
THE BLUE THREAD

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

THE BLUE THREAD

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 5 APRIL 2022

Trustees

Stephen Grabiner, Chair
Miriam Grabiner
Daniel Grabiner
Sarah Grabiner
Joseph Grabiner-Wolfson
Amy Grabiner (appointed 28 March 2022)
Emily Grabiner-Wolfson (appointed 28 March 2022)

Charity registered number

1130704

Principal office

17 Portland Place
London
W1B 1PU

Independent auditors

BKL Audit LLP
Chartered Accountants
Statutory Auditor
35 Ballards Lane
London
N3 1XW

Bankers

Royal Bank of Scotland
49 Charing Cross
London
SW1A 2DX

**TRUSTEES' REPORT
FOR THE YEAR ENDED 5 APRIL 2022**

The Trustees present their annual report together with the audited financial statements of the The Blue Thread for the year 6 April 2021 to 5 April 2022.

Overview

a. Objectives and activities

The objectives of the charity as per its governing document are:

- For any purposes which are charitable in the law of England and Wales for the benefit of the public.

The charity uses its income to provide donations to charitable bodies at the discretion of the Trustees. The area, as per the governing document, are not limited.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The Blue Thread is mainly focused on working in the UK and Israel and particularly aims to support fair immigration and justice for women. We support community organisations working in three main areas:

- Women, particularly those affected by violence and abuse
- Refugees, vulnerable migrants and asylum seekers
- Children whose literacy learning, and basic educational needs have been compromised by the lockdown

From time to time, we also support other partners and communities and in particular, the UK Jewish community.

c. Activities undertaken to achieve objectives

The Charity predominantly makes small grants to small organisations and grassroots groups doing frontline work meeting basic and immediate needs in their communities. On occasion, we make loans to social enterprises working in our focus areas.

Currently, many of our grantees fall into the following categories:

- Work supporting women experiencing gender-based violence
- Work supporting refugees, asylum seekers and vulnerable migrants
- Education

In particular, we want to support work where it is unfunded/where organisations may not otherwise be able to provide this support at this time.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2022**

Overview (continued)

d. Grant-making policies

- We work proactively to seek out organisations we would like to work with, rather than running open funding rounds.
- We take a relational approach, getting to know those we work with and building over time. We hope to offer an open door, so that our partners feel able to let us know how they are getting on, share any challenges they might be facing, and seek support if they need it.
- We favour organisations:
 - led 'by and for' their communities, recognising both the value of expertise by experience and the importance of supporting those not traditionally represented within our sector
 - who have annual income below £1m and do not have larger than average reserves, and who do not have significant fundraising power. This is so that we might direct our funding at those who find it harder than others to fundraise
- Grants are typically between £5,000 - £10,000 and will usually be unrestricted wherever possible.
- We have spent a lot of time thinking about how to be the most helpful grantmaker possible e.g. by thinking about power dynamics, how to reduce bureaucracy as much as possible, how to be trusting and open.
- In this way, we work towards our aims of reaching smaller and grassroots organizations and supporting them in a way that is most helpful to them.

e. Volunteers

- There are 7 Trustees (listed below) who guide the executive team in making effective decisions, delivering the charity's purpose, holding financial oversight, and in complying with our Governing document and the law.
- Trustees meet formally with the executive team approximately 4-5 times a year, and informally throughout the year.
- The executive team meet at least weekly with two Trustees
- Grant allocations are discussed at least monthly between the Trustees and the Executive Director

f. Main activities undertaken to further the Charity's purposes for the public benefit

The Blue Thread carried out its objectives through the review of relevant sectors through research, feedback from partners and other funders working in similar areas, and by identifying priorities through considerations of Trustees. At Trustee meetings, presentations are made by the Executive Director on developments in the issue areas of grant making and good practice in philanthropy, as well as and in developments, challenges and opportunities in the key areas of work.

The Blue Thread established its grant making policy to achieve its objectives for the public benefit by making grants to charities whose governance and finances look in good order, have clear objectives, align with The Blue Thread's current criteria, whose operations were transparent, have clear and registered safeguarding policies, and whose commitment to the public benefit is demonstrable.

We also actively encourage our partners to share learning and provide feedback on our grant making practices. When setting the objectives and deciding on the grant making activities of the charity, Trustees give careful consideration to the Charity Commission's general guidance on public benefit.

Achievements and performance

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2022

Achievements and performance (continued)

a. Achievements and performance

The charity made grants to various bodies in the period, totalling £743,928 (2021 - £379,821). These grants were all for charitable purposes and the trustees paid due regard to the guidance from the Charities Commission on public benefit in deciding what grants the charity should make. These grants covered a broad range of areas in which they supported, covering community, education, refugees, women and others.

b. Key performance indicators

At The Blue Thread, we try to work in ways which are as helpful as possible to our partners. We do not ask partners to report to us on any specific metrics, and therefore do not compile aggregated figures on for example, number of people supported with our funds. We typically check in with grantees after 6 months and 12 months to discuss progress and learnings. To support our learning, we send an annual feedback form to grantees, as well as those we spoke to but did not fund, and other partners.

We continue to explore means of monitoring our impact both in terms of reach and approach. As a new and growing charitable funder, we are working to define what success looks like, but in our early stages, we consider some of the following as evidence of our achievement:

- Organisations growing with the help of our funding in critical early stages, in particular those struggling to secure funding elsewhere, or those just starting out
- Organisations able to leverage further funding after receiving The Blue Thread funding
- Connecting grantees to other funders
- The impact of unrestricted/flexible funding, supporting the gaps that restricted funding creates

c. Review of activities

Grantmaking

Between the period of 6th April 2021 to 5th April 2022, the total grants awarded by the charity were £655,404. These comprised of 114 grants. Most of our grants were one-year commitments and the average grant size was around £5,000 but we are working on developing an approach and process to repeat funding and/or to make multi-year grants.

Impact of Covid-19 Pandemic

We recognise that the Covid-19 pandemic created significant need among the communities we support and for many others too. We therefore provided rapid support to organisations meeting this need and supporting those most acutely affected.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2022

Achievements and performance (continued)

d. Factors relevant to achieve objectives

Covid 19 continued to significantly impact grantees during this period, with many facing increased demand for services. Since the outbreak of COVID-19, emerging data and reports from those on the front lines showed that all types of violence against women and girls, particularly domestic violence, intensified.

Calls went up to domestic abuse helplines by 65%, women were trapped at home with their abusers, and there was increased pressure on all essential services, such as health, justice and policing, social services, helplines and coordination of these services. This has been referred to as the shadow pandemic.

The UK Government's Nationality and Borders Bill saw its passage through the House of Commons and the Lords (although it did not become an Act of Parliament until 28th April 2022). This policy will affect how our grantees working on refugee issues respond to the changing context. Coupled with significant increases to cost of living and inflation, the operating environment for our grantees is increasingly challenging.

Many of the organisations we support are facing burnout, suffer vicarious trauma, and increased demand for services. We continue to ensure we think best how to support them.

e. Fundraising activities and income generation

The charity does not undertake any formal fundraising activities and is entirely reliant on donations to the charity in order to fund its work.

f. Investment policy and performance

The charity does not hold a formal investment policy, holding only a small amount of shares gifted to it. The expectation is these shares will be sold at an opportune time to provide further funding for the grant giving purposes of the charity.

Financial review

a. Going concern

The Charity has minimal fixed costs, with the main source of expenditure being grants made to institutions which can be made at the discretion of the Trustees. Furthermore, the Charity had a healthy cash balance at the year end. The Trustees therefore consider that based on the circumstances existing at the date of signature of the accounts the Charity is a going concern.

b. Reserves policy

Due to the nature of the charity, being purely for grant giving purposes, there is no formal reserves policy held. At the Year End the charity holds total funds of £5,352,229 (2021: £707,390) consisting of £1,352,229 (2021: £698,025) of unrestricted funds and £4,000,000 (2021: £9,365) of restricted funds. The trustees deem this to be an appropriate level of funds to be holding at the year end.

c. Material investments policy

The charity holds £208,000 (2021: £nil) of investments at the year end. As noted above, there is no formal investment policy nor consideration into social, environmental or ethical factors in relation to the investments held due to them being a gift to the charity to which it plans to sell off in the future.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2022**

d. Principal risks and uncertainties

Grantees are vulnerable to loss of income

Many of our grantees are impacted by Covid-19 and cuts in government grants and therefore are vulnerable to loss of income. We mitigate this by reviewing grantee's annual and management accounts and meeting regularly with grantees to understand their financial situation.

Supporting causes that are not publicly popular

Some of our grantees support causes that are not publicly popular and may be affected by changes in government policy. This is especially true for organisations supporting refugees, vulnerable migrants and asylum seekers. We mitigate this by limiting the size of grant we make to a maximum of £10,000.

Supporting grassroots groups

Some of our grantees are not charities or constituted. We mitigate this by limiting the size of grant to a maximum of £10,000 and supporting these groups to develop their governance or make the grant to a constituted charity that can hold the grant for the group

e. Principal funding

The charity is reliant on donations for the funding of the charity. These resources allow the charity to continue its significant plans to give grants to good causes throughout the community.

f. Review of the year

During the year the charity had total income of £5,491,431 (2021: £917,315) consisting of £5,484,217 (2021: £917,250) from donations and £7,214 (2021: £65) from investments. Expenditure on charitable activities totalled £846,951 (2021: £474,166) consisting of £743,928 (2021: £379,821) of grant expenditure and £102,663 (2021: £94,345). This resulted in a surplus for the year of £4,644,840 (2021: Surplus of £443,149). Year-End funds were £5,352,229 (2021: £707,389), comprising £1,352,229 (2021: £698,024) of unrestricted funds and £4,000,000 (2021: £9,365) of restricted funds.

Structure, governance and management

a. Constitution

The charity is a Unincorporated Trust, constituted under Trust Deed dated 22 June 2009. The charity was registered with the Charity Commission on 23 July 2009 with charity number 1130704.

b. Methods of appointment or election of Trustees

New Trustees are recommended by current Trustees of the charity when a vacancy is open on the board. The Trustees will then assess the skills and suitability of a potential Trustee before voting them onto the board.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2022**

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Trustees:

There are 7 Trustees:

- Stephen Grabiner
- Miriam Grabiner
- Daniel Grabiner
- Sarah Grabiner
- Joseph Grabiner-Wolfson
- Amy Grabiner
- Emily Grabiner -Wolfson

Staff:

- Hannah Hoare: Executive Director. Hannah went on maternity leave in October 2022.
- Lucie Graham - Acting Executive Director (maternity cover) - from October 2022-October 2023
- Karen Lam- Team associate- appointed June 2022

Governance:

Trustees guide the executive team in making effective decisions, delivering the charity's purpose, holding financial oversight, and in complying with our Governing document and the law.

- Trustees meet formally with the executive team approximately 4-5 times a year, and informally throughout the year.
- The executive team meet at least weekly with two Trustees.
- Grant allocations are discussed at least monthly between these trustees and the executive.
- The administration of approved grants and the careful consideration of written applications before they are put to Trustees for decision is delegated to the Executive Director.

Key management

The Trustees consider that they together with the Executive Director comprise the key management of the foundation in charge of directing, controlling, running and operating the charity on a day-to-day basis.

There are grant conditions to conform to the terms of a grant. These are set out in a grant offer relating to the award of a grant. The monitoring of all grants is achieved both by the submission of self-evaluative reports from grantees and for some grantees, by visits from the Executive Director. Due to the Covid-19 pandemic, physical visits were replaced with virtual calls since March 2020. The Executive Director also reviews each grantee's statutory accounts and policies as part of the due diligence process. Arising out of the pre and post grant review by the Executive Director, Trustees satisfy themselves that all grants awarded meet with public benefit requirements

d. Policies adopted for the induction and training of Trustees

All new Trustees receive specialist training to the role that they hold, provided by existing Trustees. New Trustees are encouraged to review the most recent financial statements to familiarise themselves with the day to day running of the charity.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2022

Structure, governance and management (continued)

e. Pay policy for key management personnel

The pay awards for the CEO and other staff are reviewed annually by the Trustees. Pay is normally considered in accordance with similar roles in other comparable organisations.

f. Financial risk management

The Trustees and the Executive Director have assessed the major strategic, business, and operational risks which the charity faces and confirm that systems are in place to protect the charity's assets. The Trustees believe that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

Plans for future periods

The charity hopes to continue to receive donations and make grants to other bodies for charitable purposes for the foreseeable future.

Principal funding

The charity is reliant on donations for the funding of the charity. These resources allow the charity to continue its significant plans to give grants to good causes throughout the community.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, BKL Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Stephen Grabiner

Miriam Grabiner

.....
Stephen Grabiner 25/01/2023
Chair of Trustees
Date:

.....
Miriam Grabiner 25/01/2023
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BLUE THREAD

Opinion

We have audited the financial statements of The Blue Thread (the 'charity') for the year ended 5 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity'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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BLUE THREAD (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BLUE THREAD (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 is detailed below:

- Enquiring of management around actual and potential litigation and claims;
- Reviewing board meeting minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BLUE THREAD (CONTINUED)

Other matters

The prior year financial statements were not audited as there was no statutory requirement. The comparative figures shown in these financial statements were not audited.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

BKL Audit LLP

BKL Audit LLP

Chartered Accountants
Statutory Auditor

London

Date: 25/01/2023

BKL Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	2	4,036,000	1,448,217	5,484,217	917,250
Investments	3	-	7,214	7,214	65
Total income		4,036,000	1,455,431	5,491,431	917,315
Expenditure on:					
Charitable activities		45,365	801,226	846,591	474,166
Total expenditure		45,365	801,226	846,591	474,166
Net movement in funds		3,990,635	654,205	4,644,840	443,149
Reconciliation of funds:					
Total funds brought forward		9,365	698,024	707,389	264,240
Net movement in funds		3,990,635	654,205	4,644,840	443,149
Total funds carried forward		4,000,000	1,352,229	5,352,229	707,389

The Statement of Financial Activities includes all gains and losses recognised in the year.

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

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BALANCE SHEET AS AT 5 APRIL 2022

	Note	2022 £	2021 £
Current assets			
Debtors	9	4,000,000	25,000
Investments		208,000	-
Cash at bank and in hand		1,215,229	684,489
		<u>5,423,229</u>	<u>709,489</u>
Creditors: amounts falling due within one year	10	(57,000)	(2,100)
Net current assets		<u>5,366,229</u>	<u>707,389</u>
Total assets less current liabilities		<u>5,366,229</u>	<u>707,389</u>
Creditors: amounts falling due after more than one year	11	(14,000)	-
Net assets excluding pension asset		<u>5,352,229</u>	<u>707,389</u>
Total net assets		<u><u>5,352,229</u></u>	<u><u>707,389</u></u>
Charity funds			
Restricted funds	12	4,000,000	9,365
Unrestricted funds	12	1,352,229	698,024
Total funds		<u><u>5,352,229</u></u>	<u><u>707,389</u></u>

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

Stephen Grabiner

Miriam Grabiner

.....
Stephen Grabiner

Trustee

Date: 25/01/2023

.....
Miriam Grabiner

(Trustee)

25/01/2023

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

THE BLUE THREAD

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 5 APRIL 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	731,704	501,026
Cash flows from investing activities		
Dividends, interests and rents from investments	(89)	(65)
Proceeds from sale of investments	1,122,125	-
Gift of investments	(1,323,000)	-
Net cash used in investing activities	(200,964)	(65)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	530,740	500,961
Cash and cash equivalents at the beginning of the year	684,489	183,528
Cash and cash equivalents at the end of the year	1,215,229	684,489

The notes on pages 17 to 26 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Blue Thread meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They have considered the effects of the Covid-19 pandemic, and do not believe that it will affect the charity unduly. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

1. Accounting policies (continued)

1.6 Current asset investments

Current asset investments are initially recognised at cost. Subsequent to initial recognition, current asset investments are revalued to fair value with the movements recognised in the Statement of Financial Activities. Where market value or fair value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

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

1.9 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.10 Financial instruments

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.

1.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

2. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	4,036,000	1,448,217	5,484,217
		<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations		917,250	917,250

3. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Income from listed investments	7,125	7,125
Bank interest	89	89
	7,214	7,214
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Bank interest	65	65

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

4. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £
Grants given	743,928	743,928
	<i>Grants to Institutions 2021 £</i>	<i>Total funds 2021 £</i>
Grants given	379,821	379,821

The Charity has made the following material grants to institutions during the year:

	2022 £	2021 £
Analysis of grant expenditure		
Community	152,237	62,034
Peace and dialogue	40,000	32,600
Welfare	35,000	29,765
Education	60,927	65,565
Miscellaneous	32,476	29,406
Women	151,538	77,500
Refugee	271,750	82,951
	743,928	379,821
	743,928	379,821

5. Analysis of expenditure by activities

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Supporting good causes	743,928	102,663	846,591

THE BLUE THREAD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

5. Analysis of expenditure by activities (continued)

	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Supporting good causes	379,821	94,345	474,166

Analysis of support costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	96,069	91,605
Bank fees	148	59
Misc costs	446	581
Accountancy fees	6,000	2,100
	102,663	94,345

6. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £6,000 (2021 - £2,100).

7. Staff costs

	2022 £	<i>2021 £</i>
Wages and salaries	79,602	76,151
Social security costs	9,764	9,296
Contribution to defined contribution pension schemes	6,703	6,158
	96,069	91,605

THE BLUE THREAD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

7. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Employees	1	1

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £70,001 - £80,000	1	1

The total employee remuneration and benefits of the key management personnel of the Charity were £79,602 (2021: £76,151).

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 5 April 2022, no Trustee expenses have been incurred (2021 - £NIL).

9. Debtors

	2022 £	2021 £
Due within one year		
Gift aid debtor	-	25,000
Grants receivable	4,000,000	-
	<u>4,000,000</u>	<u>25,000</u>

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	6,000	2,100
Multi-Year grant commitments	51,000	-
	<u>57,000</u>	<u>2,100</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

11. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Multi-Year grant commitments	14,000	-

12. Statement of funds

Statement of funds - current year

	Balance at 6 April 2021 £	Income £	Expenditure £	Balance at 5 April 2022 £
Unrestricted funds				
General Funds - all funds	698,024	1,455,431	(801,226)	1,352,229
Restricted funds				
Refugee fund (1)	-	36,000	(36,000)	-
Jewish action on climate change	9,365	-	(9,365)	-
Refugee fund (2)	-	4,000,000	-	4,000,000
	9,365	4,036,000	(45,365)	4,000,000
Total of funds	707,389	5,491,431	(846,591)	5,352,229

Refugee Fund (1) is a fund established to support refugees in the UK adversely affected by COVID-19.

Refugee Fund (2) is a fund established to improve the position of refugees in the UK.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

12. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 5 April 2021 £</i>
Unrestricted funds				
General Funds - all funds	254,875	917,314	(474,165)	698,024
Restricted funds				
Jewish action on climate change	9,365	-	-	9,365
Total of funds	<u>264,240</u>	<u>917,314</u>	<u>(474,165)</u>	<u>707,389</u>

13. Summary of funds

Summary of funds - current year

	Balance at 6 April 2021 £	Income £	Expenditure £	Balance at 5 April 2022 £
General funds	698,024	1,455,431	(801,226)	1,352,229
Restricted funds	9,365	4,036,000	(45,365)	4,000,000
	<u>707,389</u>	<u>5,491,431</u>	<u>(846,591)</u>	<u>5,352,229</u>

Summary of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 5 April 2021 £</i>
General funds	254,875	917,314	(474,165)	698,024
Restricted funds	9,365	-	-	9,365
	<u>264,240</u>	<u>917,314</u>	<u>(474,165)</u>	<u>707,389</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	4,009,365	1,413,864	5,423,229
Creditors due within one year	-	(57,000)	(57,000)
Creditors due in more than one year	-	(14,000)	(14,000)
Difference	(9,365)	9,365	-
Total	4,000,000	1,352,229	5,352,229

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Current assets	9,365	700,124	709,489
Creditors due within one year	-	(2,100)	(2,100)
Total	9,365	698,024	707,389

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	4,644,840	443,149
Adjustments for:		
Gains/(losses) on investments	(7,125)	-
Dividends, interests and rents from investments	89	65
Decrease/(increase) in debtors	(3,975,000)	68,405
Increase/(decrease) in creditors	68,900	(10,594)
Net cash provided by operating activities	731,704	501,025

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

16. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,215,229	684,489
Total cash and cash equivalents	1,215,229	684,489

17. Analysis of changes in net debt

	At 6 April 2021 £	Cash flows £	At 5 April 2022 £
Cash at bank and in hand	684,489	530,740	1,215,229
Liquid investments	-	208,000	208,000
	684,489	738,740	1,423,229

18. Related party transactions

During the year, the Trustees donated £1,321,000 (2021: £308,103) to the charity.

During the year, Grabiner Management Company Ltd, a company whose directors are also Trustees of the charity, recharged payroll costs of £96,069 (2021: £91,605).

During the year, 600,000 quoted shares were gifted to the charity by Trustees with the value of £1,321,000. 500,000 of these were subsequently sold on the London Stock Exchange for £1,122,124.