants were ‘exceptional’ small Covid-related grants: 614 wellbeing grants of £2,000 and 91 immediate support grants of up to £2,000. When these grants, plus smaller-scale staff grants, development grants and Africa capacity-building grants are discounted the total number of grants made reduced to **310** (2020: 281) with an average grant size of **£64,377** (2020: £73,737).
- The analysis on pages 9 to 24 is based on our ‘mainstream’ grants: the 347 grants made over the year under our usual funding guidelines. This allows for sensible comparison with the previous year’s figures.

To make grants which support smaller-scale, community-based organisations to do the work they identify as most needed

- In 2020-2021 the regional distribution of our ‘mainstream’ grants (so excluding the 705 exceptional Covid-related grants which went to groups we were already funding) was as follows:

<u>Region</u>	<u>Number of Grants</u>	<u>Value of Grants</u>	<u>Percentage by Value</u>	<u>Percentage of UK Population</u>	<u>Grant per head</u>
					(UK only)
East Midlands	11	£642,675	3%	7%	£0.13
Eastern	11	£722,000	4%	9%	£0.12
London	56	£2,677,000	13%	13%	£0.30
North East	23	£1,399,340	7%	4%	£0.52
North West	37	£2,153,300	11%	11%	£0.29
Northern Ireland	11	£754,000	4%	3%	£0.40
Scotland	20	£1,146,675	6%	8%	£0.21
South East	23	£1,381,769	7%	14%	£0.15
South West	17	£1,035,300	5%	8%	£0.18
Wales	8	£546,951	3%	5%	£0.17
West Midlands	17	£886,000	4%	9%	£0.15
Yorkshire & the Humber	30	£1,689,800	8%	8%	£0.31
National/multi-regional	70	£4,484,100	22%	NA	NA
Overseas	13	£537,500	3%	NA	NA
Total	347	£20,056,410	100%	NA	NA

- These figures relate to grants made to groups which apply to us having read our funding guidelines - so our responsive grant making. This responsive approach mean that we see fluctuations in grants going to different parts of the UK from year to year. When reviewing our ‘give’ per region at the end of the year we focus on the grant per head figure, rather than the actual value of grants made, so that we can assess our grant commitments in relation to population figures.
- This year saw increased levels of funding going to Northern Ireland, London and the North West. Conversely, the grant per head figures for Wales and the East Midlands dropped quite significantly. With relatively few grants going to each region these figures can only offer a ‘snapshot’ of how our funding is distributed, but they do help us to decide where we should focus our efforts in terms of encouraging applications. One of the few positives to come out of the pandemic is that we are able to take part in more funding events: spending an hour and a half on Zoom rather than taking a day to travel to and from an event makes things more manageable. Over the last

year we have prioritised events in areas which are ‘cold spots’ for us in terms of applications received and funded.

- The most significant increase in funding this year was to groups with a national or multi-regional focus: 22% of our funding went to groups of this type in the year under review, compared with 17% in the previous year. This is primarily due to three significant grants going into pooled funds, for onward distribution: £450,000 to the Justice Together Initiative, a funder collaboration aiming to transform access to justice in the UK immigration system; £450,000 to The Listening Fund, a pooled fund run by the Blagrave Trust which supports youth-focused organisations to develop their listening practice and £220,000 to The Rosa Fund, to provide support to organisations led by and for Black and minoritised women.
- Tudor is committed to supporting smaller organisations which are embedded in their communities. In 2020-2021 56% of our mainstream grants went to organisations with a turnover of less than £250,000 (2020: 60%). 79% of our grants went to organisations with a turnover of less than £500,000 (2020: 83%).
- We want to make grants which support organisations to do the work that they think is most needed, and to fund in ways which contribute to the overall health of an organisation, rather than just a particular aspect of their work. This means that many of our grants are for core funding, covering things like key salaries and day-to-day running costs. In 2020-2021, by value, 88% of our mainstream revenue grants went towards core costs, rather than to specific projects (2020: 92%).
- Tudor funds organisations operating under a wide range of legal structures, not just charities, so we can’t always consider making a grant on an unrestricted basis. In the year under review we made 44 unrestricted grants: while this was an increase on the 20 unrestricted grants made in 2019-2020, it still represents just 15% of our core grants. Over the year ahead we will aim to make more unrestricted grants where it is possible and appropriate to do. This will involve being more intentional in finding ways of working ‘*from a position of trust*’ - a key requirement of one of our principles.
- In 2020-2021 25% of our mainstream UK grants went to community centres and resource centres, community development groups, community food projects, community gardens and growing schemes and local advice and advocacy projects - those crucial local organisations which often act as the ‘social glue’ within neighbourhoods, keeping communities strong, resilient and connected. These organisations were particularly important during the Coronavirus crisis.

To make grants reaching people at the margins of society

- Our funding guidelines outline our interest in supporting work which addresses marginalisation, however our applicants decide to define it, while also explaining how this sits alongside the other key characteristics and qualities we are looking for in the organisations we fund. While we wish to support work which addresses marginalisation and exclusion we are particularly interested in organisations which do this by understanding and fostering the strengths and potential held within their communities. In many cases their ability to do this is rooted in the lived experience of those steering the organisation. The principle of *‘Supporting communities to drive their own positive change’* underpins the approach we take when deciding which applications should go forward.
- Alongside our funding for ‘neighbourhood’ work addressing marginalisation within local communities, Tudor also supports groups which respond to marginalisation in a more targeted way, by working with particular communities of interest. So in 2020-2021 10% of our grants went to groups providing support to refugees and asylum seekers, 7% to work with a mental health focus, 5% towards work addressing homelessness and precarious housing and 4% to groups working with people with disabilities.
- Events over the last year demanded that Tudor, like other funders, reflected more deeply on racial equity in our grant making. In our previous annual report we noted that while we monitored the proportion of our grants going towards targeted work with Black, Asian or other Minority Ethnic communities or to groups led by members of racially minoritised communities, we didn’t have a way of separating out these two distinct strands. As a funder aiming to *supporting communities to drive their own positive change*, we committed to updating our coding systems so that we could make this distinction.
- Over the year under review we developed a new approach to understanding organisational leadership. On 1st April 2021 we introduced new questions within the first-stage application, intended to give us a better understanding of how work is led and steered by the community an organisation works with. Applicants can select from multiple descriptors - for example led by BAME people, led by Deaf or disabled people, led by lived experience, ‘neighbourhood’-led - on the basis that communities intersect and groups may be working across a number of different issues. When we report back next year we should be able to share a more nuanced sense both of who is applying to us and who we are funding - and equally importantly, not funding.
- Demands on the staff team during the pandemic meant that we weren’t able to introduce this new coding system during the year under review. However an increased awareness of racial equity during grant assessment and decision making meant that 20% of our UK grants by number (2020: 16%) and 24% by value (2020: 15%) went towards work with a BAME focus - though

as noted we are not yet able to report accurately on how much of this work was led by Black, Asian or other Minority Ethnic community members.

- Tudor is primarily a UK funder, but we also run a targeted grants programme promoting ecological agriculture in Zimbabwe, Kenya and Uganda. This programme is led by our Africa Group - a special interest group made up of trustees and staff - and focuses on strengthening sustainable agriculture networks by resourcing centres of good practice and farmer-to-farmer learning. In 2019-2020 the Group 'reset' its relationship with all of its regularly funded organisations by committing core grants running over five years. This resulted in grant commitments totalling £2.2 million. In the year under review the Africa Group took more of a holding position, focusing on sustaining and developing these core funding relationships, and nurturing potential strategic collaborations, rather than making significant new grants. The Africa Group committed £401,000 in grant funding over the year.

To develop our approach to relational funding, continuing to be an open, enabling and flexible grant maker offering useful and appropriate support to grant holders and applicants

- Tudor's trustees and staff believe that 'how' we fund is just as important as 'what' we fund. Relationships sit at the heart of what we do and in our view these relationships are stronger when based on mutual understanding and trust. Four of our key principles therefore cluster around the 'how' of our grant making: *Investing in relationships; Listening with intent; Valuing people's time* and *Using learning, our experience and creativity to offer flexible support to communities*. We used these principles as a guide as we adapted our way of working in response to the Coronavirus pandemic.
- Over the last few years we have worked hard at becoming a flexible funder, with grants managers aiming to establish the strong relationships with grant holders which provide the foundation for supportive and flexible grants management. We built on and intensified this relational funding approach as the pandemic hit: from the end of March into April we contacted as many of our grant holders as possible both to hear how they were coping and to offer reassurance around our funding and continuing flexible support.
- In March 2020 we signed up to London Funders' '*We stand with the sector*' statement, pledging to listen to our grant holders, adapt activities, outcomes and timeframes and offer flexibility in how funding was used. Building on this, in February 2021 we became a member of IVAR's *Open and Trusting Grant Making* community of practice, signing up to eight commitments intended to ensure that gains made around simplified and flexible funding are sustained beyond the Covid crisis.
- We provided support to grant holders in many different ways throughout the year, whether by unrestricting grants, agreeing a more focused change of use or a different grant period, or by offering flexibility around reporting,

with a phone call replacing a written report, for example. Grants managers also providing a listening ear and continued to offer guidance and support on an informal basis to grant holders, or put them in touch with sources of more specialist advice. We also made 15 development grants to support focused pieces of work to strengthen an organisation.

- We introduced immediate support grants in April 2020: small grants of up to £2,000 intended to support a group's response to urgent need in their community (often focused on food, tech or data). Trustees delegated decisions on immediate support grants to grants managers: the grant requests emerged from conversations between grant holder and grants manager, and this approach both recognised the importance of that relationship and speeded up decision making. We made 91 immediate support grants over the year, taking an average of four days to approve a grant.
- For the last few years we've had the ability to 'flex' approved grants, whether by increasing the amount of funding made available within the grant's term, or by extending the grant for a further period of time. In previous years we haven't used this facility very often. However in the year under review we made 44 flex grants, whether as additional funding to sustain an organisation as it responded to Coronavirus, or to extend a grant for another year without the need for a formal application. The Delegated Decisions Committee makes decisions on flex grants, and for much of the year this committee met every two weeks in order to speed up decision making: on average it took 14 days for a flex grant request to be approved. Flex grants played a vital role in our flexible funding toolkit during the pandemic, and we intend to embed them more firmly in our general grant making over the year ahead.
- We stayed open to applications throughout the pandemic, making grant decisions through our regular cycle of committee meetings and adding in additional meetings where necessary to facilitate quicker decision making. Tudor's trustees felt that it made sense to play to our strengths as a relational funder by continuing to make the longer-term core grants which would support organisations at a point when emergency funding was likely to be coming to an end.
- Managing a 'normal' level of day-to-day grant making while creating the space to provide more intensive support to grant holders meant that we had to make some adjustments to our approach: more trustee involvement in grant assessment and application development; lighter-touch due diligence; more streamlined paperwork and more exploratory and open discussions at grants meetings. This helped us to speed up decision making over the year. It took us on average 67 days to approve a grant for an application received in 2020-2021, compared to 87 days in 2019-2020.

- We were aware that lighter processes and quicker decision making had the potential to make us more risk averse - perhaps it might feel ‘safer’ to make shorter-term grants, or to focus funding on known organisations in this situation? Talking about this, and making the decision that any risk should sit with us as a funder rather than with groups working under pressure, meant that we continued to make the longer-term grants which are crucial to organisations navigating challenging terrain. In the year under review 38% of our grants were made over three years or more (2020: 41%). Similarly, it felt important to remain an open and accessible funder, willing to fund organisations we hadn’t funded before even when working in a quicker, lighter-touch way. In the year under review 33% of the groups we funded were new to us (2020: 39%).
- As a relational funder, we have always prioritised face-to-face engagement with applicants and grant holders, involving both staff and trustees in visits and in meetings at our office. This was of course impossible over the last year, so we moved to carrying out assessment calls on Zoom, involving trustees in these calls alongside grants managers where this was possible and helpful. This additional capacity allowed us to make more calls of this type - 249 over the year - and also enabled trustees to listen in an unmediated way to applicants, getting a stronger sense of the people behind the application and adding another perspective to the discussion at decision-making stage. Involving trustees more at this earlier stage also contributed to rooting our grant making more firmly in a relational approach.
- Visiting and meeting applicants and grant holders helps to build and strengthen trusting relationships while also giving us a stronger insight into their work and motivation: we were surprised that in many cases it felt as possible to build this kind of relationship on Zoom as it was in person. However it is harder to get a real understanding of ‘place’, and a sense of the social, regional and political context within which organisations are working, on a video call. While we envisage that video calls will be a useful addition to our assessment process in future, our sense is that there will often be times when a visit will be crucial in helping us really understand an organisation and its work, or in giving us a better sense of a place and the communities within it.
- As we talked to grant holders throughout the year, and tried to ‘*listen with intent*’ we became increasingly aware of the pressures under which staff, volunteers and trustees were operating. Organisations had adapted to provide the best support they could to their communities in extremely difficult and uncertain circumstances, with those working within those organisations also dealing with their own individual challenges. Our sense was that few organisations had either the headspace, or the resources, to prioritise team wellbeing, so in December 2020 Tudor’s trustees decided to offer small wellbeing grants of £2,000 to 635 of our current grant holders.

- These grants were agreed on the basis that supporting the wellbeing of staff, trustees and volunteers within the organisations we fund would help contribute to the overall health and resilience of those organisations, helping them to deliver their charitable purpose more effectively. We kept the process as light as possible - asking just for a grant acceptance email and a recent bank statement - and 614 groups took up the offer. The overall response was extremely positive, with many groups noting that the sense of being recognised, valued and thanked was as important as the relatively small sum of money. We will contact all the groups who accepted the grant in September 2021 with a brief online survey, asking how they used the grant and whether they think that supporting team wellbeing made a difference to their ability to deliver their work effectively. These responses will shape our future thinking on organisational resilience and wellbeing.

To work towards becoming a ‘learning organisation’ and to encourage learning and knowledge exchange in the organisations we support

- Just before the pandemic hit Tudor’s trustees had committed to a new ‘learning intention’ for the organisation: *“Tudor wants to use learning practices to explore how communities drive their own positive change and how we can best support them. By prioritising learning, as an organisation and as individuals, we intend to invest in this exploration and act on what we learn.”* By the beginning of the year under review we had reached a point where learning and reflection were more firmly ‘embedded’ into our daily work: having this foundation in place meant that we were in a stronger position as we moved to remote working and had to change the way we worked to meet the new demands we were facing.
- As we responded to the challenges of the pandemic we moved through multiple cycles of observing and listening, making quick decisions on the basis of ‘where we were’, trying things out, reviewing and adjusting. This applied across all areas of our work - how we received and managed applications; how we made payments; how we kept in touch with our grant holders and understood the challenges they were facing; how we kept in touch with and supported each other; how we could develop a lighter-touch approach to grant making while maintaining confidence in the decisions we made.
- This approach required flexibility, a degree of humility (we got some things wrong) and a shared willingness to try things out rather than debate endlessly. Overall the pandemic has helped us to understand more viscerally that being a ‘learning organisation’ is not an intellectual exercise: rather it has been crucial in helping us to survive, function, and sometimes improve over a period of uncertainty and challenge.
- The weekly initial assessment meeting, where we decide which applications will be taken to second stage, remained key to our learning.

Moving this meeting online allowed us to open it up to colleagues from different teams and also meant that a wider group of trustees could join the meeting more regularly. This brought new perspectives into the meeting and also exposed more of the Tudor team to the full range of applications we receive. Reviewing and discussing such a wide range of applications from all over the UK provides regular opportunities for sharing knowledge, comparing different approaches, refining our thinking around the characteristics we look for in the organisations we fund, and sometimes challenging ourselves and the status quo. In the year under review we talked more about power dynamics, bias and the expectations we place on applicants, and tried harder to surface the ‘*real voice*’ of community within applications.

- We maintained opportunities for learning within our four-weekly meeting cycle, another point at which our values of *Listening with intent* and *Investing in relationships* come into play. Normally a full day’s programme surrounds each grants meeting. Things were a bit different this year as our ‘opening sessions’ focused on keeping staff and trustees in touch with each other and with developments at Tudor and externally, and on sharing dilemmas and developing thinking. Grants meetings expanded to make space for wider discussion about how best to make grants during a time of crisis and a reflective period at the end of each meeting to assess how the changes we’d made to our grant making were working.
- Towards the end of the year we reclaimed some space for meetings with applicants and grant holders (beyond the usual assessment calls), and for focused learning sessions. In the year under review trustees and staff took part in discussions around racial equity and justice; the role of campaigning within the sector; the challenges facing organisations focusing on work with men and boys; issues facing migrant domestic workers; and what the leaders of small voluntary and community organisations need from their funders.
- To maintain momentum and connection between meeting cycles we established a new regular meeting for trustees on a two-weekly basis, to provide a reflective space, and shared updates and learning through a regular email bulletin. We also spent more time focused on learning at all team and staff meetings.
- Tudor is a generalist grant maker supporting a diverse range of organisations working across many different issues. Our open and inclusive approach means that it isn’t possible for us to evaluate the overall ‘difference’ our grant making makes to society as a whole. However we are interested in learning from our individual grants and in using that learning to inform our relationships with applicants, grant holders and the wider sector, and adjust and improve our wider practice and approach. We also aim to support our grant holders to develop approaches to monitoring and evaluation that work for them and which help them reflect on their work, and learn and improve.

- In normal times we ask our grant holders for written reports, which we read, respond to and learn from. This approach shifted during the year under review as we tried to reduce pressure on our grant holders. While some groups reported in writing as usual, perhaps to a different timescale, we also offered different options: shorter written reports followed up with a phone call; no written report at all, just a phone call or Zoom meeting; reports written for other funders and in some cases funding released on the basis of regular catch-up conversations rather than a year-end report.
- Over the last few years we have become less interested in checking outcomes, and more focused on organisations being accountable for their learning and how they use it. This approach felt justified during this time when ‘meeting outcomes’ was an impossibility for most organisations: what really mattered was their ability to learn, adapt and respond so that they could continue to support their communities.
- For some time we have been part of a group of funders and funded charities working with IVAR to test a set of principles intended to make grant reporting a shared, more meaningful and mutually beneficial experience. However this approach had not yet taken root in our regular practice before the pandemic. Our experience over the last year will help us as we look to integrate these principles more fully into our reporting guidance over the years ahead.
- Our wider thinking about learning and evaluation (both for ourselves and for our grant holders) continued to be informed by the work of two special interest groups - the Complexity Friendly Funding Group and the Children and Young People’s Group. The Complexity Friendly Funding Group is working within the tenets of Toby Lowe’s work at Northumbria University on trust-based funding in complex systems, investigating how Tudor might be a more creative funder of groups working in complex environments, and how we can think about accountability in different ways. This group is ably supported by Richard Jenkins, a Tudor associate, who has helped us develop our thinking around funding in complexity, while also acting as a critical friend on our wider learning journey.
- Throughout the year we continued to work with a small group of grant holders already working in complexity, to develop and test a more complexity-friendly funding approach. We also remained a member of a case study cohort which forms part of Northumbria University’s programme of action research around the ‘Human, Learning, Systems’ approach. As the year progressed, however, our sense was that the pandemic had accelerated our thinking about what it means to be an ‘HLS aware’ funder, with grants managers working in a more relational and flexible way with a much wider range of grant holders as, by necessity, they navigated ever more complex systems and circumstances. We increasingly see ‘complexity-friendly’ approaches manifested in our regular grant making, rather than viewing this as a separate strand of work.

- During the year members of the Children and Young People’s Group embarked on a series of learning conversations with young people from youth-led organisations, to understand more about the issues that are important to them, what ways of working support youth leadership and what the barriers are to creating the change that they want to see. We wanted these conversations to be exploratory and collaborative, not extractive, so ensured that we were able to compensate the young people involved for their time in ways which worked for them. These conversations, combined with the group’s involvement with The Listening Fund, will contribute to wider Tudor thinking about how we can improve our listening practice and what we will need to put in place to make sure that we act on what we hear.
- Like many trusts and foundations, in the year under review Tudor began a journey towards a better understanding of the history of racism, the inequity it perpetuates today and how it can be dismantled. Last summer trustees and staff met to share, reflect and listen, and agreed that we should start our work by looking inwards at our own understanding of racism and white supremacy. Supported by facilitators, staff and trustees have been taking part in a series of workshops, with a different focus for those who are Black, Asian or from other minority groups, and those who are White. In parallel, we also began a series of learning conversations with some of our Black and other minoritised community partners. We aim to listen and improve our understanding of how we can be a better funder of groups experiencing structural racism, particularly small grassroots groups.
- In September 2021, the full Tudor trustee and staff team will come together to discuss collectively actions that will move us forward, and the changes we need to make to embed racial equity in our grant making and within our wider organisational culture.
- During 2020-2021 we continued to share our grants data via 360 Giving, an initiative working to help UK grant makers to publish their data openly online, to an agreed standard. This allows data from many different funders to be shared and compared more easily, enabling learning and supporting decision making. This included sharing data on our Covid-focused funding, initially daily, to 360 Giving’s Covid-19 Grants Tracker from the beginning of April 2020.
- There were some aspects of our learning work which didn’t progress as planned during the year under review, particularly our exploration of principles-focused evaluation. This is an approach which helps organisations hold their values at the heart of what they do and assess whether they are living up to them. We have used our principles to help guide our decision making over the year, and ‘paused’ at various points to think about how and when we have applied our principles during the decision-making process, or whether our principles should have come into play, but didn’t. But we haven’t had the capacity to review some of our

grant-making data through the ‘lens’ of different principles, and use these findings to explore how well we have embodied our principles in practice.

To consider how we can make the most effective use of the Trust’s resources

- Tudor is committed to *making the most of our resources and independence*, thereby contributing to the health and strength of civil society. Using *all* our resources - not just our money - as effectively as possible is particularly important to us.
- Tudor’s approach to grant making relies on regular, focused engagement from our trustees, directed in ways which support and develop the work of the trust. Over the year under review Tudor’s trustees gave more of their time, energy and experience to the trust than ever before: meeting more frequently both to allow quicker decision making on grants and to provide enhanced support to the staff team; contributing to more Initial Assessment meetings and most significantly, taking part in assessment calls alongside grants managers. Trustees have been open to working in different ways and trying new things, all with the intention of enriching the Trust’s work over a turbulent period.
- The Delegated Decisions Committee (DDC) continued to operate throughout the year under review, with the staff team taking responsibility for making decisions on applications for continuation funding and flex grants, within agreed parameters. Over the year 37% of grant decisions were made by the DDC, a significant increase on the previous year, where DDC was responsible for 18% of grant decisions. This was due to our intensified focus on supporting existing grant holders during the pandemic. Trustees continue to believe that delegating decision making in this way releases trustee time and energy, while also making effective use of grants managers’ skills and experience, allowing them to steer the development of established funding relationships. Decisions on small immediate support grants, made to existing grant holders, were also delegated to grants managers.
- Our established partnership with the Four Acre Trust continued during 2020-2021, with their trustees committing £400,000 (2020: £250,000) to help resource Tudor’s grant making within the youth sector. Four Acre’s approach aligns closely with our own and their funding has allowed us to provide an enhanced level of support to some key youth organisations during this particularly difficult year. Tudor’s trustees are grateful to Four Acre for the trust they place in us, and are delighted that the partnership will continue into 2021-2022, with Four Acre allocating a further £400,000 towards grant support for youth projects over the year ahead.
- We recognise that the resources we have as an endowed charitable trust offer a level of freedom and independence which is unusual within the wider charitable sector. Working collaboratively is one way in which we can use this freedom and leverage our resources. In the year under review we continued to work with five other funders - City Bridge Trust, Esmée

Fairbairn Foundation, LankellyChase Foundation, Lloyds Bank Foundation for England and Wales and Paul Hamlyn Foundation - to explore the potential for a joint place-based initiative.

- LocalMotion aims to develop a piece of work which puts local people in the lead and which offers real learning about how we might rethink usual philanthropic practice. Although discovery and development work was inevitably delayed by the pandemic, at the beginning of the year six potential pilot areas were identified: Carmarthen, Enfield, Middlesbrough, Lincoln, Oldham and Torbay. Tudor has been closely involved in conversations taking place in Lincoln, alongside LocalMotion's Director of Collaboration. Over the summer the Boards of the six contributing funders will be meeting to discuss the final vision for the programme, and their own trust's contribution to the pilot phase.
- This kind of exploratory, speculative work is at the most engaged end of the collaboration spectrum: another, less engaged, approach is to contribute to a pooled fund, aligning our funds with others to maximise the resources focused on a particular issue. In the year under review we granted £1.1 million to three pooled funds: to support listening work with young people; work on access to justice in the UK immigration system and projects led by Black and minoritised women. While our primary contribution has been financial, Tudor staff have also supported these funds' grant making in different ways, contributing their time, knowledge and experience while also bringing new learning and an experience of different funding approaches back to Tudor.
- Endowed charitable funders are in a privileged position: our independence and freedom gives us the ability to speak out on issues without jeopardising our funding or losing public support. As a responsive, generalist funder, however, our usual approach is to use our platform to amplify the voices of the groups we support, recognising that they are the experts on the key challenges facing their communities, not us. While we tend to be known primarily as a funder of 'direct work' we also make grants to organisations which challenge injustice and inequality in their communities and wider society, particularly where this work is rooted in the lived experience of those they work with. Alongside this we can also make grants to organisations with a wider systems change agenda.
- For example in the year under review we made grants to The Equality Trust, which works to improve the quality of life in the UK by reducing socio-economic inequality; the Racial Justice Network, working to promote racial justice and challenge oppressive practices in West Yorkshire; and Participation and the Practice of Rights Project, which supports marginalised people in Northern Ireland to assert their human rights in practical ways. In our view this kind of work is strongly aligned with our principles, and with our overall aims as a funder committed to supporting organisations which address the root causes of marginalisation, as well as those who work with those who have been marginalised.

- Tudor’s trustees have operated a responsible investment policy for managing the Trust’s endowment for 20 years now, with the intention of aligning the use of our financial assets with our grant-making approach. In the year under review Tudor’s Investment Committee continued to debate how best to apply the investment principles which underpin this approach. At the beginning of the year the committee made the decision to divest from all companies deriving more than 5% of their turnover from nuclear energy: the final holding was sold in July. Throughout the year active debate took place around earth jurisprudence and the rights of nature, with committee members considering how a new investment framework could support a move away from a human-centric, exploitative and extractive approach to the planet.
- Social investment has been part of Tudor’s toolkit for over sixteen years, with our motivation being our wish to use all of our assets to achieve our aims. While there is now a broader ‘market’ of social investments than in the past we are increasingly selective about where we engage. Working to social investment principles established in 2020, we are now primarily interested in ‘disruptive’ social investments and in investments where we can work in a relational way with our investees, helping them to protect their mission and purpose. We made one new social investment in 2020, agreeing a further investment of £500,000 in Social and Sustainable Capital’s SASH Housing response to the ‘Everyone In’ initiative, intended to ensure that homeless people were safely housed during the pandemic. This took our total investment to £2 million.
- Tudor’s Resources Team came to the fore as the pandemic hit, ensuring that an organisation which has always been primarily office-based was able to function effectively while working remotely. The sudden transition to remote working was challenging for everyone, but the Resources Team made this possible by supporting colleagues with their home working set ups, ensuring our IT systems supported remote working, establishing new internal communication channels and moving our phone system to the cloud, re-establishing a more straightforward connection to the outside world. Our Database and Systems Manager, within the Information Team, also designed new processes and introduced database improvements to support effective remote working. All of these efforts meant that the full staff team, one of Tudor’s key resources, was able to work effectively, and without interruption, across the whole of the year under review.
- We saw significant changes within the staff team in the year under review. As noted already Aabida Mohamed took over from Fiona Young as Head of Finance and Resources in July 2020. Joanna de Havilland retired from her Grants Manager role, after 17 years with the Trust, in June 2020. During her time at Tudor Joanna provided great encouragement and support to the hundreds of groups she worked with, often helping them to think more deeply about the ways in which they assessed and evaluated their work. She also developed and introduced more proactive approaches to funding work with care leavers and with older people and was radical in her thinking

about the kind of grant maker Tudor should be. Joanna has been a hugely valued colleague - positive, kind and unfailingly supportive - and will be much missed by trustees and staff alike. We are delighted however that she will still be working with Tudor as a consultant for a short time, to support the final stages of an innovative piece of work around age activism.

- Jennifer Oatley (Grants Manager), Hannah Torkington (Programme Manager - Africa) and Annie Salter (Learning and Communications Manager) were on maternity leave at different points during the year. Suneer Fida, previously a paid intern, provided excellent maternity cover for the grants manager role, and was offered a permanent Grants Manager role after the year end, increasing our capacity. Trustees are very grateful to other team members, particularly within the Grants and Information Teams, who have shown great flexibility in covering various elements of the other roles. From January 2021 we brought in some additional resource from IVAR to support Tudor's wider learning work over the period of Annie's maternity leave.

Looking ahead

The year under review has been challenging for Tudor, though we are very conscious that we have been insulated from some of the most extreme effects by the resources and privilege we hold. The same cannot be said for most of the voluntary and community organisations we support, who have experienced great stress, uncertainty and instability over the last year and who continue to navigate difficult territory as they move into 2021-2022. Over the last year we adapted our approach and priorities to provide the best support we could to applicants and grant holders as circumstances changed, and we will continue to do this over the year ahead. On that basis these are our initial plans:

- In June 2020 the trustees agreed an intention to maintain our grant making at the level of at least £19 million over 2021-2022 and 2022-2023, feeling that it was important to be open about this at a time of great uncertainty in the sector. At their Board meeting in March 2021 the trustees agreed an enhanced grant commitment range of £19 million to £21 million for 2021-2022, across 300 to 330 grants. Giving will be monitored on a four-weekly basis by the Trustee Committee, with the Board reviewing the situation in July and November 2021.
- We introduced updated funding guidelines on 1st April 2021. While we haven't changed our overarching approach we have tried to respond to what we have heard from applicants over the last year by stressing our continued focus on core funding and multi-year support, explaining our thinking about reserve levels and acknowledging the challenges groups face when applying in uncertain times. We've found that many organisations have struggled to explain themselves and their work to a funder when their approach has had to change so radically in response to the pandemic, and when further change is likely in the future too. The updated funding guidelines are intended to provide some guidance and reassurance on this front.

- We also moved to on-line application from 1st April 2021, with the aim of simplifying things for applicants while also streamlining administration at our end, freeing up staff time to focus on more relational work with applicants and grant holders. As part of this new process we are now asking more detailed questions around organisational leadership at application stage. A key piece of work over the year ahead will be to think through how we can use this data to identify gaps in our grant making (who is not applying to us? who is applying but not reaching second stage and why?) and to develop strategies to address this.
- The development of a new grants management database will be a major piece of work over the year ahead. Some groundwork to support re-engagement with this project began in the year under review, with prototyping workshops involving three different developers and a broad cross section of the staff team then taking place in April 2021. We aim to appoint a development partner over the summer who will work with us to design a database which will support our iterative and flexible grant making process and strengthen our communication and relationship building with grant holders.
- Developing our thinking and practice around learning, by creating and protecting learning and reflection spaces within our meetings and wider conversations, will be another focus over the year ahead. We will work with trustees and staff, and the wider *Open and Trusting Grant Making* community convened by IVAR, to decide how we can build on the gains made around lighter touch, more trusting and less burdensome grant making over the last year. It feels important that we don't slip back into the old patterns of thinking and behaviour but instead reflect on what changes have been most positive so that we can tie them back into our regular practice. As part of this work we will investigate whether we can realistically offer helpful feedback to applicants we turn down at first stage. Lessons learned from the Complexity Friendly Funding Group, and the Children and Young People's Group, will be shared with the wider trustee and staff group and we will think through how these can feed into our wider grant making.
- We have described the work we have begun on making the transition to being a funder that works towards racial equity. So far this work has been slow and careful. From the summer we intend to build on this listening and learning phase and move to action, deciding what changes we need to make both in our internal operations and in our funding approach, so that we can more effectively support work led by Black people and those from other racially minoritised communities. The pandemic delayed work on the wider diversity, equity and inclusion agenda, including work on the Diversity principle under the Charity Governance Code for larger charities, and assessing our policies and practices against the nine pillars of stronger foundation practice in Diversity, Equity and Inclusion outlined by the Association of Charitable Foundations. We intend to re-engage with this work over the year ahead.

- The year ahead is likely to be one of transition for Tudor, as for many other organisations. We will be reviewing our approach to grant making, building on some of the unexpected positives uncovered over the last year and incorporating learning drawn from many different strands of work. We will explore with Tudor's trustees and staff team how we can rethink our working culture to accommodate more flexible working patterns, while retaining and expanding the trust and shared understanding of our values which lie at the heart of our work.
- This work will underpin our continued concentration on making good grants. Tudor's primary focus remains unchanged: we wish to provide useful, flexible and timely support to voluntary and community organisations which promote positive changes in people's lives and in their communities. What may change is our understanding of what this support should look like, our openness to funding a broader range of organisations and work, and our sense of what positive change can mean for different communities.

Financial review

Charitable expenditure

As noted earlier in the report, during the Coronavirus pandemic Tudor focused on maintaining a high level of support to existing grant holders, while also staying open to new applications. This was made possible by raising the upper limit of the grant making budget from £19 million to £24 million for the 2020-2021 financial year. This decision was made at an extraordinary Board meeting held in June 2020, and it enabled Tudor to enter into new grant commitments to the value of £21.4 million (2020: £20.9 million), comprising 1,052 (2020: 344) individual grants.

The uplift in both the value and number of grants has been driven by small-scale Covid-related grants, which are largely not expected to continue into future financial years. Note 5, on page 39 of the financial statements, provides further analysis of the grant commitments made in the year. Throughout the year, trustees regularly reviewed the overall level of grants being committed: the level of funding recommended by the Delegated Decisions Committee and the Grants Committees and the level of funding approved by the Trustee Committee. Grants commitments remained within the upper limit of the budget set for the year, and the level of grant making undertaken by the various Committees was within the parameters set by the Board.

When deciding how much Tudor might commit during the year, trustees bear in mind the needs of communities the Trust currently works with and those we hope to engage with in the future. In line with a policy adopted some years ago, which is periodically reviewed, Tudor's expenditure continues to exceed its income. Net charitable expenditure for the year was £18.3 million (2020: £16.4 million) and was funded through capital withdrawals from the expendable endowment. The trustees monitor the long-term real return of the portfolio and recognise that, in some years, this will result in the underlying value of the fund increasing and in other years diminishing. At this year's balance sheet date, the investments were valued at £291.5 million (2020: £239.2 million), reflecting the rallying of the markets after the initial downturn at the start of the pandemic. The market movement on the investments has turned the year's net charitable expenditure position of £18.3 million to a surplus of £45.8 million (2020: £17.1 million deficit).

Conversely, income earned on Tudor's investment portfolio this year has fallen to £4.4 million (2020: £5.9 million). This reflects the caution exercised by companies in paying out dividends during the pandemic and the continuation of low interest rates from the tail end of the previous financial year.

Another source of income in the year was the continued partnership with the Four Acre Trust, who contributed £0.4 million towards Tudor's grant making in the youth sector, a contribution which will be matched in the 2021-2022 financial year. Tudor also secured a grant of USD 150,000 (£106,000) for a

project which aims to strengthen the newly established African-wide Healthy Soil Healthy Food Initiative in Kampala, Uganda.

In line with the uplift to the grant-making budget, charitable expenditure increased to £23.2 million (2020: £22.6 million). This rise in expenditure is, almost in its entirety, due to the increase in grant commitments in the year.

The trustees set a budget for support and administrative costs at the start of each financial year. Actual expenditure against budget is monitored on a monthly basis during the year and reported to both the Trustee Committee and the Board at regular intervals. The total cost of supporting Tudor's grant-making activities for the year was £1,732,000 (2020: £1,698,000). This small uplift in expenditure reflects the increase in hours of some part-time staff, as we scaled up our grant-making activities in the face of the pandemic.

Expenditure on professional support costs, representing fees paid to external consultants and professional advisers in support of grant applications and ongoing grant work, was £48,000 this year (2020: £80,000). The support needed by grant holders and applicants during the pandemic could, in the main, be provided by the staff team. Furthermore, due to necessary public health restrictions, it was not possible to hold the convening events in person which have previously driven costs in this area.

Perhaps inevitably a few of the projects Tudor has supported closed during the year, resulting in the cancellation of the associated grant balances. For the second consecutive year we have seen the level of grants cancelled or withdrawn reduce. This year grant cancellations and withdrawals totalled £94,000 (2020: £108,000): two (2020: one) grants were fully withdrawn, with adjustments made to six (2020: 10) others.

As an endowed foundation, Tudor does not engage in public fundraising and does not use professional fundraisers or commercial participators.

Remuneration

The trustees consider the Board of Trustees, the Director, Head of Finance and Resources, Head of Grant Making and Head of Research and Information as the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. During the year five of the trustees were remunerated and their remuneration is set out in note 5 to the accounts on page 40. This remuneration is paid in accordance with Tudor's memorandum.

Trustees are required to disclose all relevant interests and register them with the Head of Finance and Resources and, in accordance with the Trust's conflicts of interest policy, withdraw from decisions where a conflict of interest arises. The Chair reviews the conflicts of interest register.

The remuneration of the paid trustees, Director, Head of Finance and Resources, Head of Grant Making and Head of Research and Information is reviewed annually and usually increased in accordance with the Consumer Price Index. The trustees and Director's salary are reviewed by the Remuneration Committee and the staff salaries are reviewed by the Trustee Committee. Staff salaries are also bench-marked with grant-making charities of a similar size and activity on a regular basis to ensure that the remuneration set is fair and not out of line with that paid for similar roles.

Investments

Tudor has adopted an investment policy for its expendable endowment which seeks to optimise performance through a diversified asset portfolio applying a medium risk strategy. This is reflected in its asset allocation as shown in note 7 on page 42. The performance of the portfolio is monitored monthly and reviewed on a quarterly basis by the Investment Committee. At these meetings trustees discuss investment strategy and asset allocation. Investment performance and market trends are discussed with the Trust's investment managers at regular meetings.

Tudor has operated a responsible investment policy for 20 years. It seeks to invest in companies that demonstrate socially responsible values and which offer the potential for sustainable growth in the future. This positive, long-term approach to investing is a key part of the strategy for the portfolio. Negative screening, where industry sectors or companies are excluded from investment, may limit future opportunities - however some investments are not held as they are inimical to the work of the Trust.

In July 2016, following an extensive period of review, the Board updated its Investment Principles. The new Investment Principles continue to promote the mission of the Trust (supporting the many different needs of people at the margins of society). Tudor has aligned its assets with the Trust's philanthropic principles in a manner that resonates with our grant-making strategy. This investment approach highlights areas that continue to be actively debated by the Investment Committee and during the 2019 financial year the Board agreed that Tudor would divest from investments in oil and gas companies. The Investment Committee considers at each meeting areas for ongoing discussion and this year has discussed nuclear, governance, earth jurisprudence and the rights of nature. Trustees regularly review these factors and in May 2020 decided to not hold investments in companies that derive more than 5% of their turnover from nuclear energy. All of Tudor's investments align with our investment principles.

Tudor remains a long-term social investor in ameliorating society's ills and its investment strategy continues to look for long-term performance rather than short-term gain. The trustees believe that taking a responsible, long-term approach to investment will ultimately improve returns.

Sarasin manages a global equity portfolio for Tudor: the Responsible Fund. At the year-end Tudor's equity portfolio was valued at £192.6 million (2020:

£143.0 million). Liontrust manages Tudor's SRI Corporate Bond Fund, which was valued at £60.2 million (2020: £57.4 million) at the year end.

A combination of prior year withdrawals from the investment portfolio and current year repayments from the Paloma Real Estate Funds I and II have largely sustained Tudor's activities in the year. In addition, to rebalance the portfolio, £5 million was taken out of equities and £2.5 million from the corporate bond fund during the year. This was to guard against markets overheating and to ensure that Tudor was not a forced seller in turbulent markets.

The market value of Tudor's investments at 31st March 2021 was £293.8 million (2020: £241.3 million), including social investments. The portfolio at this date comprised 65% UK and global equities, 20% fixed interest holdings, 3% in Real Estate Funds, 11% in cash and 1% as social/unlisted investments (2020: 59%, 24%, 5%, 11% and 1% respectively). Cash flow requirement is reviewed at each Investment Committee meeting.

Financial markets have been volatile during the financial year, largely due to the coronavirus pandemic, but then settled into a period of growth which is not expected to continue indefinitely. As Tudor holds an overseas equity portfolio the Investment Committee has agreed to allow Sarasin to hold forward foreign exchange positions to mitigate the effect of sterling movements. Valuations have seen large swings in the year, sometimes on a monthly basis. We end the year with a reduction in the social investments provision and investment gains totalling to £65.2 million (2020: loss of £1,000).

Tudor's portfolios are all managed against a range of indicators and benchmarks deemed to be appropriate by the trustees. The trustees are committed to seeking good long-term performance from the funds and therefore monitor the performance of the equity portfolio against the MSCI All Countries World Daily. During the year the Responsible Fund outperformed its benchmark by 1.6% for the year (2020: outperformance of 8.1%). The Corporate Bond Fund is managed against a bespoke benchmark and during the year has outperformed its benchmark by 4.38% (2020: underperformance of 0.82%). The Investment Committee continues to review and discuss performance on a quarterly basis.

Social investments

Tudor has been interested in using part of its endowment for social investment for a number of years. The trustees have continued to discuss how social investment might enhance Tudor's work and how this is best reported. We look for good opportunities for social investment which are closely aligned with Tudor's aims, but are mindful of the time and resources well-judged social investment requires and the need to balance this with Tudor's core work as a grant maker operating in a difficult funding environment. At the year end the value of social investments held was £2.3 million (2020: £2.1 million), representing 0.79% (2020: 0.86%) of the endowment.

During the year, Tudor extended its commitment to Social and Sustainable Capital's Building Fund by a further £0.5 million. This brought the total commitment to £2 million, with £0.60 million paid away by the balance sheet date.

There have been no other changes to the social investment portfolio during the year. Repayments on the CLT Fund I have been very slow and the closure of the Fund was extended again to September 2020, with reporting now included with CLT Fund II.

The trustees review the value of social investments annually and this year agreed to make a number of further provisions to the investments.

Reserves

Under the terms of the Trust Deed, the Unrestricted Fund is expendable at the trustees' discretion. All unexpended funds are therefore held in the Unrestricted Fund. The trustees intend to continue monitoring the value of the Fund in real terms to ensure that they are able to achieve both income and capital appreciation so as to maintain the existing level of charitable giving for the foreseeable future. At the year end the value of unrestricted reserves held was £272.5 million (2020: £226.8 million).

Risk management

The trustees are responsible for establishing and monitoring internal control systems within the Trust. They review the major risks which may impact on the operations of the Trust on an ongoing basis and are satisfied that the system of internal controls currently in place is adequate, whilst recognising that it is designed to manage rather than eliminate risk. Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the Trust.

The trustees continue to consider the principal risk to the Trust is that of not fulfilling its core purpose: good grant making. Failure to maximise the opportunities afforded an independently-endowed grant maker would be damaging to the communities we work with and those we might work with in the future. In order to mitigate this we regularly review our grant-making practices and monitor and evaluate grants made.

Tudor's resources are also subject to the unpredictability of the financial markets. To mitigate this risk the trustees review the asset allocation and fund performance at each Board meeting. The Trust also retains expert investment managers. Lack of resources would affect our ability to make available as much funding support as we might like and to deliver the objectives set out in our funding guidelines.

Auditor

Sayer Vincent LLP has indicated its willingness to continue in office.

Statement of trustees' responsibilities

The trustees (who are also directors of The Tudor Trust for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company'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 of Tudor Trust on 7 July 2021 and signed on their behalf by:

Ben Dunwell
Chair

Francis Runacres
Trustee Director

Statement of Financial Activities
 (incorporating an income and expenditure account)
 Year ended 31 March 2021

	Notes	Unrestricted 2021 £000	Restricted 2021 £000	Total 2021 £000	Total 2020 £000
Income					
Donations	13	-	506	506	257
Investment income	2	4,355	-	4,355	5,947
Total income		4,355	506	4,861	6,204
Expenditure					
Costs of raising funds					
Investment Management Costs	3	1,093	-	1,093	692
Expenditure on charitable activities					
Grantmaking					
Grants approved	4/5a	21,049	400	21,449	20,941
Grants withdrawn	5a	(94)	-	(94)	(108)
Management of grants	5b	1,732	-	1,732	1,698
Professional support costs	5b	48	-	48	80
Governance costs	5b	17	-	17	17
Cost of grantmaking		22,752	400	23,152	22,628
Total expenditure		23,845	400	24,245	23,320
Net (expenditure)/income before gains and losses on investments		(19,490)	106	(19,384)	(17,116)
Net gains on investments	7	65,111	-	65,111	72
Decrease/(increase) in provisions on social investments	8	67	-	67	(73)
Surplus/(deficit) for the year and net movement in funds		45,688	106	45,794	(17,117)
Funds balance at beginning of year	13	226,803	302	227,105	244,222
Funds balance at the end of the year	13	272,491	408	272,899	227,105

The statement of financial activities includes all gains and losses recognised in the year.
 All incoming resources and resources expended derive from continuing activities.
 A copy of the 2020 Statement of Financial Activities is included at note 21

Balance Sheet

As at 31 March 2021

Company number: 5196041

	Notes	2021 £000	2020 £000
Fixed Assets			
Investments	7	291,451	239,200
Social investments	8	2,327	2,078
Tangible assets	9	930	980
		<u>294,709</u>	<u>242,258</u>
Current Assets			
Debtors	10	270	286
Cash at bank and in hand		1,781	6,178
		<u>2,051</u>	<u>6,464</u>
Current liabilities			
Creditors: amounts falling due within one year	11	(15,550)	(14,528)
		<u>(13,498)</u>	<u>(8,064)</u>
Total assets less current liabilities		281,210	234,194
Creditors: amounts falling due after more than one year	12	(8,311)	(7,089)
		<u>272,899</u>	<u>227,105</u>
Net assets		272,899	227,105
Funds			
Unrestricted fund	13	272,491	226,803
Restricted fund	13	408	302
		<u>272,899</u>	<u>227,105</u>

The financial statements were approved and authorised for issue by the Trustees of the Tudor Trust on 7 July 2021 and signed on their behalf by:

Ben Dunwell
Trustee/Director

Francis Runacres
Trustee/Director

Statement of Cash Flows

Year ended 31 March 2021

	2021 £000	2020 £000
Net cash used in operating activities (note 14)	(21,357)	(21,026)
Cash flows from investing activities:		
Interest and dividends	4,355	5,947
Proceeds from sale of investments	90,055	77,533
Purchase of investments	(74,786)	(48,410)
Forward foreign exchange transactions	2,425	(1,847)
Repayments from social investments	204	111
Purchase of social investments	(446)	(505)
Purchase of fixed assets	(13)	(6)
Net cash provided by investing activities	21,794	32,823
Change in cash and cash equivalents in the year	437	11,797
Cash and cash equivalents at the beginning of the year	32,552	20,755
Cash and cash equivalents at the end of the year (note 15)	32,989	32,552

Notes to the annual accounts 2020/21

1. Accounting policies

a) Basis of accounts 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 Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Tudor is a public benefit entity as defined by FRS 102. Tudor is also a Charitable company limited by guarantee and is incorporated in the United Kingdom. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The registered office address is 7 Ladbroke Grove, London, W11 3BD.

In view of the level of investments held at the balance sheet date the trustees are of the opinion that the Trust is a going concern. The trustees consider this at each board meeting and are of the view that the Tudor Trust will remain able to meet its commitments as they arise for a period of at least 12 months from the date of this report. The Trust has no material uncertainties.

The results of the subsidiary The Family Centre Trust have not been consolidated with the Trust's accounts in the year to 31 March 2021 or prior year. This is due to the immaterial nature of the transactions through this charity during the year. Further details of the Family Centre Trust are given in note 18.

b) Investments

All investments are stated at market value. It is the Trust's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the Statement of Financial Activities (SOFA) only includes those unrealised losses or gains arising from the investment

portfolio throughout the year. Any change in fair value will be recognised in the statement of financial activities.

During the year Tudor has taken sterling hedge positions against the effect of fluctuations in the Euro and US dollar as Tudor's equity portfolio is mainly held in these currencies. Provisions are recognised on a monthly basis. The hedge position is realised on a quarterly basis and the resulting cash movement is recognised through the SOFA. The accounting policy for financial instruments is included as note 1 l).

Social investments are carried at fair value where practicable otherwise at cost less impairment. Such investments are subject to regular review, and any diminution is charged to the SOFA. Investments valuations are not enhanced to more than original cost. Tudor considers all social investments to be mixed motive investments, rather than programme related investments.

c) Investment income

Investment income is stated on an accruals basis and includes the related tax credit. As a charity the Trust has an exemption to income tax and capital gains tax granted by HM Revenue and Customs.

d) Voluntary income

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.

e) Tangible fixed assets

Fixed assets acquired with a value below £1,000 are evaluated for capitalisation based on the economic benefit derived in use. All other assets are capitalised on acquisition.

The value of freehold land cannot be separately identified as such the entire cost of the freehold property is depreciated. The impact of this is not material. Depreciation is calculated to write-off the cost less residual value of tangible assets on a straight-line basis over their estimated useful economic lives as follows:

Freehold building	Fifty years
Furniture, fittings and equipment	Five to ten years
Computer equipment	Three to five years

f) Resources expended

i. **Cost of generating funds**

The fees due in respect of investment managers' services are charged against income as the cost of generating funds.

ii. **Charitable donations**

Grants awarded are charged in full against income when a grant has been approved by the Trustee Committee and communicated to the recipient; hence the Trust is considered to have a legal or constructive obligation, irrespective of the time period it may cover. Grants awarded but unpaid at the balance sheet date are recognised as grant commitments under creditors. Grants withdrawn or cancelled in the year are credited against new grant commitments made in the same year.

iii. **Support costs**

All expenditure incurred in the course of grant making is shown as support costs. Resources utilised for this purpose are defined as staff time, office expenses, accommodation and IT costs. As noted below no costs are allocated to governance costs.

iv. **Governance costs**

Governance costs relate to direct expenditure incurred in compliance with the constitutional and statutory requirements of the Trust. Due to the way in which the Trust works it is difficult to attribute a meaningful breakdown of staff costs and other support costs relating to governance work.

g) **Exchange gains and losses**

All realised and unrealised exchange gains and losses on investments are accounted for in the SOFA.

h) **Leased assets**

The cost of operating leases is charged to the Statement of Financial Activities on a straight line basis.

i) **Pension schemes**

The Trust makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the Trust in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The Trust has no liability under the schemes other than the payment of those contributions.

j) **Funds**

All unexpended funds are held in the General Fund (expendable endowment) which can, under the terms of the Trust Deed, be used at the discretion of the trustees.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

k) VAT Status and Irrecoverable VAT

Tudor cannot be registered for VAT. All VAT suffered by the Trust is irrecoverable and all expenditure is stated gross of VAT.

l) Financial instruments

With the exception of the listed investments described above and derivative financial instruments as described below, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Trust uses forward foreign currency contracts to reduce exposure to foreign exchange rates. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives at the reporting date are taken to the relevant income/expenditure heading(s) in the SoFA as appropriate.

The Trust does not currently apply hedge accounting for foreign exchange derivatives.

m) Cash at bank and in hand

Cash at bank and cash in hand includes the regular bank account. 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 are reported within fixed asset investments as cash, but are included within the statement of cash flows as cash and cash equivalents.

Notes to the Accounts

2. Investment income

	2021 Total £000	2020 Total £000
Dividends and Interest		
Equity investments	1,842	2,659
Fixed interest	2,109	2,477
Real Estate Fund distributions	328	469
Social investments	31	175
Bank interest	45	167
	4,355	5,947

3. Investment management costs

	2021 £000	2020 £000
Investment management fees	1,089	688
Accountancy fees re tax reclaims	4	4
	1,093	692

4. Analysis of grants by classification

	% by number of grants	Number	2021 Total £000	% by number of grants	Number	2020 Total £000
Grants by classification						
Youth	13	139	3,414	8	28	1,921
Older People	2	18	331	2	7	365
Community	52	545	10,769	49	167	10,398
Relationships	11	117	2,464	8	29	1,434
Housing	6	64	902	6	20	1,304
Mental Health	7	72	1,316	6	22	1,602
Substance Misuse	2	18	469	-	1	50
Learning	1	12	287	1	4	106
Financial Security	1	16	420	1	5	371
Criminal Justice	4	39	564	5	13	957
Overseas	1	12	513	14	48	2,433
	100	1,052	21,449	100	344	20,941

A full list of grants is available from the Trust's website <http://tudortrust.org.uk/downloads> or by application for a printed copy.

5. Expenditure

a) Grants approved

	2021 Number	2021 £000	2020 Number	2020 £000
Mainstream grants approved during the year	347	20,056	344	20,941
Immediate support grants made during the year	91	165	-	-
Wellbeing grants made during the year	614	1,228	-	-
Grants cancelled or adjusted during the year	(8)	(94)	(11)	(108)
	1,044	21,355	333	20,833

The number of fully cancelled grants in the year was two (2020: one), adjustments were made to six other grants (2020: 10).

b) Resources expended

		2021 Total £000	2020 Total £000
Management of grants			
	Staff costs	1,342	1,218
	Office expenses	120	119
	Depreciation	63	64
	Accommodation costs	30	57
	IT costs	89	131
	Trustee remuneration	88	84
	Trustees' expenses	-	25
		1,732	1,698
Professional support costs		48	80

Professional support costs include amounts paid to consultants and professional advisors who are providing beneficiaries with expert support. They also include costs associated with work around new grantmaking approaches and the implementation of Tudor's values.

Governance costs

	Legal & professional fees	-	-
	Auditor's remuneration	17	17
		17	17

5. Expenditure (continued)

The Trustees are reimbursed for out-of-pocket travel and subsistence expenses. During the year, one trustee (2020: 15) received reimbursement of £49.45 (2020: £25,372.93) for travel expenses.

There is provision in the Memorandum of Association that no more than half of the trustee board can be offered reasonable remuneration. Members of the Trustee Committee can work up to 60 days a year for the Trust with other trustees working up to 25 days.

	2021 Total £000 £	2020 Total £000 £
James Long	25	25
Monica Barlow	25	25
Shilpa Shah	22	19
Holly Baine	8	8

In addition on 4th July 2014, following a change to Tudor's memorandum, the Charity Commission gave its consent to remunerate Christopher Graves (a trustee) in his role as Executive Director of the Trust. This is a role that he held on an unpaid basis for a number of years. His remuneration in the year was £108,272 (2020: £87,807) and Tudor made contributions of £18,027 towards his pension (2020: £15,110). In the year, his hours were temporarily increased as Tudor responded to the unfolding pandemic and its effects on grant holders and civil society more broadly.

The Executive Director's remuneration costs are included in the employment costs note. The other trustees' remuneration costs are shown separately as part of the management of grants costs.

None of the other trustees received remuneration.

c) Net expenditure for the year

	2021 Total £000	2020 Total £000
This is stated after charging:		
Operating leases - plant and machinery	9	5
Auditor's remuneration (net of VAT) - statutory audit	14	14
Depreciation	64	64

6. Employment costs

	2021 £000	2020 £000
Wages and salaries	1,075	982
Social Security costs	120	104
Pension costs	171	150
	1,366	1,236

The average head count for the year was 21 (2020: 21). The average full-time equivalent number of employees during the year was 18 (2020: 18).

The following number of employees received employee benefits (excluding employer pension costs and employer national insurance) during the year between:

	2021 £000	2020 £000
£60,000 - £69,999	1	2
£70,000 - £79,999	1	1
£80,000 - £89,999	-	1
£100,000 - £110,000	1	-

Tudor considers that its key management personnel are the trustees, the Director, the Head of Finance and Resources, the Head of Grantmaking and the Head of Research and Information. The total employment benefits of the key management personnel (including employer national insurance and employer pension contributions) were £492,202 (2020: £455,787).

7. Investments

	2021 £000	2020 £000
Fair value of investments at 1 April	239,200	258,822
Purchases at cost made during the year	74,786	48,410
Sales proceeds on disposal	(90,055)	(77,534)
Forward foreign exchange transactions in year	(3,290)	2,953
Increase in investment cash held	5,699	6,477
Net gain on change in fair value	65,111	72
Fair value of investments at 31 March	291,451	239,200

With the exception of the Unlisted UK fixed interest investments and Unlisted Jersey-based Real Estate Fund all investments are listed investments.

7. Investments (continued)

Fair value comprised:

	2021 £000	2020 £000
UK equity investments	16,145	12,100
UK fixed interest investments	60,172	57,393
Overseas equity investments	176,464	130,948
Foreign exchange hedge	23	888
Cash on deposit awaiting investment held in the UK	31,186	25,486
Unlisted Jersey-based Real Estate Fund	7,462	12,385
	291,451	239,200

Derivative financial instruments - foreign exchange contracts

The Trust enters into foreign currency contracts to mitigate the exchange risk for certain foreign currency transactions within its equity investment portfolio. At 31 March 2021 there were two (2020: two) open currency commitments. The unrealised forward foreign exchange transaction was £22,687 (2020: £887,706). This is included within the forward foreign exchange transactions in the year.

The forward currency contracts are measured at fair value using quoted forward exchange rates.

8. Social investments

	2021 £000	2020 £000
Value of investments at 1 April	2,078	1,741
Additions during the year	446	505
Sales proceeds on disposal	(204)	(111)
Net expenditure including management fees	(60)	16
Provisions against investments	67	(73)
	2,327	2,078

Social investments comprise of:

	2021 £000	2020 £000
Charity Bank Limited	455	455
Charities Aid Foundation Community Land Trust Fund I	14	14
Charities Aid Foundation Community Land Trust Fund II	300	203
Charities Aid Foundation Venturesome	248	251
Charities Aid Foundation Venturesome Community Led Housing Fund	139	-
Comrie Development Trust	100	100
Ethical Property Company	230	250
Fair for You	250	250
Gloucestershire Gateway Trust	50	50
Social and Sustainable Housing	540	505
	2,327	2,078

The value of the social investments at the end of year is shown at cost less amounts either provided for or written off. The trustees review the value of the investments annually and where necessary make provisions.

9. Tangible fixed assets

	Freehold land & building £000	Furniture, fittings & equipment £000	Computer equipment £000	Total £000
Cost				
At 1 April 2020	2,145	153	53	2,351
Additions in the year	-	2	11	13
Assets written off in year	-	-	-	-
At 31 March 2021	2,145	155	64	2,364
Depreciation				
At 1 April 2020	1,215	122	34	1,371
Charge for the year	41	5	17	63
Assets written off in year	-	-	-	-
At 31 March 2020	1,256	127	51	1,434
Net book value at 31 March 2021	889	28	13	930
Net book value at 31 March 2020	930	31	19	980

All fixed assets are used for charitable purposes.

10. Debtors

	2021 £000	2020 £000
Accrued investment income	103	238
Other debtors and prepayments	167	48
	270	286

11. Creditors: amounts falling due within one year

	2021 £000	2020 £000
Grants payable (note 16)	15,204	14,272
Trade creditors	15	3
Taxation and Social Security	31	31
Other creditors	14	13
Accruals	286	209
	15,550	14,528

12. Creditors: amounts falling due after more than one year

	2021 £000	2020 £000
Grants payable in 2 - 5 years (note 16)	8,311	7,089

13. Movement in funds for the current year

	Funds balances at start of the year £000	Income £000	Expenditure £000	Net investment gains/ (losses) £000	Funds balance at end of year £000
Restricted fund					
Salvaire	302	-	-	-	302
Four Acre Trust	-	400	(400)	-	-
Grant funds	-	106	-	-	106
Total restricted funds	302	506	(400)	-	408
Total unrestricted fund	226,803	4,355	(23,778)	65,111	272,491
Total funds	227,105	4,861	(24,178)	65,111	272,899

Represented by:	Fixed assets £000	Net current liabilities £000	Creditors >1 year £000	Net assets £000
Unrestricted fund	294,709	(13,906)	(8,311)	272,491
Restricted funds	-	408	-	408
	294,709	(13,498)	(8,311)	272,899

Restricted funds

During the 2019 year Tudor was asked to distribute the closing funds of Salvaire (charity number: 1150709). In keeping with its objects Tudor has committed to distribute the £302,000 received during 2019 and 2020 from Salvaire as new grant commitments to charities working in the criminal justice sphere within the greater Sheffield area.

13. Movement in funds note (continued)

Restricted funds (continued)

During the 2021 year Four Acre Trust agreed to contribute to Tudor's grant making to youth projects. In the current year Four Acre funds covered grants totalling £400,000 (in 2020 the funds covered grants totalling £250,000), which were made through our normal grant making process.

Funds to the equivalent of £106,204 were received in the year as a contribution towards a Tudor-funded project in Kampala, Uganda. The implementing partner is expected to draw down these funds across two financial years.

Unrestricted funds

Under the Articles of Association, Capital and Accumulated income are expendable at the trustees' discretion. The Trust has adopted a total return basis of investing. All unexpended funds are therefore held as unrestricted funds.

It is the trustees' current intention to monitor the value of the unrestricted funds in real terms to ensure that they can maintain the Trust's existing level of charitable donations and meet its outstanding grant commitments over future years.

13b. Movement in funds for the year ended 31 March 2020

	Funds balances at start of the year	Income	Expenditure	Net investment gains	Funds balance at end of year
	£000	£000	£000	£000	£000
Restricted fund					
V Kann Rasmussen Foundation	44	-	(44)	-	-
Salvaire	295	7	-	-	302
Four Acre Trust	-	250	(250)	-	-
Total Restricted funds	339	257	(294)	-	302
Unrestricted fund					
General fund	215,012	5,947	(23,026)	18,689	216,622
Revaluation reserve	28,871	-	-	(18,690)	10,181
Total Unrestricted funds	243,883	5,947	(23,026)	(1)	226,803
Total funds	244,222	6,204	(23,320)	(1)	227,105
		Fixed assets £000	Net current liabilities £000	Creditors >1 year £000	Net assets £000
Unrestricted Fund		242,258	(8,366)	(7,089)	226,803
Restricted Funds		-	302	-	302
Represented by:		242,258	(8,064)	(7,089)	227,105

14. Reconciliation of net (expenditure) to net cash flow from operating activities

	2021 £000	2020 £000
Net (expenditure) for the reporting period (as per the statement of financial activities)	(19,384)	(17,116)
Depreciation charges	63	64
Investment income	(4,355)	(5,947)
Other movements on social investments	60	(16)
Movement in working capital:		
decrease/(increase) in debtors	16	(52)
increase/(decrease) in creditors	89	(32)
increase in grant commitments	2,154	2,073
Cash outflow from operating activities	(21,357)	(21,026)

15. Analysis of cash and cash equivalents

	At 1 April 2020 £000	Cash Flows £000	At 31 March 2021 £000
Cash at bank and in hand	6,178	(4,397)	1,781
Investment cash	26,374	4,834	31,208
	32,552	437	32,989

16. Grant commitment reconciliation

	2021 £000	2020 £000
Commitment at the start of the year		
Payable in less than one year (note 11)	14,272	14,115
Payable in more than one year (note 12)	7,089	5,173
	21,361	19,288
Grants committed during the year (note 5a)	20,056	20,941
Grants written back or adjusted (note 5a)	(94)	(108)
Grants paid during the year	(17,808)	(18,760)
Commitment at the end of the year		
Payable in less than one year (note 11)	15,204	14,272
Payable in more than one year (note 12)	8,311	7,089
	23,515	21,361

17. Operating lease commitments

The Trust's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	2021 £000	2020 £000
Payable within one year	9	9
Payable within two to five years	11	20
	20	29

During the 2021 year, Tudor entered into a new lease agreement with an annual charge of £8,937. The minimum term of the lease is three years and three months.

18. Related organisations

In 2009 the Board agreed to finance the construction of a new family visitors' centre at HMP Wormwood Scrubs through The Family Centre Trust, a new charitable company.

Tudor's director Christopher Graves and the company secretary Aabida Mohmed are two of the three directors of this company. During the 2010 year Tudor committed a grant of £1.35m to FCT for the costs of developing the family and visitors' centre. Practical completion was achieved on 18 May 2011 and the centre was donated to the Ministry of Justice on 29 June 2011.

The Tudor Trust is the sole member of the Family Centre Trust. All trustees of FCT are appointed by the Tudor Trust. When considering future appointments at least three trustees must be individuals who are neither directors of the Tudor Trust nor employed by the Tudor Trust.

The centre continued to operate throughout the year and transactions through FCT are now minimal. In March 2020, following a review, the trustees took the decision to wind the charity up and have instructed solicitors. FCT's balance sheet as at 31 March 2021 and 2020 is as follows; these entries have not been consolidated into the Tudor accounts in this accounting period.

	2021 £000	2020 £000
Cash at bank and in hand	17	17
Creditors: amounts due within one year	(4)	-
	13	17

19. Capital and other commitments

In December 2015, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund I. At this year's balance sheet date £375,247 of the commitment remained to be drawn.

In June 2018, Tudor entered into a legal agreement with Paloma to invest £7,500,000 in their Real Estate Fund II. At this year's balance sheet date £2,999,546 of the commitment remained to be drawn.

In May 2019, Tudor entered into a legal agreement with Social and Sustainable Capital to invest £1,500,000 into their Building Fund. In October 2020, a further £500,000 was committed to the Fund. At this year's balance sheet date £1,402,093 of the commitment remained to be drawn.

In January 2020, Tudor entered into a legal agreement with Charities Aid Foundation to invest £400,000 in their Venturesome Community Led Housing Fund. At this year's balance sheet date £250,000 of the commitment remained to be drawn.

20. Related party transactions

Matt Dunwell, one of Tudor's trustees owns Ragmans Farm. In 2020, Tudor purchased apple juice from Ragmans at a non-discounted cost of £149 (current year: £nil).

Christopher Graves is both the salaried director of Tudor and a trustee. Full details of his remuneration are set out in note 5. Tudor has four other paid trustees; all of whom are non executive, details of their remuneration is also set out in note 5.

Shilpa Shah, one of Tudor's trustees, is the sister of Jilna Shah who was the interim director at Migrants' Rights Network when we made a grant of £50,000 to this organisation in the 2019 year. As part of a Wellbeing programme, Tudor made a grant of £2,000 to the organisation in the 2021 year, when Jilna Shah was the co-Chief Executive. Shilpa Shah was not involved in the decision to make either of these grants.

There were no other related party transactions.

Note 21. Statement of Financial Activities for the previous year**(incorporating an income and expenditure account)****Year ended 31 March 2020**

	Notes	Unrestricted 2020 £000	Restricted 2020 £000	Total 2020 £000
Income				
Donations	13	-	257	257
Investment income	2	5,947	-	5,947
Total income		5,947	257	6,204
Expenditure				
Costs of raising funds				
Investment Management Costs	3	692	-	692
Expenditure on charitable activities				
Grantmaking				
Grants approved	4/5a	20,647	294	20,941
Grants withdrawn	5a	(108)	-	(108)
Management of grants	5b	1,698	-	1,698
Professional support costs	5b	80	-	80
Governance costs	5b	17	-	17
Cost of grantmaking		22,334	294	22,628
Total expenditure		23,026	294	23,320
Net expenditure before gains and losses on investments		(17,079)	(37)	(17,116)
Net gains on investments	7	72	-	72
Provisions on social investments	8	(73)	-	(73)
Net expenditure for the year and net movement in funds		(17,080)	(37)	(17,117)
Funds balance at beginning of year	13	243,883	339	244,222
Funds balance at the end of the year	13	226,803	302	227,105

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

Independent auditor's report to the members of The Tudor Trust

Opinion

We have audited the financial statements of The Tudor Trust (the 'charitable company') for the year ended 31 March 2021 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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 charitable company 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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 Audit Group, 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.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members

those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)
13 August 2021
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Reference and administrative information

The Tudor Trust is a charitable company limited by guarantee, incorporated in the United Kingdom. The principal and registered office address is:

7 Ladbroke Grove
London W11 3BD
Telephone: 020 7727 8522 Website: www.tudortrust.org.uk

Company Limited by Guarantee Number 5196041
Registered in England and Wales: Charity Number 1105580

Trustees of the Tudor Trust

Catherine Antcliff	Matt Dunwell * #
Holly Baine	Roz Dunwell
Monica Barlow * #	Christopher Graves * #
Jonathan Bell #	James Long * # (<i>Chair to November 2020</i>)
Nell Buckler *	Francis Runacres
Louise Collins	Shilpa Shah *
Elizabeth Crawshaw	Carey Weeks
Ben Dunwell * (<i>Chair from November 2020</i>)	

* member of the Trustee Committee; # member of the Investment Committee

Jonathan Bell, Lizzie Crawshaw, Matt Dunwell, James Long and Carey Weeks retired from office and were reappointed on 23rd September 2020.

Staff of the Tudor Trust

Ihsaan Budaly	Grants Support Officer
Anna Cooper	Database and Systems Manager
Ruth Crawley	Resources Manager
Joanna de Havilland	Grants Manager (<i>retired June 2020</i>)
Jascha Elliot	Grants Manager
Suneer Fida	Grants Manager (<i>maternity cover from July 2020; permanent role from June 2021</i>)
Eryl Foulkes	Grants Manager
Christopher Graves	Director
Lotte Hiller	PA to the Director
Anne Lane	Head of Grant Making
Nicky Lappin	Head of Research and Information
Meena Mistry	Finance Officer
Aabida Mohmed	Head of Finance and Resources (<i>from July 2020</i>)
Jennifer Oatley	Grants Manager (<i>maternity leave from August 2020</i>)
Annie Salter	Learning and Communications Manager (<i>maternity leave from February 2021</i>)
Catriona Slorach	Grants Manager
Frankie Stevens	Grants Manager
Cathy Togher	Grants Manager
Hannah Torkington	Programme Manager (Africa) (<i>maternity leave from November 2020</i>)

Aris Tsontzos	Database Transition Manager
Ayoade Wallace	Grants Support Officer
Eman Yosry	Resources Officer
Fiona Young	Interim Head of Finance <i>(to August 2020)</i>

Associates of the Tudor Trust

Richard Jenkins	Associate - UK
John Wilson	Associate - Africa Group

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Auditor

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