

The Segelman Trust

Charity Registration No. 1188686

Trustees' report and accounts

For the year ended 31 December 2021

The Segelman Trust

Legal and administrative information

Trustees	Wilson Cotton Rebecca Eastmond Christopher Graves Timothy White
Charity number	1188686
Principal address	190 Clarence Gate Gardens Glentworth Street London NW1 6AD
Bankers	National Westminster Bank plc 125 Great Portland Street London W1A 1GA
Solicitors	White & Co 190 Clarence Gate Gardens Glentworth Street London NW1 6AD
Investment advisers	Walker Crips Stockbrokers Limited Finsbury Tower London EC1Y 8LZ Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

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Trustees' report for the year ended 31 December 2021

The trustees present their report with the financial statements of The Segelman Trust (the charity or the CIO) for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in pages 19 to 22 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and 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 United Kingdom and Republic of Ireland (FR102).

Introduction

Segelman is a charity whose primary activity is the award of grants to charities registered in the United Kingdom.

In 2021, the charity committed £1,020,000 in new grant funding and made grant payments to charitable organisations in the amount of £1,039,000. We continued to prioritise funding for children and families, particularly children in care, care leavers, young parents and kinship carers. During the year, the CIO expanded its grant-making support for parents with complex needs experiencing social services involvement; this included parents who have experienced repeat removals of their children.

There were some common threads running through the work we funded: 1) support to improve mental health and wellbeing, reduce isolation and foster positive relationships and 2) ensuring that the voices and experiences of children and families' experiencing social services involvement were heard. More details about all of the grants made in 2021 can be found below and on our website - we are working with the 360Giving Initiative to publish our grants data <https://segelmantrust.org.uk/360-giving>.

The ongoing impact of Covid-19: the pandemic continued to negatively affect children, young people and families already experiencing stress, hardship and isolation. In the words of one of our charity partners: "we were expecting the large increase in numbers of families seeking our services to reduce during the second year of the pandemic, but the higher level has continued and families are presenting with higher levels of needs, especially mental ill-health".

Service delivery changed: the charities we funded continued to provide relational support, creatively adapting to changing government guidelines and gradually returning to mostly in-person services. As restrictions eased, it wasn't quite a return to pre-2020 operations, however. The ways in which the charities had reached and supported people had changed in the past 18 months: digital resources were created, which in some cases increase the charities' reach and offer. In-person 1:1s and group activities were very much missed, particularly those which had involved food and play for families, but for some people, remote support proved to be a preference and many charities have chosen to retain a blended offer.

A challenging year for charities: as well as responding to increased need, the enduring nature of the restrictions, ongoing uncertainty, staff absences due to illness and recruitment challenges took their toll on the charities themselves. The impact of the Black Lives Matter (BLM) movement affected teams, particularly practitioners supporting clients to cope emotionally with all the issues raised by BLM and the disproportionate impact of Covid-19 on the BAME community. Equity, Diversity and Inclusion was a key focus for the charities, who challenged themselves to become more inclusive.

Segelman's grant-making is not typically geared towards crisis support but the development of services and system improvements. The Trust's response to all of these challenges listed above was to maintain levels of support and offer flexibility - in spite of a reduction in income from investments we allocated funds in excess of our £1M target. Most grants ending in 2021 were renewed or extended and we provided unrestricted income unless asked to support a specific charitable project.

Innovation and learning: as well as maintaining support for existing partners, we supported two new projects in 2021. These were: 1) We are Juno CIC, which aims to open 10 nurturing children's homes in Liverpool City Region by 2027 to improve the life chances of young people; and 2) the National House Project's Aspirational Awards pilot. Inspired by the Life Changes Trust's Aspirational Awards in Scotland, this grant fund will help care leavers to achieve an ambition or dream that will have a lasting impact on their life. The Awards have been young-person led and this has so far been an invaluable opportunity for Segelman to learn first-hand about participatory grant-making.

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Having made an investment in the start-up of **Acumen Academy** in 2020, we were pleased to see the second cohort of Fellows selected in 2021- another diverse set of change makers from across the UK tackling issues of poverty, injustice and inequality based on their lived and professional experience.

Details of all new grants made in 2021 can be found below.

Structure Governance and Management

The Trust was established by Gerald Segelman's Will ("the will") dated 6 May 1992. Gerald Segelman died on 5 July 1992 and probate was granted to his executors on 9 November 1992. The Trust was registered with the Charity Commission on 28 January 2000, Charity Registration Number 1079151. Previously known as the Will of Gerald Segelman Deceased, the trustees changed the name of the charity to The Segelman Trust with effect from 17 March 2016.

On 20 March 2020, the Charity Commission gave consent for the registration of a newly established Charitable Incorporated Organisation (CIO), called The Segelman Trust. With effect from midnight on 31 December 2020, in accordance with a legal transfer of undertakings and a resolution of the trustees, the activities, assets and liabilities of the charitable trust were transferred as a going concern into The Segelman Trust CIO (Charity Registration Number: 1188686). The objects of the CIO are the same as those of the Trust which it replaced.

As from midnight on 31 December 2020, the old charitable trust (Charity Registration Number: 1079151) became dormant. An application will be made to have the charitable trust removed from the Central Register of Charities.

Trustees

The only persons eligible to be members of the CIO are its trustees. There must be a minimum of three trustees and there is no maximum number of trustees that may be appointed to the CIO. The power of appointing new trustees is vested in the existing trustees. Apart from the first trustees, every trustee must be appointed for a term of three years. In selecting individuals for appointment as trustees, the trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

The first trustees were appointed for the following terms: Timothy White for 4 years, Rebecca Eastmond for 3 years, Wilson Cotton for 2 years and Christopher Graves for 2 years.

The trustees who served during the period were: Wilson Cotton (Chair), Rebecca Eastmond, Christopher Graves and Timothy White.

The trustees held a full board meeting five times during the year. The trustees are required to disclose all relevant interests and withdraw from decisions where a conflict of interest arises.

Decision-making

The trustees hold ultimate responsibility for the policies, activities and assets of the CIO: they agree the grant-making strategy, review funding proposals, approve grants, and consider the Trust's social impact. The trustees also review the financial performance of the investment portfolio and agree investment policies. When necessary, advice and support is received from professional advisers, including auditors and investment managers, who attend at least one meeting annually.

Management

Between July 2017 and April 2021, the administration of the CIO was carried out part-time by a grant-making consultant. In April 2021, the consultant became employed as Director of the CIO, working on a part-time basis with support from a freelance bookkeeper.

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Trustees' report for the year ended 31 December 2021

Objectives and Activities

The Segelman Trust CIO exists and operates for the public benefit. Its main activity is the award of grants to charities registered in England and Wales. The CIO also makes loans of instruments in its possession, as described below.

The trustees confirm they have referred to the guidelines contained in the Charity Commission's general guidance on public benefit when reviewing the CIO's aims and objectives, considering grant awards and managing the CIO's assets.

Grant-making policy and aims

The Segelman Trust's geographic area of focus is the United Kingdom; however, grants may also be made to registered UK charities addressing issues of poverty and marginalisation elsewhere in the world.

Since 2018, we have developed a focus on supporting children and young people with care experience and strengthening families so that more children can remain safely within their family network. At the trustees' discretion, grants are also made to organisations working outside children's social care, where they are carrying out bold and innovative work to improve the lives of the most vulnerable people in the UK. A thread running through all of our grants is a focus on well-being and positive relationships as a basis for change.

The CIO takes a proactive approach to identifying organisations and projects and is unable to consider unsolicited applications. This approach fits with the Trust's decision to award a small number (typically 10-12) of grants each year where it feels it can make an impact, and to maintain a limited administrative function. Throughout the year, we engage with past and present grant-holders and other experts with lived and professional experience to learn about new opportunities and organisations filling critical gaps.

The trust aims to fund a mixture of frontline service delivery and policy work that improves the wider system. For many of our charity partners, these objectives are mutually reinforcing, and they use the knowledge gained from frontline service delivery to direct the attention of local and national policy-makers, commissioners and service providers to what needs to change - and how.

The CIO seeks to make good use of its freedom and independence to fund new ideas and experimentation, even when there are risks and outcomes are uncertain. Our experience has taught us that we can be helpful in funding projects at an early stage of development, where funding may be difficult to find, as well as more mature enterprises at a point of transition, expansion or developing an area of promise.

We look for a set of key characteristics in the organisations we fund: namely being rooted in the communities they serve and listening and co-creating with others. We look for charity partners who can articulate clear objectives, have a framework for understanding their effectiveness and adapting in line with their learning. All of our partners can demonstrate well-targeted use of their resources, act with openness and transparency and are committed to sharing their learning with others.

We seek to be effective partners by providing flexible, timely support that enables grant-holders to achieve their objectives. We aim to balance the need to provide long-term funding for organisations undertaking complex work and to use of our independence and risk appetite to fund new and innovative approaches. We seek to build a relationship of mutual trust with grant-holders by acting with openness, transparency and respect for their expertise and time.

Achievements and Performance

In 2021, the CIO made payments to 26 charitable organisations totaling £1,039,000 and had outstanding commitments at the year-end for future payments of £1,185,000. It is anticipated that payments will be made in 2022 (£728,900), 2023 (£361,100) and 2024 (£95,000) by the CIO.

Over the year, the CIO awarded new grants to fifteen charities, eight of these were receiving Segelman funding for the first time and seven were renewals of existing grants. Twelve of the fifteen grants were multi-year and three were for a single year. The total amount awarded ranged from £25,000-£105,000 (average £72,000) and the average annual disbursement was £30,000.

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All grant-holders shared a progress update at least annually, sharing key achievements, challenges and learning from the year as well as an update on any change of course, their financial position and future priorities and plans. Our partners were invited to update us on the above in whichever way worked best and a conversation was arranged in every case to discuss the learning and plans.

In 2021, we carried out a feedback survey in which we asked the charities in receipt of a Segelman grant to rate and comment on our grant-making processes and communications and to make suggestions for improvement. There were 22 respondents, who rated the trust between 9 and 10 (on a 1-10 scale) across all measures, including clarity about timelines and process, responsiveness, respect, supportiveness, flexibility, advice and guidance. Several respondents suggested that, in addition to grant funding, the Trust could play a useful role in making connections between the charities we support and sharing advice on fundraising. We have done this where we can; for example, in 2021 we worked with a group of five charities partners preparing a consortium funding bid and we have connected several other grant-holders with common interests. The challenges of the pandemic prevented us from organising any in-person gatherings in 2021 and we also received feedback about the pressure of attending multiple online events. We have been able to give use of our meeting room to charities without a London office to carry out meetings.

First-time grants made in 2021

Avocados Advocacy CIC - three years' grant to develop the organisation

Avocados is a new CIC in Devon founded by people with lived experience of children's social care. The CIC aims to co-design programmes of support for the care-experienced community of all ages living in the county, helping them form a sense of belonging and build lifelong relationships. An additional strand of their work is matching care-experienced people requiring advocacy support with supervised university law students.

Birth Companions - unrestricted three-year grant

Birth Companions is a national charity with a mission to improve care for pregnant women and new mothers with complex needs - and to give their babies the best start. The charity works in prisons and in the community, building trusting relationships with women during the critical peri- and post-natal periods. Birth Companions is seeking to work in deeper partnership with social workers, midwives and women with lived experience to co-produce pathways in maternal care, including support for women whose babies are removed from their care.

Community of Practice (CoP) for practitioners supporting parents facing recurrent removals of their children - two-years' project funding

This CoP was created to support the growing number of small, local practices around the country that aim to support parents caught in a damaging cycle of repeat child removals. The aim of the CoP is to strengthen this relatively new area of practice and build an evidence base to address absences of services in at least 50 LAs around the country. This grant is managed by Research in Practice and Lancaster Family Justice Centre.

Leicestershire Cares - three-year grant for their programme supporting care-experienced young people

Leicestershire Cares supports children and young people facing disadvantage to reach their full potential; this includes a dedicated programme for children and young people with care experience. The charity's approach is to facilitate meaningful engagement by the local business community in providing mentorship, inspiration and opportunities to young people and to address stigma and lack of understanding of care experience.

National House Project (NHP) "Aspirational Awards" pilot - one-year grant funding

NHP's Aspirational Awards programme will support care leavers who have been through the NHP programme and are now living independently to develop their interests and achieve their ambitions. The young-person-led awards are granted to young people to develop skills and knowledge or take part in something that has been a dream. The awards scheme will be evaluated in order to adapt and design a longer-term programme.

Pure Insight - unrestricted three-year grant

Pure Insight provides support to care leavers aged 16-28 and their children in Cheshire and Greater Manchester. The charity runs long-term community mentoring programmes as well as employment, mental health and well-being support for care leavers. They also provide trauma-informed support for new parents or those with children on Child in Need/Child Protection plans.

Trevi - three-year grant to support the outreach and programming of non-commissioned services

Trevi is a charity working in Plymouth to support women with complex needs to overcome trauma, addiction and other challenges and to help them parent safely where this is possible. Trevi's support includes residential rehabilitation and parenting assessment as well as support for women who have experienced repeat removals of their children and other therapeutic services through the Women's Centre.

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We are Juno CIC - three-year grant to support programme development Juno is a new CIC which aims to open 10 new children's homes in Liverpool City Region by 2027 addressing a chronic regional shortage of suitable placements for young people. The homes will use principles of co-production with young people, relationship-based practice and social pedagogy to create stable, nurturing homes that can improve the life chances of their young people. The CIC is developing a blended financial model and any profits (once start-up investment has been repaid) will be reinvested in the homes' young residents and staff and used for early help projects in the LCR.

Grant renewals made in 2021:

Street Talk - unrestricted three-year grant

Street Talk is a counselling service for women trapped in street-based prostitution, as well as women who have been the victims of trafficking. The charity provides individual psychotherapy, group therapy and art therapy. Their holistic model sees them take the therapy into prison, rehab, hospital and bail hostels to continue working with women when they move from one location to another. Where appropriate, the Street Talk therapists will provide support to women by attending court appointments or meetings with other agencies to ensure that a woman's whole story, in particular her mental health history, are taken into consideration when important, life changing decisions are being made, such as sentencing in court.

Carefree - unrestricted three-year grant

Carefree exists to enable young people aged 11-25 in Cornwall who are in and leaving care to have a good and happy life. Carefree's work is based in positive relationships: young people can meet others and make friends, get involved in a range of activities and join Cornwall's *Care for Change* Council. They help young people manage the process of leaving care, including through the provision of a Personal Advisor service, and help with careers, education and training. Carefree has plans to increase support around preparing for and adapting to parenthood.

Voices Foundation - unrestricted three-year grant

Voices Foundation believes singing is a powerful way for children to become proficient musicians, excel across the curriculum and develop self-esteem. The charity equips teachers to provide high-quality musical education for all children by embedding daily singing into school life through the curriculum and extra-curricular choral activities. The charity sees singing in schools as a critical means of supporting recovery from the effects of the pandemic on children's language and communication, confidence, well-being and social cohesion.

Refugee Action - one year continuation grant for work with children and families in Bradford

Refugee Action's mission is to secure a fair and effective asylum system in the UK. It provides support and advice services for asylum seekers and refugees in ten locations around the country, provides training and tools to strengthen the frontline work of other charities in the sector, and campaigns to change government policy and practice. Segelman funding has been used to develop and support early help services for children and families in Bradford (with input by the charity's Experts by Experience group, BRAVE) and to make the services sustainable.

Clean Start - one-year continuation funding

Clean Start supports the rehabilitation of formerly imprisoned women and girls in Kenya (many of whom are criminalised as a result of poverty and abuse) and challenges the sentencing and conditions in custody. The charity undertook a major strategic review in 2020 which saw increased emphasis on rehabilitation beyond the prison gate through peer support and access to livelihood opportunities.

Family Rights Group - unrestricted three-year grant

Family Rights Group exists to keep children safe within their family and strengthen the family and community networks of those children who cannot live at home. The charity undertakes legal and policy work to improve the support provided to kinship carers - grandparents, older siblings or other wider family members or friends raising children who cannot live with their parents.

Just for Kids Law - unrestricted two-year grant

Just for Kids Law provides advocacy, legal advice and opportunities for young people to help them overcome the difficulties they face, from problems at school and issues with immigration status to trouble with the police. The charity advocates for care leavers where their rights and entitlements are not being met, particularly around care status, housing and advocacy in child protection cases. As well as providing support for individuals, Just for Kids Law uses evidence from its frontline work to challenge where the system is not meeting young people's needs.

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Long-term instrument loans

Ashmolean Museum

On 13 July 2015 the trustees entered into an agreement to lend the charity's most valuable instrument, the 1722 Stradivarius violin "Rode", to the Ashmolean Museum. It was lent for an initial period of five years and is on show in the musical instrument galleries, where it is a key element of the most important permanent exhibition of stringed instruments in the United Kingdom. In June 2020, the trustees agreed to extend the loan for another five years and the same arrangement remains in place for the CIO.

The trustees have agreed that the "Rode" may be made available to be played and are pleased that a performance is scheduled for October 2022 to celebrate 300 years of the violin with renowned musicians, violinist Michael Foyle and pianist Martin Cousin.

Royal College of Music (2016 loan)

In March 2016, a 1758 violin in its original set-up by Gagliano was lent to the Royal College of Music, where it is made available to students of baroque performance. The loan has been renewed until May 2027.

Looking ahead

At the time of writing, the cost of living in the UK has been increasing at a significant rate. The expected rise in domestic energy costs, fuel and food prices will hit the poorest UK households the hardest. Increasing hardship and strain on parents will have an inevitable and concerning impact on the health and wellbeing of many children and families.

In this environment, our charity partners anticipate yet another rise in demand for their services (already increased by the pandemic) with a focus on meeting basic needs, debt management and mental health support. Meanwhile, the charities themselves are experiencing increased costs and reduced income, which may result in a general depletion of reserves. Segelman will continue to provide unrestricted funding where possible allowing charities flexibility in the allocation of their resources. There will be difficult decisions to make in responding to immediate, practical needs while maintaining our support for charities focussing on service development and system improvements. We are continuing to discuss the impact of the cost-of-living crisis with our charity partners.

The CIO will continue to take a proactive approach to identifying new charity partners due to our scale: as in previous years, we have a relatively small number of grants available in 2022 and 2023 (expected to be between 10-15) and this approach enables us to maintain a small administrative function and to avoid a large number of charities competing for limited funds. This targeted approach has a downside, which is that it limits our exposure to a wider range of grant-seekers. We acknowledge this and will continue to seek input from the organisations we fund and from their clients and beneficiaries in order to shape our priorities. The Trust's support for Acumen Academy UK is also part of our efforts to champion and support diverse voices within the charitable sector. It is our hope that by acting with transparency and openness in our relationships with those we fund and others in the sector, we can widen our engagement in spite of our size and limitations.

We will continue to focus attention on children and young people with care experience, young parents and families in need. The Independent Review of Children's Social Care in England will publish its recommendations in 2022. This is described as a 'once in a generation opportunity to transform the children's social care system and improve the lives of children and their families'. Many of the charities supported by Segelman are feeding into the Review and the Trust has shared its experiences and learning with the Review team. We will look for opportunities to collaborate with charities and other funders in responding to the plans for a better care system.

We will continue to strengthen our knowledge and practice in relation to diversity, equity and inclusion. We are learning from our charity partners, as they address issues of racism and inequality within their organisations and communities, from other funders and from internal training. We will continue to ask questions of ourselves about how we are using our assets and independence to increase access and tackle racism.

The survey in 2021 related to our operational performance and we recognise that we did not invite explicit feedback on our social impact. An aim for 2022-23 is to get better at articulating our objectives, which should support a stronger analysis of our impact. This is an important step in our endeavours to be an effective grant-

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maker, though, as a small, non-operational charity we are considering how we can create a meaningful framework and process around this.

Finally, in 2022, the Trust's Director will focus attention on internal processes and records management with the aim of improving the efficiency and security of our operations and the accuracy of our historical data.

Financial Review

The financial activities are summarised on page 15 of the accounts. During the year income (excluding net gain on remeasurement of foreign currency monetary assets and funds transferred from the charitable trust) amounted to £705,400. The funds transferred from the charitable trust were £51,412,414 (note 18).

During the year the charity incurred expenditure which totaled £1,355,380 (before net loss on remeasurement of foreign currency Segelman Trust GmbH debt) of which £1,113,642 was expended on charitable activities. The net expenditure for the period, before realised and unrealised gains on the investments and the transfer from the charitable trust, and after net foreign exchange gain of £91,436, was £558,544. Net investment gains for the year totaled £1,734,522.

Investments

The Trust has a portfolio of listed investments (including cash awaiting investment), that had a market value of £28,259,519 at 31 December 2021. The investments were managed by Walker Crips Stockbrokers Limited until March 2021 when the portfolio was transferred to Sarasin & Partners LLP. The performance of Sarasin was monitored through quarterly reports and two in-person meetings during the year. The trustees were very grateful to Walker Crips for their care in managing the investments over many years. The decision to change investment managers was not driven by performance, but the need to appoint advisers with a proven track record in ESG (Environmental, Social and Governance) investment. A number of firms were invited to tender for the mandate and Sarasin & Partners LLP were selected.

The CIO has an Investment Policy that sets out the long-term investment objective and which is reviewed annually. In setting an investment policy the trustees recognise the need to balance risk within the portfolio. Whilst looking for a reasonable overall return for annual grant-making, they are also prepared to invest to achieve higher returns, recognising that this may be associated with increased risk and volatility. The overall objective is to maximise real return on investments and, whilst the trustees recognise the importance of preserving capital, they are not wedded to an overly cautious approach. In setting investment objectives, the trustees consider themselves to be a long-term social investor and so their financial investment should similarly look for long-term performance rather than short-term gain. Accordingly, benchmarks are set that reflect the Trust's long-term strategy and it is accepted that the return profile may be different to those seeking short-term gain. The trustees believe that taking a responsible long-term approach to investment will ultimately improve returns and enable the Trust to fulfil its objects more effectively.

The trustees aim to invest the CIO's assets in a way which embeds stewardship/ESG analysis and is not in conflict with the Trust's stated aims and values. The trustees will also identify areas of investment that they regard as being incompatible with these values and our approach. They recognise and require their investment managers to comply with the six Principles for Responsible Investment promulgated by the United Nations. Those principles are:

1. To incorporate environmental, social and corporate governance (ESG) issues into investment analysis and decision-making processes;
2. To be active owners and incorporate ESG issues into ownership policies and practices;
3. To seek appropriate disclosure on ESG issues by the entities in which we invest;
4. To promote acceptance and implementation of the Principles within the investment industry;
5. To work together to enhance effectiveness in implementing the Principles; and
6. To report on activities and progress towards implementing the proposals.

The trustees' investment managers may buy investment funds as long as they have satisfied themselves that they are following the Principles for Responsible Investment. In following any guidelines on ethical investment laid down by the trustees, they will not be responsible for monitoring the individual stocks in which those funds are invested.

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No individual holding should represent more than 5% of the total portfolio under management.

Performance

Performance of the investment portfolio is measured against appropriate publicly available charity investment indices. The benchmarks currently used are the ARC Steady Growth Charity Index and MSCI WMA Balanced Index. In addition, performance is measured against a basket of FTSE indices.

The trustees are in regular contact with their investment advisers and have access to an online portal for valuations and balances. A bi-annual written report and oral presentation is given to the trustees.

During 2021, the value of the trustees' investment portfolio rebounded as the global economy began its recovery from the 2020 Covid lockdowns. At the end of the year the investment portfolio had increased by 5.4%, standing at £28,259,519. Since the year end, investment markets have demonstrated extreme volatility in response to the Russian invasion of Ukraine, inflationary pressures following a prolonged period of quantitative easing and energy price rises. Markets are likely to remain volatile for the foreseeable future and the trustees will continue to monitor performance closely with their investment managers.

At 31 December 2021, the Trust had three investment properties, all of which were assented, two during 2002 and the third during 2004. A fourth property, Potters Way, was purchased during 2006 at market value from Philip and Penny Segelman and sold in 2021. All of the other properties are currently rented out to tenants at a market rent. The investment properties were revalued during 2014 and the trustees do not believe there has been any material change to those values between that date and the end of 2021.

Programme Related Investments

The CIO rents out musical instruments, which the trustees are retaining for investment purposes. There were no instrument revaluations during the year. Any increase or reduction in the value of the instruments during the financial year relates to exchange rate changes. In addition, the CIO's most valuable instrument, the 1722 Stradivarius "Rode", is on loan to the Ashmolean Museum (as referred to above) and reclassified in the accounts as a programme related investment. In 2016 the trustees made a loan of the 1758 Gagliano to the Royal College of Music and it is also classified in the accounts as a programme related investment.

Reserves Policy

The balance sheet shows total reserves of £52,588,392, which are sufficient to meet all known or anticipated commitments. They are not subject to any restrictions and are all free reserves available to be spent on the charity's activities. The trustees' policy is to hold sufficient cash to sustain the current level of grant making to beneficiaries and to meet all liabilities that are known or can be reasonably anticipated, thus avoiding the need to dispose of investments, with the attendant costs and adverse effect on performance. Although there is no restriction on their spending powers, the trustees regard cash deposits as representing spendable reserves and investments as long-term capital assets.

Risk Management

The trustee body is made up of a balanced mix of professional advisers and experienced charity trustees. Effective internal control is maintained by delegating responsibilities and performance measurement. Procedures are kept under regular review.

The trustees regularly assess the major risks to which the CIO is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The trustees believe that by monitoring reserve levels, 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. The trustees' work on risk assessment has been formally documented and is subject to regular ongoing review.

Risks are categorised as either financial, conduct or reputational and responsibility or ownership is ascribed to each. Taking existing management controls into account, probability and potential impact are assessed to determine their status from insignificant to critical. Consideration is also given as to whether risks are regarded as static, diminishing or increasing. This enables the trustees to judge whether and where additional controls need to be implemented.

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Key principal risks and the steps taken to mitigate these risks include the following:

The CIO operates a grant-making policy and procedures aimed at ensuring that all grants made are both appropriate and effective. This is formally re-adopted annually. The CIO's Director undertakes research and due diligence on potential grant recipients, which includes a review of the organisation's finances and operations and at least one in-person or telephone meeting with the leader of the organisation to discuss the aims and objectives of the grant. Trustees review and approve all funding proposals and a grant agreement is drawn up containing the organisation's key milestones for the grant period. All grant recipients are asked to report annually on their progress, including both successes and challenges, and informal discussions take place as necessary throughout the year. Any requests made by grant-holders to amend the grant terms mid-course are discussed and approved by the Trustees.

The CIO has a formal investment policy to ensure that it is not exposed to inappropriate investments that would cause reputational damage or financial losses that would adversely affect its grant-making potential. This policy is formally re-adopted annually. Investment managers are made aware of the policy and performance is monitored to ensure compliance with it.

Auditor

The charity's auditor, Buzzacott LLP, will be proposed for re-appointment.

The accounts were approved by the trustees on


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Trustee


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Date

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Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. 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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Independent auditor's report to the trustees of The Segelman Trust

Opinion

We have audited the accounts of The Segelman Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its income and expenditure 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 auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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.

The Segelman Trust

Independent auditor's report to the trustees of The Segelman Trust

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in 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 there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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:

The Segelman Trust

Independent auditor's report to the trustees of The Segelman Trust

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of representatives of the Trustee and the review of minutes of meetings of the directors of the Trustee.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of the chair of the board of the Trustee as to where the board of directors of the Trustee considers there was susceptibility to fraud and knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place at the administrators of the Charity and the procedures of review by the Trustee to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Tested the authorisation of expenditure;
- Gained an understanding of the processes in place for the management of the Charity's investments and confirmed the validity of withdrawals from investments; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Review of the minutes of meetings of those charged with governance -i.e. the Trustee and its advisors;
- Enquiring of management as to actual and potential litigation and claims; and
- Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

The Segelman Trust

Independent auditor's report to the trustees of The Segelman Trust

Use of our report

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



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date 28 October 2022

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

The Segelman Trust

Statement of financial activities for the year ended 31 December 2021

		Unrestricted Funds	
		Total	Total
		Year to 31	20 March 2020
		December	to 31
		2021	December 2020
	Notes	£	£
<u>Income from</u>			
Other trading activities	2	577	-
Investments	3	704,823	-
Net gain on remeasurement of foreign currency monetary assets		107,841	-
		813,241	-
Transfer from The Segelman Trust (Charity Registration Number: 1079151)	18	51,412,414	-
Total income		52,225,655	-
<u>Expenditure on</u>			
Raising funds	4	241,738	-
Charitable activities	5	1,113,642	-
Net loss on remeasurement of foreign currency Segelman Trust GmbH debt		16,405	-
Total expenditure		1,371,785	-
Net income before net gains on investments		50,853,870	-
Realised gain on sale of investment property		147,439	-
Net gains on investments		1,587,083	-
Net income and net movement in funds		52,588,392	-
Fund balances brought forward at 1 January 2021		-	-
Fund balances carried forward 31 December 2021		52,588,392	-

The charity has no recognised gains or losses other than those shown above.

With effect from midnight on 31 December 2020, in accordance with a legal transfer of undertakings and a resolution of the trustees, the activities, assets and liabilities of the charitable trust (Charity Registration Number: 1079151) were transferred as a going concern into The Segelman Trust CIO (Charity Registration Number: 1188686) (see note 18).

The CIO's activities commenced on 1 January 2021. All of the CIO's activities derived from continuing operations during the year to 31 December 2021.

The Segelman Trust

Statement of financial activities for the year ended 31 December 2021

The table below shows the comparative results of The Segelman Trust (Charity Registration Number: 1079151) (The Charitable Trust).

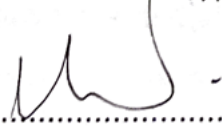
	CIO	Charitable Trust
	Year to 31 December 2021	Year to 31 December 2020
	£	£
Income (excluding transfer from the charitable trust)	705,400	1,070,965
Net gain on remeasurement of foreign currency monetary assets	107,841	43,692
Net gain on remeasurement of foreign currency Segelman Trust GmbH debt	-	14,417
Total income	813,241	1,129,074
Expenditure	1,355,380	1,538,998
Net loss on remeasurement of foreign currency Segelman Trust GmbH debt	16,405	-
Total expenditure	1,371,785	1,538,998
Net expenditure before net gains/(losses) on investments	(558,544)	(409,924)
Net gains/(losses) on investments	1,734,522	(690,171)
Net income/(expenditure) and net movement in funds	1,175,978	(1,100,095)

The Segelman Trust

Balance sheet as at 31 December 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Investments	8	41,605,565		-	
Programme related investments	9	10,044,733		-	
			51,650,298		-
Current assets					
Debtors	11	92,604		-	
Cash at bank and in hand		2,159,726		-	
		2,252,330		-	
Current liabilities					
Creditors: amounts falling due within one year	12	(858,136)		-	
Net current assets			1,394,194		-
Total assets less current liabilities			53,044,492		-
Creditors: amounts falling due after more than one year	13	(456,100)			-
Net assets			52,588,392		-
Income funds					
Unrestricted funds			52,588,392		-

The accounts were approved by the trustees on



Trustee

4th October 2022

Date

The Segelman Trust

Statement of cash flows for the year ended 31 December 2021

	Notes	Year to 31 December 2021	20 March 2020 to 31 December 2020
		£	£
Cash flows used in operating activities	14	(133,171)	-
Cash flows used in investing activities			
Investment income and interest received	15	704,823	-
Payments to acquire listed investments		(29,172,887)	-
Receipts from disposal of listed investments		27,588,226	-
Net receipts from disposal of investment property		492,439	-
Forward foreign exchange transactions		(1,248,290)	-
		(1,635,689)	-
Decrease in cash and cash equivalents		(1,768,860)	-
Cash transferred from The Segelman Trust (Charity Registration Number 1079151)		4,182,599	-
Cash and cash equivalents at 1 January 2021		-	-
Change in cash and cash equivalents due to exchange rate movements		107,841	-
Cash and cash equivalents at 31 December 2021		2,521,580	-

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

1 Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

1.1 Basis of preparation

With effect from midnight on 31 December 2020, the activities, assets and liabilities of The Segelman Trust (Charity Registration Number: 1079151) (the Charitable Trust) were transferred as a going concern to the charity. The transfer has been treated as a merger between the Charitable Trust and the charity in accordance with paragraphs 27.12 and 27.13 of the Charities SORP FRS 102, and the net assets transferred are included as a separate line within total income. The transfer was in accordance with an Order issued by the Charity Commission and with a legal deed of transfer.

These accounts have been prepared for the year to 31 December 2021 with comparative information provided for the period 20 March 2020 to 31 December 2020.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

1.2 Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- the valuation of the charity's investment properties which has been estimated by the trustees based on advice received and their knowledge of property values in the local area;
- the valuation of the charity's violins which has been estimated by the trustees based on insurance valuations;
- the provision against doubtful and bad debts in respect to beneficiary debtors;
- the allocation of general overheads and governance costs between charitable expenditure categories and the cost of raising funds; and
- estimates in respect to accrued expenditure.

1.3 Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the CIO have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the CIO to continue as a going concern. The trustees are of the opinion that the CIO will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. The most significant areas that may affect the carrying value of the assets held by the CIO are the level of investment

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

return, the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information) and the performance of property markets.

1.4 Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises investment income from trading activities, income from listed investments, rental income in respect of musical instruments and rental income from investment properties, bank interest and gains on foreign currency transactions.

Income from other trading activities comprises receipts from the sale of books. Such income is recognised when a book is sold and is accounted for at fair value, being the retail price for the book net of any discounts.

Income from listed investments comprises dividends and interest receivable. Dividends are recognised as at the date of settlement. Interest payable on investment assets is recognised on an accruals basis.

Rental income from musical instruments is recognised at the point when the charity becomes entitled to the income under the relevant hire/rental agreement.

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 bank.

Gains on foreign currency translation arise as explained in 1.11 below.

The transfer of funds represents the book value of the assets and liabilities measured at fair value and is included within total income in accordance with FRS 102.

1.5 Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment 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 includes any attributable VAT that cannot be recovered.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

a. The cost of raising funds includes the fees paid to investment managers in connection with the management of the charity's listed investments, costs relating to the maintenance and retention of other investments, and the legal and professional expenses incurred by the trustees in respect of investment assets.

b. The cost of charitable activities includes grants payable together with related support and governance costs. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions.

Losses on foreign currency translation are as explained in 1.11 below.

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

1 Principal accounting policies (continued)

1.6 Support costs and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of administrative procedures and accounting.

Governance costs are costs associated with the governance arrangements of the charity that relate to the general running of the charity as opposed to those costs associated with charitable activities. These governance costs include the audit and legal advice provided to the trustees during the year and accountancy fees for the preparation of the accounts. Also included in this category are the costs that are associated with the strategic management of the charity as opposed to the day-to-day management.

Listed investments are included on the balance sheet at their mid-market value at the end of the financial year. Realised and unrealised gains and losses on investments are credited, or debited, to the statement of financial activities in the year in which they arise.

During the year the CIO has taken sterling hedge positions against the effect of fluctuations in the Euro and US dollar as the CIO's equity portfolio holds investments in these currencies. The hedge position is realised on a quarterly basis and the resulting cash position is recognised through the SoFA. The accounting policy for financial instruments is included in note 1.11.

Investment properties are included on the balance sheet at open market value, as estimated by the trustees with professional assistance.

Musical instrument investments are included on the balance sheet at insurance value as a best estimate of the open market value.

1.7 Programme related investments

Musical instruments that are on public display or on loan to educational institutions provide both a public benefit and an investment return and are classified as programme related investments. Where programme related investments have been classified previously as investment assets, they are included in the accounts at their value immediately prior to reclassification adjusted subsequently only for any gains or losses arising on currency translation.

1.8 Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

1.9 Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

1.10 Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

1 Principal accounting policies (continued)

1.11 Foreign currency translation

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

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

1.12 Cash at bank and in hand

Cash at bank and in hand includes the regular bank accounts. Short term, highly liquid investments, with a short maturity of three months or less are reported within fixed asset investments as cash but are included within the statement of cash flows as cash and cash equivalents.

1.13 Fund accounting

The unrestricted funds comprise monies which may be utilised at the trustees' discretion towards the charitable objectives of the CIO.

2 Other trading activities	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Income received from book sales	577	-
3 Income from investments		
	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Investment income		
Income from listed investments	511,342	-
Rental income from investment properties	133,358	-
Rental income from musical instruments	59,797	-
Bank and other interest		
Bank interest	25	-
Interest on cash held by investment managers for re-investment	301	-
	704,823	-

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

4	Raising funds	Year to 31 December 2021	20 March 2020 to 31 December 2020
		£	£
	Instrument insurance	26,577	-
	Instrument maintenance	1,152	-
	Investment management fees	156,020	-
	Property rental expenses	45,162	-
	Support and governance costs		
	Bank charges	1,156	-
	Legal fees	11,671	-
		<u>12,827</u>	<u>-</u>
		<u>241,738</u>	<u>-</u>
5	Charitable activities	Year to 31 December 2021	20 March 2020 to 31 December 2020
		£	£
	Grants payable to institutions (see below)	1,020,000	-
	Support and governance costs		
	Accountancy fees	4,500	-
	Auditor's fees	13,332	-
	Legal fees	11,025	-
	Segelman Trust GmbH	1,810	-
	Grants administration costs	47,246	-
	IT equipment & software	950	-
	Loan repayments from beneficiaries	(1,150)	-
	Sundry	15,929	-
		<u>93,642</u>	<u>-</u>
		<u>1,113,642</u>	<u>-</u>

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

5 Charitable activities (continued)

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Grants to institutions comprise:		
Avocados Advocacy CIC	75,000	-
Birth Companions	90,000	-
Carefree Cornwall	90,000	-
Clean Start	35,000	-
Community of Practice (CoP)	60,000	-
Family Rights Group	105,000	-
Just for Kids Law	50,000	-
Leicestershire Cares	90,000	-
National House Project "Aspirational Awards" Pilot	25,000	-
Pure Insight	90,000	-
Refugee Action	40,000	-
Street Talk	75,000	-
Trevi	90,000	-
Voices Foundation	90,000	-
We are Juno CIC	75,000	-
	1,080,000	-
Less grants no longer required: Action for Happiness	(60,000)	-
	1,020,000	-
Total grants to institutions		
	1,020,000	-
Commitments made in the period	1,020,000	-
Grants paid during the period	(1,039,000)	-
Commitments at 1 January 2021	1,204,000	-
	1,185,000	-
Commitments at 31 December 2021		
	1,185,000	-
Within one year (note 12)	728,900	-
After more than one year (note 13)	456,100	-
	1,185,000	-

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

6 Key management personnel

The trustees are in charge of directing and controlling the charity's resources, policies and strategic direction.

Between July 2017 and April 2021, the administration of the charity was carried out part-time by a grant-making consultant. In April 2021, the consultant became employed as Director of the CIO, working on a part-time basis with support from a freelance bookkeeper.

None of the trustees received any remuneration or reimbursement of expenses in connection with their duties as trustees or their work as key management. One of the trustees is currently a partner within a professional services firm that provides services to the charity. The services provided related to the administration of the charity and its assets as well as key management functions. One of the other trustees is a director of a company which supplied office facilities and training for the Director of the CIO. The CIO was recharged for the use of telephone, office and meeting space, IT facilities and training by this company. All fees payable to these two firms are approved by the other trustees.

T D White was a partner with the solicitors' firm of White & Co during the year. This firm provided legal advice and services to the charity during the year. Total fees payable to the firm during the year were £21,000. At the year-end there were £42,000 fees outstanding.

R Eastmond was a director with the firm Greenwood Place during the year. This firm provided office facilities and training for the Director of the CIO. The total fees payable to the firm during the year were £14,383. At the year-end there were no fees outstanding.

7 Staff costs

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Staff costs during the year were as follows:		
Wages and salaries	33,750	-
Pension costs	872	-
	<u>34,622</u>	<u>-</u>

The Director of the CIO is the only employee and has been employed part-time from April 2021 (period to 31 December 2020 - none). No employee earned more than £60,000 during the year (period to 31 December 2020 - none).

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

8 Fixed asset investments

	Year to 31 December 2021	20 March 2020 to 31 December 2020
At 31 December 2021 fixed asset investments comprised	£	£
Freehold investment properties	3,000,000	-
Leasehold investment properties	962,500	-
Musical instruments held for investment purposes	9,374,559	-
Listed investments and cash held for re-investment	28,259,519	-
Unquoted shares	8,987	-
	41,605,565	-

Movements on each category of investment are summarised below.

8.1 Freehold investment properties

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Market value at 1 January 2021	-	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	3,345,000	-
Net disposal proceeds	(492,439)	-
Realised gains	147,439	-
Unrealised gains	-	-
Market value at 31 December 2021	3,000,000	-
Cost at 31 December 2021	668,137	-

The charity's investment properties were transferred from the Charitable Trust with effect from 1 January 2021. The assets were transferred at open market value (as reported in the predecessor charity's accounts) at that date.

The investment properties are included in the accounts at their open market valuation as at 31 December 2014, as estimated by the trustees based on advice received from the agents responsible for managing the properties. The trustees are of the opinion that there has been no material change in these valuations since 31 December 2014. All properties are situated in the United Kingdom.

The investment property at Potters Way in Poole, valued in the accounts at £345,000 on 1 January 2021, was sold on 23 September 2021 for £492,439 (net of expenses).

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

8.2 Leasehold investment properties

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Market value at 1 January 2021	-	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	962,500	-
Unrealised gains	-	-
Market value at 31 December 2021	962,500	-
Cost at 31 December 2021	358,663	-

The investment properties are included in the accounts at their open market valuation as at 31 December 2014, as estimated by the trustees based on advice received from the agents responsible for managing the properties. The trustees are of the opinion that there has been no material change in these valuations since 31 December 2014. All properties are situated in the United Kingdom.

8.3 Musical instruments held for investment purposes

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Market value at 1 January 2021	-	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	9,578,127	-
Net investment losses	(203,568)	-
Market value at 31 December 2021	9,374,559	-
Cost at 31 December 2021	5,677,381	-

The market value of the musical instruments held for investment purposes are based on insurance values at 31 December 2021. The trustees are of the opinion that such values are not materially different from open market values. The instruments are situated in Switzerland and the UK.

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

8 Fixed asset investments (continued)

8.4 Listed assets and cash held for reinvestment

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Market value at 1 January 2021	-	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	24,063,393	-
Disposal proceeds	(27,588,226)	-
Additions	29,172,887	-
Net investment gains	2,249,611	-
Market value at 31 December 2021	27,897,665	-
Foreign exchange hedge	135,122	-
Cash held by investment managers for re-investment	226,732	-
	28,259,519	-
Cost of listed investments at 31 December 2021	25,771,838	-

Derivative financial instruments - foreign exchange contracts

The CIO enters into foreign currency contracts to mitigate the exchange risk for certain foreign currency transactions within its equity portfolio. At 31 December 2021 there were two open currency commitments. The unrealised forward foreign exchange transaction was £135,122. This is included within the forward foreign exchange transactions in the year.

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

All listed investments held at 31 December 2021 were dealt on a recognised stock exchange and comprised the following:

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
UK interest bearing securities	2,458,372	-
UK equities	3,148,993	-
Overseas equities	22,290,300	-
	27,897,665	-

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

8. Fixed asset investments (continued)

At 31 December 2021, listed investments included the following individual holdings deemed material in the context of the overall portfolio valuation as at that date.

	Year to 31 December 2021	Year to 31 December 2021	20 March 2020 to 31 December 2020	20 March 2020 to 31 December 2020
	Market Value of Holding	Percentage of portfolio	Market Value of Holding	Percentage of portfolio
	£	%	£	%
Holding				
Sarasin Responsible Corporate Bond - I Inc	1,415,662	5.1%	-	-

8.5 Unquoted shares

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Market value at 1 January 2021	-	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	8,987	-
Market value at 31 December 2021	<u>8,987</u>	<u>-</u>

The unquoted shares represented the CIO's holding in Segelman Trust GmbH, a company incorporated and registered in Switzerland. The company was incorporated on 29 June 2005 and the first set of accounts were produced for the period ended 31 December 2006 and annually thereafter. A summary of the company's profit and loss account for the year ended 31 December 2021 is detailed in note 17. At 31 December 2021 the called up share capital and reserves were £84,778.

The company is related to the CIO by virtue of the fact that it is controlled by the trustees of the CIO. At 31 December 2021 the company owed the CIO £62,341. Consolidated accounts have not been prepared as the company is deemed immaterial to the results of the group.

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

9 Programme related investments

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Market value at 1 January 2021	-	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	10,278,818	-
Net losses arising on foreign currency translation	(234,085)	-
Market value at 31 December 2021	10,044,733	-
Cost at 31 December 2021	2,637,000	-

On 14 July 2015 the trustees of the charity (now the CIO) completed the loan of the Trust's most valuable musical instrument, the 1722 Stradivarius "Rode", to the Ashmolean Museum, where it is now on public display.

The trustees of the CIO have also made a loan of the 1758 Gagliano to the Royal College of Music, where it is available to students of baroque performance. A new five-year agreement for the loan of the 1758 Gagliano to the Royal College of Music was made on 11 May 2022, expiring on 10 May 2027.

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

10 Revaluation reserve

The total unrealised gains at 31 December 2021 were £25,000,727. These unrealised gains constitute movements on revaluation and were as follows:

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Unrealised gains included above:		
On listed investments	2,487,681	-
On investment properties	2,935,700	-
On musical instrument investments	3,697,178	-
On programme related investments	7,407,733	-
Total unrealised gains at 31 December 2021	16,528,292	-
	£	£
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2021	-	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	14,740,472	-
Unrealised gains on listed investments arising in the year	2,259,818	-
Investment property unrealised gains released on disposal	(34,345)	-
Unrealised losses on musical instrument investments arising in the year	(203,568)	-
Unrealised losses on programme related investments arising in the year	(234,085)	-
Total unrealised gains at 31 December 2021	16,528,292	-

Gains/(losses) arising on the revaluation of musical instrument and programme related investments are related to foreign exchange fluctuations.

11 Debtors

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Loans receivable from beneficiaries	371,183	-
Provision for bad debts	(371,183)	-
	-	-
Rental income due	9,190	-
Amount due from Segelman Trust GmbH	62,341	-
Prepayments and accrued income	21,073	-
	92,604	-

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

12 Creditors: amounts falling due within one year

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Auditor's fees		
Buzzacott LLP	25,452	-
Investment management fees		
Walker Crips Stockbrokers Limited	38,220	-
Legal fees		
White & Co	42,000	-
Grants payable (note 5)	728,900	-
Accrued property expenses	4,271	-
Deferred income	12,500	-
Freelance creditors	6,500	-
IT costs	293	-
Training	-	-
	858,136	-

13 Creditors: amounts falling due after more than one year

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Grants payable (note 5)	456,100	-
	456,100	-

14 Net cash flows used in operating activities

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Reconciliation to changes in resources		
Net movement in funds per statement of financial activities (page 15)	52,588,392	-
Net investment gains	(1,734,522)	-
Interest receivable	(326)	-
Investment income	(704,497)	-
Exchange rate movements on cash and cash equivalents	(107,841)	-
Exchange rate movements on Segelman Trust GmbH	16,405	-
Increase in debtors	(92,604)	-
Increase in creditors	1,314,236	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	(51,412,414)	-
	(133,171)	-

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

15 Cash flows from investing activities: investment income and interest received

	Year to 31 December 2021	20 March 2020 to 31 December 2020
	£	£
Interest received	326	-
Investment income received	704,497	-
	<u>704,823</u>	<u>-</u>

16 Analysis of net cash and cash equivalents

	At 1 January 2021	Transfer from The Segelman Trust (Charity Registration Number: 1079151)	Cash flows	Non-cash movements	At 31 December 2021
	£	£	£	£	£
Cash at bank and in hand	-	1,436,079	745,689	(22,042)	2,159,726
Cash held by investment managers	-	2,746,520	(2,514,549)	(5,239)	226,732
Foreign exchange hedge held by investment managers	-	-	-	135,122	135,122
	<u>-</u>	<u>4,182,599</u>	<u>(1,768,860)</u>	<u>107,841</u>	<u>2,521,580</u>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

17 Segelman Trust GmbH - financial statements for the year ended 31 December 2021

	2021	2020
	£	£
Income	89,251	111,768
Less: expenses	(79,055)	(97,056)
Net profit before taxes	<u>10,196</u>	<u>14,712</u>

The net equity of the company at 31 December 2021 totaled £84,788 (2020 - £86,754).

The Segelman Trust

Notes to the accounts for the year ended 31 December 2021

18 Connected charity transactions

All the trustees of the CIO are also trustees of The Segelman Trust (Charity Registration Number: 1079151). With effect from midnight on 31 December 2020, the activities, assets and liabilities of the Charitable Trust were transferred to the CIO. The net assets at that date comprised:

	2020 £
Fixed Assets	
- Investments	40,704,527
- Programme Related Investments	10,278,818
Debtors	325,542
Cash at bank and in hand	1,436,079
Creditors: amounts falling due within one year	(912,552)
Creditors: amounts falling due after one year	(420,000)
	<u>51,412,414</u>

The assets and liabilities were represented by the following fund:

	2020 £
Unrestricted funds	<u>51,412,414</u>

19 Ultimate control and liability of the member

The charity is controlled by the trustees who are members of the CIO.

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.