



The Segelman Trust

Report and Financial Statements

Year ended: 31 December 2022

Charity no. 1188686

The Segelman Trust

Legal and administrative information

Trustees

Wilson Cotton, Chair of Trustees (reappointed 10.02.2022)

Rebecca Eastmond

Christopher Graves (reappointed 10.02.2022)

Timothy White

Director

Katy Golding

Principal address

190 Clarence Gate Gardens, Glentworth Street, London, NW1 6AD

Charity number

1188686

Auditors

Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

Bankers

National Westminster Bank plc, 125 Great Portland Street, London, W1A 1GA

Solicitors

White & Co, 190 Clarence Gate Gardens, Glentworth Street, London, NW1 6AD

Russell Cooke, 8 Bedford Row, London, WC1R 4BX

Investment managers

Sarasin & Partners, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU

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Report of the trustees for the year ended 31 December 2022

The trustees present the annual report and financial statements of The Segelman Trust ('Segelman' or 'the Trust') for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in pages 21 to 24 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 (FRS102).

Introduction

Segelman is an endowed grant-making trust operating in the United Kingdom. Our aim is to play an effective part in building a society in which everyone has the opportunity to enjoy health and happiness and to fulfil their potential. We achieve our objectives through investing in the capabilities of a range of charities, community interest companies and social enterprises that are shaping the change that is needed. In 2022, we committed £1,046,250 in new funding and distributed £995,116 in funding within the year.

Through our main grants programme, we provide funding to organisations working with children in care and care leavers - a group of young people whose circumstances place them at increased risk of not achieving a good level of health and development. We also fund preventative work to support and strengthen families so that more children can remain within their family network when it is safe for them to do so. Alongside our main grants programme, we make a small number of grants to organisations testing new approaches to tackle poverty and inequality, though they are not focused exclusively on the care system. More details about our grant-making approach and all of the grants made in 2022 can be found later in this report and on our website. We are also working with the 360Giving Initiative to publish our grants data <https://segelmantrust.org.uk/360-giving>.

Overview of the year

2022 saw an end to Covid restrictions, which meant that charities could resume in-person activities with families and young people; however, it was not the year of recovery that was hoped for. Soaring food and energy prices prolonged the environment of stress and uncertainty for people experiencing hardship and our partners saw rising demand for their services - including from families with one or both parents in work. Meanwhile, cuts to public sector spending, a fall in donations and recruitment challenges placed charities under continued strain.

A return to 'normal' life also surfaced some of the consequences of the pandemic, which threaten to exacerbate existing vulnerability for children and families, especially those living in poverty. Our charity partners commented on how Covid-19 had impacted on the speech, language, communication and socialisation of young children and on the mental health and wellbeing of children, young people and parents. Specialist speech and language and mental health providers have not been able to keep pace with demand for services, resulting in long waiting lists. Our partners were forced to bridge gaps as innovatively and safely as they could through their programmes of support and partnerships.

In response to the pressure and uncertainty facing our partners, Segelman took a decision to renew several of our grants and to allow all grant-holders flexibility in the allocation of resources. We also provided uplifts on our grants to our smallest, service delivery charities. A consequence of these decisions was that we made fewer new grants during the year.

The organisations funded by Segelman played a valuable role in providing safety and support for children, young people and families at increased levels of risk due to the cost of living and the long-term impact of Covid-19. As well as responding to immediate need and reducing isolation, our partners remained focused on their strategic agendas, calling attention to issues of disadvantage and inequality and driving improvements in local and national policy and practice. Notably, many of the charities we supported sought to influence the

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recommendations of the Independent Review of Children's Social Care, contributing evidence, sharing insights from practice and ensuring the voices of children and families were embedded in the recommendations. The Care Review team published its report in May 2022 and, among its many recommendations, called for a greater focus on early help for families to prevent problems from escalating; more support for kinship carers; an expansion of 'corporate parenting' responsibilities; and loving relationships for care experienced young people.

The Trust acknowledges the dedication of the charity leaders and teams we have worked with over this past year. Under huge pressure, they have been ceaseless in their efforts to support children, young people and families, reducing vulnerability while continuing to drive for improved services and systems.

A happy note

A Stradivarius violin, known as the "Rode", which is owned by the Trust and loaned to the Ashmolean Museum, was played in October 2022 by renowned violinist, Michael Foyle. The concert at the Ashmolean was to celebrate 300 years of the instrument and it is hoped that future concerts will give more people the opportunity to hear it played.

Structure, governance and management

Segelman is a registered charity, number 1188686. The Trust was established by Gerald Segelman's 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 (registered charity number 1188686). 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 (registered charity number 1079151) were transferred as a going concern into The Segelman Trust CIO. The objects of the CIO are the same as those of the Trust which it replaced. The merger of the charitable trust (registered charity number 1079151) with the CIO on 31 December 2020 was registered by the Charity Commission on 3 October 2022.

Trustees

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.

The power of appointing new trustees is vested in the trustees. New trustees are appointed for three years after which they may put themselves forward for re-appointment. Wilson Cotton and Christopher Graves were reappointed in 2022 for three years.

Decision-making

The trustees agree the broad strategy of the Trust and give consideration to all areas of activity, including grant-making, investment, risk management, policies and performance. The day-to-day running of the charity is delegated to a Director, who is supported by an accountant. Advice and support is received from professionals, including auditors, lawyers and investment managers. The Trust is a member of the Association of Charitable Foundations (ACF), which provides information and updates on changes in law and regulations affecting charities and opportunities to engage with a network of funders and other experts on matters of good practice.

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Key Management Personnel

The trustees consider that they, together with the Director, comprise the key management personnel of the charity. The trustees are not remunerated for their services to the charity. The remuneration of the Director is determined by the trustees, benchmarked using the Association of Charitable Foundations Salary and Benchmarking Survey and Report.

Following conclusion of the 2021 audit, the trustees agreed that they would review the appointment of the auditors. To that end they invited a number of firms who specialised in the charity sector to tender for the 2023 audit. Following written presentations, a shortlist of three firms was identified, who were invited to meet a panel comprising the Chairman, Wilson Cotton, Director, Katy Golding and accountant Annette Hanson. The panel was unanimous in recommending to the trustees that Buzzacott should be reappointed. This recommendation was accepted. We are grateful to all the firms that engaged with the trustees. The process was extremely helpful in enabling the trustees to consider both the audit process and their relationship with the charity's auditors.

Objectives and activities

Segelman exists and operates for the public benefit. Its main activity is the award of grants to charities registered in the United Kingdom. The Trust 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 Trust's aims and objectives, considering grant awards and managing the Trust's assets.

Grant-making policy and aims

Our overarching aim is to address issues of poverty and inequality so that everyone in the UK has the opportunity to enjoy health and happiness and to fulfil their potential. Achieving this aim, we believe, means ensuring the voices of those who experience poverty and multiple disadvantages are heard; that people's rights are upheld; and that services and systems are designed in partnership with users so that their needs are at the heart. We make our grants to organisations that share these aims and can demonstrate impact - or, in the case of new projects, a clearly defined plan for achieving impact.

As a small funder, we have decided to focus our grant-making on a few key areas so that we can understand the efficacy of our approach and try to use our assets to play a useful role in the spectrum of funders.

Since 2018, Segelman's main grants programme has focused on improving outcomes for children and families experiencing involvement with children's social care. We chose this area because of the escalating number of children entering the care system and the increased risk that children with experience of care will suffer from poor mental and physical health and will not reach their potential in adulthood. We believe that relationships and connection are fundamental to health and wellbeing and prioritise projects that focus on young people's relationships with family, carers, peers and other connected adults. The organisations we fund demonstrate a deep and relational way of working and - for those delivering frontline programmes - create a place of belonging for young people and families.

While our main grants programme is focused, we use our flexibility and willingness to take risk to make occasional grants to organisations that are pioneering in their approach to tackling poverty and inequality. These projects are not explicitly focused on children's social care but are building knowledge and capacity that has wide benefits for disadvantaged children, families and communities. All of the organisations we fund ensure that the voices of children and families drive decision making at an individual level and help shape policy and practice.

Segelman currently takes a proactive approach to identifying organisations and projects and is unable to consider unsolicited applications. We identify potential funding partners through research and by engaging

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experts with lived and professional experience of our issue areas. We seek to understand which projects and organisations are filling critical gaps and the impact they are making. We are aware of the limitations of this approach; however, it fits with our decision to award a small number of grants (typically 10-15) each year where we feel our funding can make an impact.

The Trust seeks to fund a mixture of frontline service delivery that meets the needs of individuals and policy work that improves the wider system. For many of our charity partners, these objectives are mutually reinforcing and they use insights 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.

We seek to make good use of our freedom and independence to fund the development of 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 aim to balance the importance of providing long-term funding for organisations undertaking and sustaining complex work and using our risk appetite to invest in new and untested projects and programmes.

We look for a set of key characteristics in the organisations we fund: being rooted in the communities they serve and genuinely applying principles of co-production and collaboration. Our partners can articulate clear objectives and outcomes and have a framework for understanding their impact 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 maximise their impact by working in partnership with others.

We seek to be effective partners to those we fund by providing flexible, timely support that enables grant-holders to achieve their objectives. We aim to build a relationship of mutual trust by acting with openness about our aims, objectives and processes and respect for our partners' time and expertise.

Grant-making achievements and performance

In 2022, Segelman committed £1,046,250 (2021: £1,020,000) in grant funding to thirty organisations. Payments totaling £995,116 (2021: £1,039,000) were made during the year and Segelman had outstanding commitments at the year-end for future payments of £1,236,134. It is anticipated that payments will be made in 2023 (£861,134), 2024 (£305,000) and 2025 (£70,000).

Four grants were made to organisations receiving Segelman funding for the first time; eleven grants were renewals or extensions. Eight of the fifteen new grants were multi-year; the single-year grants were short-term due to their being for a pilot, scoping exercise, event or grant extension. The total amount awarded for new grants ranged from £6,000-£120,000 (average £60,000) and the average annual disbursement was £30,000.

Asked to describe the impact of their work during the year, our partners responded in a number of ways:

Some highlighted policy wins: for example, Family Rights Group played a key role in increasing legal aid for kinship carers and Just for Kids Law was instrumental in getting the housing needs of care leavers on the government's agenda.

Others foregrounded their influencing and participation work, ensuring that lived experience informed policy and national guidelines. To share a couple of examples: Coram Voice facilitated the input of over 300 young people from 30 local authorities into the Independent Care Review. Pure Insight supported care leavers in Manchester to influence mental health commissioning. Women with personal experience of disadvantage and inequality in pregnancy and early motherhood were supported by Birth Companions to co-create a Birth Charter to bring greater attention to the overlooked needs of women who have involvement with the social care

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and the family justice systems. WILD worked with young parents and partners to co-develop pathways of care and support for families and their children from conception, during pregnancy and through the early years.

Some partners evidenced their impact in terms of improved outcomes at an individual level, such as de-escalation of social services' involvement and children remaining with their families. Some felt their most important achievement was being trusted and providing vital connections and a sense of belonging as a basis for making other changes.

Several organisations described the launch of bold new projects in a prevailing environment of political volatility and scarcity. [Juno](#) opened its first home in the Wirral - a huge step in the charity's effort to transform children's residential care options in the Liverpool City Region. The [Care Leaders](#) launched their first Fellowship aiming to bring fresh new ideas to improve established systems. [The National House Project's Aspirational Awards](#) scheme was developed with young people from the Care Leavers National Movement to offer opportunities to care leavers that would otherwise be out of reach. In its first year, over £51,000 was disbursed to 30 young people to help them achieve something that they believe will have a positive and lasting impact on their life.

Some of our charities trialed creative, new approaches in response to rising need and diminishing resources. [Quaker Social Action](#) launched Cook Up - kitchen spaces for anyone experiencing homelessness, sofa surfing or temporary housing to cook food of their choice. Thrive at Five launched Ready, Steady, Stoke - a multi-strand project designed to improve nursery and school readiness - and recruited and trained Early Childhood and Education Studies students to deliver evidenced speech and language support to children whose skills fell below expected levels.

During the year, Segelman provided funding for two new projects. The first was [The Black Care Experience](#), an initiative which seeks to improve the experience of Black children in the care system so their needs are at the heart of service design. The second was [Our Future](#), a new initiative that works with citizens in their communities and helps them to build vibrant, confident places where they can fulfil their potential.

Learning

Partnership and relationships are at the core of our approach and, in 2022, we were pleased to visit partners in Wallsend, Grimsby, Stoke, Wirral, Crewe, Redruth, Plymouth and London as well as attending the Care Leavers' National Movement Annual Conference in Manchester and visiting projects and hosting meetings in London. These visits provided opportunities for us to deepen our understanding of the impact of the work we are funding and the contexts in which people are working. Spending time with our partners helped to increase trust and openness about what works and what is challenging.

All organisations in receipt of a grant from Segelman shared a progress update at least annually, including key achievements, challenges and learning as well as their financial position and future priorities and plans. Our partners were invited to share their progress and learning in whichever way worked best for them and a conversation was arranged in every case where we did not visit the organisation to discuss the work and future plans.

In 2022, we did not conduct a feedback survey, as we had done in 2021, as we did not have many new partners. Instead, we tried a different approach and invited our partners to answer the following, more open questions: what achievements are you most proud of in 2022; how has Segelman's approach supported you to achieve your goals; what is the most important thing to focus on in 2023; anything else you would like to share with us? We hoped these questions would spotlight the charities' achievements and ambitions and how Segelman has and could improve its support. The answers were collated and discussed by the trustees at our strategy session in January 2023 and shared across the portfolio of organisations we fund with the aim of drawing out key themes and challenges.

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The responses suggested that Segelman Trust is perceived by grant-holders as trusting, respectful and relational. What is most valuable to our partners is unrestricted income and the trust that comes with it. The responses suggested that Segelman's funding approach enabled confidence and allowed charities to invest resources for the best impact and to keep focused on their priorities. Our funds helped charities to be bold and innovative and to take opportunities and try new approaches. Some responses are included below:

'You believe in us – the way you invest in our vision and what we are wanting to achieve and trust us to spend the money wisely within that'.

'[The relationship] is about being able to have genuine conversation about what we are seeing and learning from each other'.

'The character of Segelman appears to us to be one of trust: the Segelman trusts us to deliver something worthwhile in the space we have defined'.

'It's the trust and flexibility from Segelman that's been incredibly helpful'.

'Core funding Segelman gives us that lets us be innovative, not tick-boxy'.

'Unrestricted income that we can deploy as needed across our organisation adds huge value in supporting our direction of travel. We have seen the power of cross-disciplinary collaboration'.

'The approach to funding has been a decisive factor in giving us the confidence to think and act innovatively'.

'Segelman's support through an unrestricted grant has been invaluable in supporting our legal and policy work with the freedom to adapt to a volatile climate and to focus on securing reforms with significant impact for children and families'.

First-time grants made in 2022

The Black Care Experience

Experience of care comes with challenges for all; however, Black children face unique challenges and additional discrimination. The Black Care Experience is a network of people with lived and professional experience who are shaping a better care experience for Black children, ensuring that every young person remains connected to their culture, heritage and identity. Segelman funding is being used to support the second Black Care Experience Conference on the theme of cultural competency in the workforce.

Our Future

Our Future supports citizens who care about their home town or city to build the future they need, focussing on community, homes and jobs. The model is being developed through working with citizens in Grimsby and, during 2022, Segelman funding was used to bring together community members and local and national experts to build a vision for the future of Grimsby and a framework for action, investment and accountability.

Royal College of Music Sparks Programme

Segelman has a longstanding relationship with the Royal College of Music (RCM) having donated and loaned violins to the College since 2016. In 2022, we provided funding to support the College's aim of increasing and championing inclusivity and diversity in music education. Through its Sparks programme, the RCM provides inspiring and accessible opportunities for children, young people and families to make or learn about music.

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Grant renewals and extensions made in 2022

[Action for Happiness](#)

Action for Happiness uses science-backed resources to help people take practical action to make themselves and others happier and to foster belonging. During Covid, the charity experienced significant and rapid growth in participation due to moving all of its activity online. In 2022, Segelman provided a new grant to enable Action for Happiness to sustain its delivery and to focus on sustainable growth with a particular focus on reaching more marginalised groups and individuals.

[Acumen UK Fellowship](#)

Addressing issues of poverty and inequity in the UK requires leaders who bring a range of experience and are proximate to the problems they are trying to solve. The Acumen Fellowship brings together a diverse cohort for a one-year, intensive leadership programme and connects them to a lifelong community of peers. Grant funding from Segelman in 2019 enabled Acumen to pilot the UK Fellowship and to demonstrate that it complements existing programmes and can engage high potential leaders with strong representation across ethnicity, gender, socio-economic status, disability and lived experience and from all areas of the UK. In 2022, Segelman made a follow-on grant to enable the charity to deepen its impact and develop a sustainable model.

[Anna Freud - Reflective Fostering Study](#)

Anna Freud is a mental health charity that designs, tests and expands new approaches and models that will improve the effectiveness of how help is experienced by children and families. In 2018, Segelman provided funding for a pilot of The [Reflective Fostering Programme](#) to support foster carers and kinship (or connected) carers of children aged 4–11 in improving the quality of carer-child relationships. After a promising pilot, Segelman contributed funding to the [Reflective Fostering Study](#), which seeks to learn whether offering carers the Reflective Fostering Programme, alongside usual support, helps to improve the emotional well-being of the children in their care. It will also show whether the Programme reduces carer stress and burnout and has an impact on placement stability.

[Blue Cabin](#)

Blue Cabin supports care experienced young people in the North East to build meaningful relationships and a positive sense of identity, which can support their wellbeing. They achieve this through play, fun and creative activities which are facilitated by local artists from various disciplines who are also trained in working with children who have had adverse experiences. Blue Cabin's approach is supporting local authorities and virtual schools to embed creative practice into their work with children in care and care leavers, for example, through delivering high quality, creative Life Story Work. A new project will see the charity working with care leavers in Deebolt prison to develop confidence and wellbeing through artist-led workshops and arts accreditation. Segelman renewed its support for Blue Cabin in 2022 and our grant is being used to support core costs.

[The Care Leaders Fellowship](#)

The Care Leaders Fellowship seeks to drive innovation in children's social care by equipping people with lived experience of care to work alongside professionals, bringing fresh ideas and perspectives to established systems. Over the course of a year, Fellows receive training, business development coaching and engagement with relevant experts who can support them in developing an idea, project or business that can improve the lives of children in care and care leavers. Fellows also benefit from mentoring, access to networks and a cohort of peers who can sustain them on their leadership journey. Segelman provided funding in 2020 to support the development of the programme and our contribution in 2022 was to support a residential retreat for the first cohort.

[Clean Start](#)

Clean Start supports women, girls and children impacted by the criminal justice system in Kenya. The charity focuses on the dignified reintegration of formerly imprisoned women and girls and seeks to address the systemic and socio-economic injustices that lead to the imprisonment of women and girls who are poor and vulnerable. In

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2022, Segelman provided a fifth year of funding to support the charity in stabilising post-Covid as it secures significant longer-term investment.

Drive Forward Foundation

Drive Forward Foundation supports young people coming out of the care system to develop skills, confidence and motivation, which will enable them to move into meaningful work, education or training. The charity has traditionally worked with young people aged 16-26, but is using a new grant from Segelman to deliver its early intervention programme, Aspire, for those aged 15-18 in order to support a more confident transition from care. The core of the programme is relationship-based support to foster confidence and aspirations. Staff focus on developing employment and education prospects, but also respond to and preempt holistic needs from mental health to advocacy and help increase positive relationships with other care-experienced young people.

Quaker Social Action

QSA is an anti-poverty charity that carries out practical projects to support people living on low incomes. In 2022, a pledge from Segelman as part of the Big Give Christmas Challenge enabled the charity to raise a total of £85,000 from donors and to increase its network of supporters. These funds will help QSA to continue running and developing its services, working alongside people living on low incomes, at a time of rising poverty and hardship. Specifically, the funding will help QSA expand its work around funeral poverty in response to rising demand due to the cost of living.

Safe Families

Safe Families offers bespoke packages of support to isolated families and care leavers. Trained volunteers provide overnight 'respite' stays for children; come alongside families and care leavers to provide flexible support as needed; and provide basic goods and services to support family life e.g. de-cluttering, decorating, gardening, or providing furniture. A grant from Segelman in 2022 is helping Safe Families develop and expand its support around therapeutic parenting for caregivers who are struggling to cope and evidencing the value of the approach and its impact on the wellbeing and stability of children.

St Michael's Fellowship

St. Michael's runs a range of services for parents with complex needs, including young parents, parents with learning difficulties, parents who have experienced abuse and parents with poor mental health. Segelman funds the charity's preventative outreach programmes, which support parents to address their own challenges and to focus on the needs and development of their babies and children. The charity places emphasis on working with dads to make changes to their lives, prevent violence within families, engage in respectful co-parenting and develop an understanding of child development, safety and attachment. St. Michael's also provides support to vulnerable parents who have had children taken into care.

WILD

WILD provides a whole-family service for young mums, dads and their children, working with families to meet their individual needs and create a positive start to family life. The charity ensures young parents can meet their family's basic needs and that they are socially connected and can access support. Beyond these essentials, a range of creative and outdoor pursuits support parents' mental health, while activities with their babies are designed to help parents build attachment and support their child's development, especially language. WILD uses its direct experience to improve services, including practice by midwives, health visitors and social workers and is building a national alliance and practice framework for supporting young parents and their babies. Segelman support is for core costs.

Zone West

Zone West is a project initiated by North East Wellbeing and an advisory group made up of local stakeholders from health and education. It operates in the West End of Newcastle with a smaller pilot running in Middlesbrough. The project exists to drive a more integrated and preventative approach to improving the lives of vulnerable children. Key principles are early identification of children at risk of poor life outcomes; providing

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a Link Worker, who becomes a child's trusted adult and targets their specific development needs; and placing the child at the centre of existing community assets and statutory services that support their individual needs. Segelman support since 2019 has been used to pilot, develop and evaluate the programme and to consider its potential replication. Our grant made in 2022 is being used to document the approach, communicate the necessary elements for replication and to create resources for use by others.

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 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.

On 20 October 2022, a recital was given by the violinist Michael Foyle accompanied by the pianist Martin Cousin in the Randolph Sculpture Gallery of the Ashmolean Museum to celebrate the 300th birthday of the "Rode". The programme was comprised of two Caprices by Rode and two Sonatas by Beethoven, one of which, No 10, was premiered by Rode. The concert was attended by two of the trustees, Wilson Cotton and Timothy White, who were delighted to see and hear it being played.

Royal College of Music

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. The Royal College of Music has previously received a donation of three English violins (two Heesoms and one Betts) from the Segelman Trust.

Looking ahead

In 2023, our main grant making programme will continue to focus on supporting children and young people with care experience and strengthening families so that they can remain together when this is in the best interests of the child. As opportunities present themselves, we will make occasional grants to organisations that are developing and testing new and collaborative approaches to addressing poverty and inequality.

At the time of writing, the Government has published its response to the Independent Care Review, setting out its vision to put love and stability at the heart of children's social care. The response falls short of expectations around levels of investment and urgency; however, there is recognition of the need to do things differently. We believe that the depth of knowledge and expertise residing in the third sector will be of crucial importance in influencing the implementation of social care and family justice reforms and filling critical gaps. We will prioritise funding for organisations which are continuing to push for the changes which young people and families tell us will make a difference and which are developing and evidencing services which increase stability and promote connection and wellbeing.

As needs increase and fundraising becomes ever more challenging, it is crucial that Segelman remains alive to the opportunities to effect positive change and understands the ways in which we can use our resources effectively. We will continue to shape our priorities through spending time learning with our partners and others who bring lived and professional experience. We will also continue to provide unrestricted and multi-year funding where we can and to maintain a trusting and relational approach to grant-making, which, we feel, supports our aims.

Financial Review

The financial activities are summarised on page 18 of the accounts. During the year, the Trust received income (excluding net gains on remeasurement of foreign currency monetary assets) of £580,892 (2021: £705,400). Expenditure totaled £1,419,459 (2021: £1,371,785) of which £1,165,598 was expended on charitable

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activities (2021: £1,113,642). The net expenditure for the period, before realised and unrealised gains on the investments and after net foreign exchange and short term investment gain of £62,799 (2021: £107,841), was £775,768 (2021: £558,544). Net investment losses for the year totaled £1,746,882 (2021: net investment gains £1,734,522).

Investments

The Trust has a portfolio of listed investments (including cash awaiting investment), that had a market value of £24,054,298 at 31 December 2022 (2021 - £28,259,519). The investments were managed by Sarasin & Partners LLP.

Segelman 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.

In common with many other similar charities, the trustees have adopted an investment policy which explicitly embeds stewardship and Environmental, Social and Governance (ESG) analysis. To this end they appointed Sarasin & Partners to manage their portfolio of investments in accordance with ESG principles.

The trustees recognise and accept that in excluding certain sectors, for example oil and extractive industries, performance will not correlate with that of the market as a whole. This may give rise to increased volatility.

No individual holding should represent more than 5% of the total portfolio under management, although the Trust has a material holding in a multi-asset fund, per note 8.4.

Performance

The performance of Sarasin was monitored through quarterly reports and two in-person meetings and presentations to the trustees during the year. The trustees have access to an online portal for valuations and balances.

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.

At the end of the year the investment portfolio had reduced by 15%, standing at £24,054,298. Investment markets have demonstrated extreme volatility in response to the Russian invasion of Ukraine, inflationary pressures following a long 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 2022, the Trust had three investment properties, all of which were assented, two during 2002 and the third during 2004. The retail premises at 3 Paddington Street is currently vacant while dilapidation negotiations with the former tenant, William Hill, continue. Expressions of interest have been received for the premises, but cannot progress until a settlement with the former tenant has been concluded. All of the other properties are currently rented out to tenants at a market rent. The investment properties were revalued during

The Segelman Trust

Report of the trustees for the year ended 31 December 2022

2014 and the trustees do not believe there has been any material change to those values between that date and the end of 2022 based on information supplied by its property agents.

The administrative costs of maintaining a portfolio of retail and residential property are high and the trustees have concluded that they should be disposed of in the medium term.

Programme Related Investments

Segelman 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 Trust'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.

As mentioned above, on 20 October 2022, a recital was given by the violinist Michael Foyle accompanied by the pianist Martin Cousin at the Ashmolean Museum to celebrate the 300th birthday of the "Rode".

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 £50,065,742 (2021 - £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 Trust 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 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.

Principal risks and the steps taken to mitigate these risks include the following:

The Trust 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 Director of the Trust 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 recommendations made by the

The Segelman Trust

Report of the trustees for the year ended 31 December 2022

Director 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.

Segelman 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.

On behalf of the board of trustees



Wilson Cotton

..... Trustee Date

4th October 2023

The Segelman Trust

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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from other jurisdictions.

The Segelman Trust

Statement of trustees' responsibilities

Opinion

We have audited the accounts of The Segelman Trust (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statements of cash flows and the notes to the accounts including the principal 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2022 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 statement of trustees' responsibilities, 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

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 director 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;
- 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;
- Enquiring of management as to actual and potential litigation and claims; and
- Agreeing accounts disclosures to underlying supporting documentation.

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.

The Segelman Trust

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

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.

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: 25 October 2023

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 2022

		Unrestricted Funds	
		Total	Total
		Year to 31	Year to 31
		December	December
		2022	2021
	Notes	£	£
<u>Income from</u>			
Other trading activities	2	473	577
Investments	3	580,419	704,823
Net gain on remeasurement of foreign currency and short-term investment monetary assets		56,624	107,841
Net gain on remeasurement of foreign currency Segelman Trust GmbH debt		6,175	-
		643,691	813,241
Transfer from The Segelman Trust (Charity Registration Number: 1079151)	18	-	51,412,414
Total income		643,691	52,225,655
<u>Expenditure on</u>			
Raising funds	4	253,861	241,738
Charitable activities	5	1,165,598	1,113,642
Net loss on remeasurement of foreign currency Segelman Trust GmbH debt		-	16,405
Total expenditure		1,419,459	1,371,785
Net (expenditure) / income before net (losses) / gains on investments		(775,768)	50,853,870
Realised gain on sale of investment property		-	147,439
Net (losses) / gains on investments		(1,746,882)	1,587,083
Net (expenditure) / income and net movement in funds		(2,522,650)	52,588,392
Fund balances brought forward at 1 January 2022		52,588,392	-
Fund balances carried forward 31 December 2022		50,065,742	52,588,392

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


All of the CIO's activities derived from continuing operations during the above financial periods.

The Segelman Trust

Balance sheet as at 31 December 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Investments	8	38,265,601		41,605,565	
Programme related investments	9	11,039,697		10,044,733	
			49,305,298		51,650,298
Current assets					
Debtors	11	183,124		92,604	
Cash at bank and in hand		1,956,367		2,159,726	
		2,139,491		2,252,330	
Current liabilities					
Creditors: amounts falling due within one year	12	(1,004,047)		(858,136)	
Net current assets			1,135,444		1,394,194
Total assets less current liabilities			50,440,742		53,044,492
Creditors: amounts falling due after more than one year	13		(375,000)		(456,100)
Net assets			50,065,742		52,588,392
Income funds					
Unrestricted funds			50,065,742		52,588,392

The accounts were approved by the trustees on



 Trustee

4th October 2023

 Date

The Segelman Trust

Statement of cash flows for the year ended 31 December 2022

	Notes	Year to 31 December 2022	Year to 31 December 2021
		£	£
Cash flows used in operating activities	14	(1,444,695)	(133,171)
Cash flows provided by / (used in) investing activities			
Investment income and interest received		580,419	704,823
Payments to acquire listed investments		(7,421,337)	(29,172,887)
Receipts from disposal of listed investments		10,191,013	27,588,226
Net receipts from disposal of investment property		-	492,439
Forward foreign exchange transactions		(609,265)	(1,248,290)
		<u>2,740,830</u>	<u>(1,635,689)</u>
Increase / (decrease) in cash and cash equivalents		1,296,135	(1,768,860)
Cash transferred from The Segelman Trust (Charity Registration Number 1079151)		-	4,182,599
Cash and cash equivalents at 1 January 2022		2,521,580	-
Change in cash and cash equivalents due to exchange rate and short-term investment gains		56,624	107,841
Cash and cash equivalents at 31 December 2022	16	<u>3,874,339</u>	<u>2,521,580</u>

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 2022 with comparative information provided for the year to 31 December 2021.

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 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 1.12 below.

The transfer of funds on 31 December 2020 represented the book value of the assets and liabilities measured at fair value and was 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 1.12 below.

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.

1.7 Investments

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, Swiss Franc and US dollar since 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 1.12.

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.

1.8 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.

1.9 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.

1.10 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.

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 Principal accounting policies (continued)

1.11 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.

1.12 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.

1.13 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 2022	Year to 31 December 2021
	£	£
Income received from book sales	473	577
<hr/>		
3 Income from investments	Year to 31 December 2022	Year to 31 December 2021
	£	£
Investment income		
Income from listed investments	361,861	511,342
Rental income from investment properties	125,804	133,358
Rental income from musical instruments	82,959	59,797
Bank and other interest		
Bank interest	109	25
Interest on cash held by investment managers for re-investment	9,686	301
	580,419	704,823

The Segelman Trust

Notes to the accounts for the year ended 31 December 2022

4	Raising funds	Year to 31 December 2022	Year to 31 December 2021
		£	£
	Instrument insurance	26,709	26,577
	Instrument maintenance	2,154	1,152
	Investment management fees	139,201	156,020
	Property rental expenses	65,604	45,162
	Support and governance costs		
	Bank charges	510	1,156
	Legal fees	19,683	11,671
		<u>20,193</u>	<u>12,827</u>
		<u>253,861</u>	<u>241,738</u>
5	Charitable activities	Year to 31 December 2022	Year to 31 December 2021
		£	£
	Grants payable to institutions (see below)	1,046,250	1,020,000
	Support and governance costs		
	Accountancy fees	4,859	4,500
	Auditor's fees	15,348	13,332
	Legal fees	20,948	11,025
	Segelman Trust GmbH	1,734	1,810
	Grants administration costs	49,052	47,246
	IT equipment & software	11,533	950
	Loan repayments from beneficiaries	(1,150)	(1,150)
	Sundry	17,024	15,929
		<u>119,348</u>	<u>93,642</u>
		<u>1,165,598</u>	<u>1,113,642</u>

5 Charitable activities (continued)

	Year to 31 December 2022 £	Year to 31 December 2021 £
Grants to institutions comprise:		
Action for Happiness	100,000	-
Acumen Academy	120,000	-
Anna Freud	64,000	-
Avocados Advocacy CIC	5,000	75,000
Birth Companions	2,000	90,000
Black Care Experience Conference	15,000	-
Blue Cabin	107,000	-
Carefree Cornwall	2,000	90,000
Care Leaders Fellowship	6,000	-
Clean Start	-	35,000
Community of Practice (CoP)	2,000	60,000
Drive Forward Foundation	70,000	-
Family Gateway	2,000	-
Family Rights Group	2,000	105,000
Just for Kids Law	2,000	50,000
Leicestershire Cares	2,000	90,000
Love Barrow Families	2,000	-
National House Project “Aspirational Awards” Pilot	40,000	25,000
Our Future	50,000	-
Pure Insight	2,000	90,000
Leaders Quest Foundation	1,750	-
Quaker Social Action	30,000	-
Refugee Action	-	40,000
Royal College of Music (Sparks)	50,000	-
Safe Families for Children	100,000	-
Street Talk	2,500	75,000
St Michael’s Fellowship	107,000	-
Trevi	2,000	90,000
Tushinde	2,000	-
Voices Foundation	2,000	90,000
We are Juno CIC	-	75,000
Wild Young Parents Project	92,000	-
Zone West	62,000	-
	1,046,250	1,080,000
Less grants no longer required: Action for Happiness	-	(60,000)
Total grants to institutions	1,046,250	1,020,000

5 Charitable activities (continued)

	Year to 31 December 2022 £	Year to 31 December 2021 £
Commitments made in the period	1,046,250	1,020,000
Grants paid during the period	(995,116)	(1,039,000)
Commitments at 1 January 2022	1,185,000	1,204,000
Commitments at 31 December 2022	1,236,134	1,185,000
Within one year (note 12)	861,134	728,900
After more than one year (note 13)	375,000	456,100
	1,236,134	1,185,000

6 Key management personnel and other related party transactions

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

The administration of the charity is carried out by a part-time grant-making Director with support from a freelance bookkeeper. The Director is considered to be key management personnel.

The total employee benefits, including pension contributions and employer's national insurance, of the key management personnel is £48,955. The Director's salary was benchmarked using the Association of Charitable Foundations Salary and Benchmarking Survey and Report. The salary is considered appropriate based on location, level of giving and the Director's experience in the sector and factors the increased cost of living.

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 £27,300. At the year-end there were £81,900 fees outstanding.

R Eastmond is a director with the firm Greenwood Place which provides office facilities, training and computer equipment for the Director of the CIO. The total fees payable to the firm during the year were £14,923. Greenwood Place also received reimbursement for accommodation and travel expenses (£190) in connection with R Eastmond's duties as a trustee. At the year-end there were no fees outstanding.

During the year, a three-year grant of £120,000 was awarded to Acumen Academy, of which Rebecca Eastmond is the Chair of Trustees. The grant was agreed by all the trustees. The objectives of the grant were as discussed in the trustees' report. The total amount awaiting distribution in relation to this grant at 31 December 2022 was £120,000, of which £40,000 was payable within one year, and £80,000 was payable after more than one year.

All fees payable to White & Co and Greenwood Place are approved by the other trustees. Transactions between the CIO and its subsidiary in Switzerland, Segelman Trust GmbH, is detailed at note 17. There were no other related party transactions during the year which require disclosure.

7 Staff costs

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Staff costs during the year were as follows:		
Wages and salaries	46,750	33,750
Social security costs	1,012	-
Pension costs	1,193	872
	<u>48,955</u>	<u>34,622</u>

The Director of the CIO is the only employee and has been employed part-time since April 2021 (2021 - 1). No employee earned more than £60,000 during the year (2021 - none).

8 Fixed asset investments

	Year to 31 December 2022	Year to 31 December 2021
	£	£
At 31 December 2022 fixed asset investments comprised		
Freehold investment properties	3,000,000	3,000,000
Leasehold investment properties	962,500	962,500
Musical instruments held for investment purposes	10,239,816	9,374,559
Listed investments and cash held for re-investment	24,054,298	28,259,519
Unquoted shares	8,987	8,987
	<u>38,265,601</u>	<u>41,605,565</u>

Movements on each category of investment are summarised below.

8.1 Freehold investment properties

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Market value at 1 January 2022	3,000,000	-
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 2022	<u>3,000,000</u>	<u>3,000,000</u>
Cost at 31 December 2022	<u>668,137</u>	<u>668,137</u>

The Segelman Trust

Notes to the accounts for the year ended 31 December 2022

8 Fixed asset investments (continued)

8.1 Freehold investment properties (continued)

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.

8.2 Leasehold investment properties

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Market value at 1 January 2022	962,500	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	-	962,500
Unrealised gains	-	-
Market value at 31 December 2022	962,500	962,500
Cost at 31 December 2022	358,663	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 2022	Year to 31 December 2021
	£	£
Market value at 1 January 2022	9,374,559	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	-	9,578,127
Net investment gains / (losses)	865,257	(203,568)
Market value at 31 December 2022	10,239,816	9,374,559
Cost at 31 December 2022	5,677,381	5,677,381

The market value of the musical instruments held for investment purposes are based on insurance values at 31 December 2022. 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.

8 Fixed asset investments (continued)

8.4 Listed assets and cash held for reinvestment

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Market value at 1 January 2022	27,897,665	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	-	24,063,393
Disposal proceeds	(10,191,013)	(27,588,226)
Additions	7,421,337	29,172,887
Net investment (losses)/gains	(2,991,663)	2,249,611
Market value at 31 December 2022	22,136,326	27,897,665
Foreign exchange hedge	(114,583)	135,122
Cash held by investment managers for re-investment	2,032,555	226,732
	24,054,298	28,259,519
Cost of listed investments at 31 December 2022	23,182,926	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 2022 there were six open currency commitments. The unrealised forward foreign exchange transaction loss of £114,583 (2021: unrealised gain £135,122) 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 2022 were dealt on a recognised stock exchange and comprised the following:

	Year to 31 December 2022	Year to 31 December 2021
	£	£
UK interest bearing securities	2,884,176	2,458,372
UK equities	2,999,080	3,148,993
Overseas equities	16,253,070	22,290,300
	22,136,326	27,897,665

8. Fixed asset investments (continued)

8.4 Listed assets and cash held for reinvestment (continued)

At 31 December 2022, 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 2022	Year to 31 December 2022	Year to 31 December 2021	Year to 31 December 2021
	Market Value of Holding	Percentage of portfolio	Market Value of Holding	Percentage of portfolio
	£	%	£	%
Holding				
Sarasin				
Responsible	1,700,921	7.5%	1,415,662	5.1%
Corporate Bond - I Inc				

8.5 Unquoted shares

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Market value at 1 January 2022	8,987	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	-	8,987
Market value at 31 December 2022	<u>8,987</u>	<u>8,987</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 2022 is detailed in note 17. At 31 December 2022 the called up share capital and reserves were £104,422.

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 2022 the company owed the CIO £147,586. Consolidated accounts have not been prepared as the company is deemed immaterial to the results of the group.

9 Programme related investments

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Market value at 1 January 2022	10,044,733	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	-	10,278,818
Net gains / (losses) arising on foreign currency translation	994,964	(234,085)
Market value at 31 December 2022	11,039,697	10,044,733
Cost at 31 December 2022	2,637,000	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.

10 Revaluation reserve

The total unrealised gains at 31 December 2022 were £15,965,017. These unrealised gains constitute movements on revaluation and were as follows:

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Unrealised gains included above:		
On listed investments	64,185	2,487,681
On investment properties	2,935,700	2,935,700
On musical instrument investments	4,562,435	3,697,178
On programme related investments	8,402,697	7,407,733
Total unrealised gains at 31 December 2022	15,965,017	16,528,292
	£	£
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2022	16,528,292	-
Transfer from The Segelman Trust (Charity Registration Number:1079151)	-	14,740,472
Unrealised (losses) / gains on listed investments arising in the year	(2,423,496)	2,259,818
Investment property unrealised gains released on disposal	-	(34,345)
Unrealised gains / (losses) on musical instrument investments arising in the year	865,257	(203,568)
Unrealised gains / (losses) on programme related investments arising in the year	994,964	(234,085)
Total unrealised gains at 31 December 2022	15,965,017	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 2022	Year to 31 December 2021
	£	£
Loans receivable from beneficiaries	367,683	368,833
Provision for bad debts	(367,683)	(368,833)
	-	-
Rental income due	9,300	9,190
Amount due from Segelman Trust GmbH	147,586	62,341
Prepayments and accrued income	26,238	21,073
	183,124	92,604

12 Creditors: amounts falling due within one year

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Auditor's fees		
Buzzacott LLP	15,120	25,452
Investment management fees		
Sarasin	33,201	38,220
Legal fees		
White & Co	81,900	42,000
Grants payable (note 5)	861,134	728,900
Accrued property expenses	1,680	4,271
Deferred income	1,145	12,500
Freelance creditors	6,392	6,500
IT costs	288	293
Tax & Social Security	3,055	-
Staff costs	132	-
	<u>1,004,047</u>	<u>858,136</u>

13 Creditors: amounts falling due after more than one year

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Grants payable (note 5)	375,000	456,100
	<u>375,000</u>	<u>456,100</u>

14 Net cash flows used in operating activities

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Reconciliation to changes in resources		
Net movement in funds per statement of financial activities (page 15)	(2,522,650)	52,588,392
Net investment losses / (gains)	1,746,882	(1,734,522)
Interest receivable	(9,795)	(326)
Investment income	(570,624)	(704,497)
Exchange rate and short-term investment gains on cash and cash equivalents	(56,624)	(107,841)
Exchange rate movements on Segelman Trust GmbH	(6,175)	16,405
Increase in debtors	(90,520)	(92,604)
Increase in creditors	64,811	1,314,236
Transfer from The Segelman Trust (Charity Registration Number:1079151)	-	(51,412,414)
	<u>(1,444,695)</u>	<u>(133,171)</u>

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

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Interest received	9,795	326
Investment income received	570,624	704,497
	<u>580,419</u>	<u>704,823</u>

16 Analysis of net cash and cash equivalents

	At 1 January 2022	Cash flows	Non-cash movements	At 31 December 2022
	£	£	£	£
Cash at bank and in hand	2,159,726	(366,222)	162,863	1,956,367
Cash held by investment managers	226,732	1,797,479	8,344	2,032,555
Foreign exchange hedge held by investment managers	135,122	(135,122)	(114,583)	(114,583)
	<u>2,521,580</u>	<u>1,296,135</u>	<u>56,624</u>	<u>3,874,339</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 2022

	2022	2021
	£	£
Income	128,904	89,251
Less: expenses	(114,444)	(79,055)
Net profit before taxes	<u>14,460</u>	<u>10,196</u>

The net equity of the company at 31 December 2022 totaled £104,422 (2021 - £84,788).

The Segelman Trust

Notes to the accounts for the year ended 31 December 2022

18 Connected charity transactions

All the trustees of the CIO were 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. On 3 October 2022 the merger of The Segelman Trust (Charity Registration Number: 1079151) with the CIO was registered by the Charity Commission.

The net assets transferred at midnight on 31 December 2020 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.