

The Nineteen Eighty-Nine Charitable Trust

Report and Financial Statements

Year ended 31 December 2021

Charity number 1123672

Reference and Administrative details

For the year ended 31 December 2021

Charity number	1123672
Principal address	Chalk Pit House Barrack Hill Coleshill Buckinghamshire HP7 0LW
Trustees	Trustees who served during the year and up to the date of this report were as follows: Sally Woof Nigel Woof
Independent examiner	Mr Tim James FCMA 3 Headland Close Great Missenden HP16 9AP
Bankers	Triodos Bank Deanery Road Bristol BS1 5AS

Report of the Trustees

For the year ended 31 December 2021

The trustees present their report and the reviewed financial statements for the year ended 31 December 2021.

Legal and administrative information set out on page 2 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the trust deed, the Charities Act 2011 and the “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (as amended for accounting periods commencing from 1 January 2019).

Objects and aims of the trust for the public benefit

The objects of the trust, as set out in its governing document, are:

1. To relieve poverty, sickness and distress in any part of the world and
2. To advance the education of persons, in particular but not limited to physically and mentally disabled persons, for the public throughout the world or
3. To provide practical or financial support for other charitable organisations established to further these objects or any other charitable purpose as the trustees shall determine from time to time.

During the year the trustees continued their aim of achieving the above objects through the provision of donations and grants for charitable purposes in the United Kingdom and elsewhere.

In making grants the trustees have had regard to the guidance issued by the Charity Commission regarding Public Benefit.

Structure, governance and management

The trust is an unincorporated charity, constructed under a trust deed dated 23 October 2007 and is a registered charity in England and Wales, number 1123672.

The trust has received, periodically, major gifts from private donors and does not actively fundraise.

There are two trustees, who co-founded the trust. They are empowered to appoint further trustees at their discretion.

Management functions are undertaken on a voluntary basis by the trustees themselves. The trustees consider jointly the trust’s affairs through meetings with grantee organisations and through discussion on research done on prospective causes for support.

Achievements and performance: how our grant programmes delivered public benefit

2021 saw a change in direction of the trust’s grant making to implement a new strategy devised the previous year, with the creation of a 5 year programme to co-fund the work of Blgrave Trust. This followed research during 2019 of suitable funding partners who could make exceptionally good use of

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unrestricted funding to achieve positive social change. The Blagrave Trust's grant making programme, which our partnership funding will expand considerably, seeks to bring lasting change to the lives of young people aged 14-25 facing challenge, to enable them to make a positive transition to adulthood. The Nineteen Eighty Nine trustees are engaging appropriately with the Blagrave's board to monitor its investment in the programme but the intention is to act as a funding rather than an operational partner. Review meetings with Blagrave during the first 12 months of the partnership have given evidence of Blagrave's high quality and very innovative approach to investing in youth organisations, in young change-makers and in advocating for better youth policy.

The trust also continued its long-term support to Retina UK (formerly RP Fighting Blindness), a charity that funds research into potential therapies for retinal dystrophies that cause sight loss. The trust made a grant of £50,000 to Retina UK in 2021.

Grant making policy

The trust has an established grant making policy to achieve its objects for the public benefit. The trustees do not generally respond to unsolicited applications for funding, instead seeking charitable organisations and projects that match their areas of knowledge in terms of the charitable sector, location, type of organisation and other factors.

The trustees do not consider making grants to individuals.

Prospective grantee organisations identified by the trustees are invited to provide proposals and other information which vary with the type of cause, organisation and funding.

Grants may be single or multi-year at the trustees' discretion. Wherever feasible the trustees have a strong preference for making unrestricted donations to allow grantees flexibility in using donated resources to maximise impact and sustainability.

The trustees aim to keep reporting requirements by grantees to a minimum commensurate with appropriate review in the case of multi-stage grants.

Financial review

The trust's work is enabled by donated income. After periodically receiving major gifts on an unrestricted basis, which the trustees thereby regard as expendable endowments, the trustees plan its grants programme on a rolling basis in order to disburse its available resources over a period of several years.

The trust received no fresh donated income during 2021 but instead, as planned, drew on its invested reserves to commence a new funding programme in partnership with Blagrave Trust. Charitable expenditure during the year chiefly comprised the first £1 million annual grant to Blagrave under the strategic agreement. One other grant was made, of £50,000 to Retina UK which is a long term grantee of the trust. Admin and governance costs were solely £20 of bank charges.

During the year the positive conditions for global investment markets generated a growth in the book value of the trust's investments of about £450k over the year; however the trustees expect volatility of asset values to continue.

The trustees do not consider that there are any material uncertainties to the trust being a going concern.

The charity does not raise funds from the public.

Future plans

At time of writing the trust is in its second partnership year with Blagrave Trust and the trustees are very pleased with the progress being made by our partner. Alongside this major programme, the trustees expect to continue to make smaller grants to other causes within the trustees' areas of interest and knowledge. All such cause selection will as usual be proactive and the trustees do not therefore invite unsolicited applications.

Reserves policy and sustainability

The trustees' policy on reserves is to maintain, in general, sufficient available reserves in cash and realisable investments (with reasonable assumptions about investment volatility) to allow all grant commitments over the coming two years to be met, assuming no further income is received.

For long-term funding partnerships, notably that with Blagrave Trust, the trustees anticipate that fresh donor funds are likely to be receivable by to enable the funding to continue as planned. These assumptions are discussed periodically with partners.

Investment policy and performance

The trust's investments comprise holdings in a listed open-ended investment company (OIEC). The authorised corporate director of the OIEC is Carvetian Capital Management with investment management of the fund undertaken by Cazenove Capital. All dividends are re-invested in the fund as they arise.

The OIEC component funds are heavily weighted to equities and therefore subject to the volatility of global share markets. At the same time the portfolio is extremely highly diversified both sectorally and geographically. The trustees recognise that this investment approach carries short term risks and they are therefore mindful that any firm commitments made to grantees or partners must at all times take account of potential draw-downs on the total portfolio value.

Risks

The major risks to which the trust may be exposed, as identified by the trustees, have been reviewed to confirm that systems, where appropriate, exist to mitigate those risks.

The trustees consider the chief risk facing the trust as being variability of investment returns jeopardising the trust's ability to meet its binding and non-binding grant payment commitments which are made up to three years ahead. To mitigate these risks, particular regard is given to short term liquidity to enable the trust to meet its multi-year grant commitments.

The bulk of the trust's grants are now made through its partnership with Blagrave Trust. This is on a 'hands-off' basis, in which the Nineteen Eighty Nine trustees monitor the overall direction and governance Blagrave and discuss with its trustees aspects of risk including in particular safeguarding, given Blagrave's work with young people. At time of writing the trustees are satisfied that appropriate policies and procedures are in place.

A proportion of the trust's grants are in an area of medical research and development. Funding in this sector carries inherently high operational risk that research projects funded may not yield useful outcomes. This risk is managed by the trust's long-term relationship with the UK's leading research funding charity in this field, whose medical advisory board has a strong track record in assessing and selecting research project applications.

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Trustees' responsibilities in relation to the financial statements

The law applicable to charities in England and Wales requires the trustees to prepare in respect of each financial year financial statements which give a true and fair view of the state of affairs of the trust and of its financial activities for that period.

In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the applicable Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the activities of the trust will continue.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examination of accounts

The trustees consider that the trust's gross income in 2021 of £27,293 requires the accounts to be subject to an independent examination. The trustees do not consider that an audit is required.

In so far as the trustees are aware there is no relevant audit information of which the charity's independent examiner is unaware and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the examiner is aware of that information.

Approved by the trustees on 26 Oct 2022 and signed on their behalf by

A handwritten signature in blue ink, appearing to read 'Nigel Woof', is written over a horizontal line.

Nigel Woof
Trustee

Independent Examiner's Report to the Trustees of The Nineteen Eighty-Nine Charitable Trust

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The trustees consider that an independent examination is required for this year under section 144(2) of the Charities Act 2011 ("the Act").

It is my responsibility to:

- examine the accounts under Section 145 of the Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Act, and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Act

have not been met; or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Tim James FCMA
3 Headland Close
Great Missenden
HP16 9AP

26 Oct 2022

Financial Statements

For the year ended 31 December 2021

Statement of financial activities

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income and endowments from:					
Donations and legacies	2	-	0	0	2,925,000
<i>Other income</i>					
Bank deposit interest		-	116	116	64
Income from investments	6	-	27,177	27,177	17,134
Total income and endowments		-	27,293	27,293	2,942,198
Expenditure on:					
<i>Charitable activities</i>					
Grants paid out	3	-	1,050,000	1,050,000	242,136
Administration costs	5	-	20	20	14,326
Governance costs	5	-	0	0	1,320
Total expenditure		-	1,050,020	1,050,020	257,782
Net gains/(losses) on investments	6	-	453,844	453,844	884,580
Net income/(expenditure)		-	(568,883)	(568,883)	3,568,996
Transfers between funds		-	-	-	-
Net movement in funds		-	(568,883)	(568,883)	3,568,996
Reconciliation of funds					
Total funds brought forward		-	3,986,958	3,986,958	417,962
Total funds carried forward		-	3,418,075	3,418,075	3,986,958

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Balance sheet

As at 31 December 20210

	Note	2021 £	2020 £
Fixed and investment assets			
Investments	6	3,182,073	3,901,052
Current assets			
Cash at bank and in hand		237,321	87,226
Liabilities and provisions			
Creditors: amounts due within one year	7	(1,320)	(1,320)
Net assets		<u>3,418,074</u>	<u>3,986,958</u>
Funds	8		
Restricted funds		-	-
Unrestricted funds		<u>3,418,074</u>	<u>3,986,958</u>
Total funds of the trust		<u>3,418,074</u>	<u>3,986,958</u>

Statement of cash flows

	2021 £	2020 £
Cash outflows from operating activities	(1,050,020)	(144,986)
Reduction (/increase) in creditors	1,320	-
Increase (/reduction) in provisions for liabilities	(1,320)	1,320
Returns on investments (realised)		
Bank interest received	116	64
Proceeds from sale of investments	1,200,000	200,000
(Decrease)/Increase in cash	<u>150,096</u>	<u>(56,398)</u>
Cash brought forward at 1 January	87,226	143,624
Cash carried forward at 31 December	237,321	87,226

Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds for the reporting period (per the SOFA)	(568,883)	3,568,996
Adjustments for:		
(Increase)/decrease in investment assets	(718,979)	(3,626,714)
Increase /(decrease) in creditors	1,320	-
Increase/(decrease) in provisions for liabilities	(1,320)	1,320
Net cash provided by (used in) operating activities	150,096	(39,264)

Approved and authorised for issue by the trustees on 26 Oct 2022 and signed on their behalf by



Nigel Woof
Trustee

Notes to the Financial Statements

For the year ended 31 December 2020

1. Accounting policies

- a. The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards. They follow the "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).
- b. The financial statements are prepared in sterling, which is the functional currency of the charitable trust. Monetary amounts in these financial statements are rounded to the nearest £.
- c. The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.
- d. Voluntary income is received by way of donations or grants and is included in full in the statement of financial activities when received. Investment dividends are accounted for as income, including where these are reinvested immediately and not realised as cash.
- e. Grant commitments made in furtherance of the charity's objects are accounted for when the grant payment falls due. Grant pledges made where not binding but contingent upon conditions arising in future years, and hence with significant uncertainty, are not accrued. They are noted in Note 4 below.
- f. Governance expenses are those costs necessarily incurred in compliance with statutory requirements.
- g. All of the assets held by the trust are basic financial instruments within the meaning of FRS 102. Investments are valued at the quoted market price on the first trading day following the end of the reporting period or otherwise on the best estimate of fair value.

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2. Incoming resources from generated funds

	Restricted	Unrestricted	2021 Total	2020 Total
	£	£	£	£
Private donors: gift of shares	-	-	nil	2,925,000
	-	-	nil	2,925,000

3. Charitable activities: grants made

		2021 Total	2020 Total
		£	£
<i>Grantee</i>	<i>Purpose of grant</i>		
Blagrave Trust	Partnership funding for investment in lives of young people	1,000,000	-
Retina UK (formerly RP Fighting Blindness)	Research into <i>retinitis pigmentosa</i> and support for people with that condition.	50,000	65,000
Chiltern Foodbank	Community food aid	-	1,000
One Can Trust	Community food aid	-	1,000
Martin Lewis Coronavirus Emergency Fund	Rapid grant making to civil society organisations responding to the pandemic in the UK (pooled fund)	-	100,000
Maddam Trust (Sri Lanka)	Education of disabled children in Sri Lanka.	-	64,136
Lotus Flower Trust	Support for schools and children's centres in the Indian Himalayas	-	10,000
		1,050,000	242,462

4. Commitments to charitable expenditure in future years.

At 31 December 2021 the trust had in operation a grant agreement with the Blagrave Trust to support charitable work during the period 2020 to 2024 with an anticipated total commitment by the Nineteen Eighty Nine Charitable Trust ('1989CT') of £5 million, conditional on 1989CT being itself in receipt of adequate donations from private donors. The 1989CT's trustees expects that the trust will be in a position to fulfil the grant agreement as planned even though the agreement is not binding in all circumstances.

5. Governance and administration

There were no payments to trustees during the year (2019: nil). During the year the charity had no employees (2019: nil). Resources expended were stated after charging:

	2021	2020
	£	£
Administrative costs:		
Future partnerships research project	-	14,250
Foreign exchange charges for overseas payments	-	75
Other bank charges	20	1
Auditor's remuneration:		
Review	-	1,320
Accountancy	-	-
	20	15,646

No independent examination or audit was deemed to be required for previous year (2019).

6. Investments

Throughout 2021 the trust held investments in a listed open-ended investment company (OEIC). During the year some units were sold to raise income for operations. Also, the trust received dividends on the shares, which are accounted for as income. The proceeds of that dividend income were reinvested.

	2021	2020
	£	£
Investments held at start of year	3,901,052	274,338
Investments gifted to charity during year (valued at time of receipt)	0	2,925,000
Additional shares acquired as reinvested dividends	27,177	17,134
Sales of shares to raise cash	(1,200,000)	(200,000)
Value of investments at year end	3,182,073	3,901,052
Gain/(loss) on investments during year	453,844	884,580

7. Creditors: amounts due within one year

	2021	2020
	£	£
Audit fees (relating to audit of 2020 accounts)	nil	1,320
	nil	1,320

8. Analysis of net assets between funds

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Fixed and investment assets	-	3,182,073	3,182,073
Current assets	-	237,321	237,321
Current liabilities	-	(1,320)	(1,320)
Provision for future liabilities	-	-	-
Net assets at 31 December 2020	-	3,418,074	3,418,074

9. Related party transactions

The trustees give freely of their time and expertise without any form of remuneration or other benefits in cash or kind (2020: nil).

The trust received no unrestricted and unconditional donations during the year from the trustees (2020: £2.95 million).