



The Segelman Trust

Report and Financial Statements

Year ended: 31 December 2023

Charity no. 1188686

The Segelman Trust

Legal and administrative information

Trustees

Wilson Cotton, Chair of Trustees

Rebecca Eastmond

Christopher Graves

Timothy White (reappointed 28 February 2023)

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

The Segelman Trust

Contents

	Page
Trustees' report	1 - 9
Statement of trustees' responsibilities	10
Independent auditor's report	11 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the accounts	18 - 32

The Segelman Trust

Report of the trustees for the year ended 31 December 2023

The trustees present the annual report and financial statements of The Segelman Trust ('Segelman' or 'the Trust') for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in pages 18 to 21 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

The Segelman Trust is an endowed grant-making trust operating in the United Kingdom. Our overarching 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.

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 (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 (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 old charity was dissolved in 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 at which all trustees were present.

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. Timothy White was reappointed in 2023 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 on a freelance basis. Advice and support are 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

The Segelman Trust

Report of the trustees for the year ended 31 December 2023

regulations affecting charities and opportunities to engage with a network of funders and other experts on matters of good practice.

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. In 2023, Segelman engaged additional grant-making support from a consultant, Nicky Lappin.

Long-term instrument loans

The Trust retains ownership of a number of significant musical instruments collected by Gerald Segelman. The Maggini Foundation in Switzerland manages the loan of the instruments with the exception of two important violins: the 1722 Stradivarius violin, "Rode" is on loan to the Ashmolean Museum, where it is a key element of the most important permanent exhibition of stringed instruments in the United Kingdom; the current loan agreement extends to June 2025. A 1758 violin in its original set-up by Gagliano is on loan until May 2027 to the Royal College of Music, where it is made available to students of baroque performance. The Royal College of Music has previously received a donation of three English violins (two Heesoms and one Betts) from the Segelman Trust.

Objectives and activities

The Segelman Trust exists and operates for the public benefit. Its main activity is making grants to charities and other organisations achieving charitable purpose which are registered in the United Kingdom. The ultimate beneficiaries of the Trust are the people who are supported by the groups we fund, rather than the organisations themselves. The Trust also makes loans of instruments in its possession, as already described.

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, making grants and managing the Trust's assets.

Grant-making policy and aims

Introduction

Segelman's overarching objective is to address issues of poverty, inequality and marginalisation in the UK so that everyone has the opportunity to enjoy health and happiness and to fulfil their potential. In 2018, we decide to target our giving in order to meet a clear need while developing our knowledge and expertise as a grant maker. This approach fits our profile as a funder with finite resources and a small team seeking to take an informed and relational approach.

Since 2018, Segelman has focused on making grants to organisations and projects which support children and families who are struggling and who experience children's social care involvement. We chose this area of focus because of the escalating number of children entering the care system and the increased risk that children with experience of care will not receive the support they need to thrive in childhood and to reach their potential in adulthood.

Central to Segelman's grant-making strategy is the belief that loving and stable relationships and belonging are fundamental to wellbeing. We therefore support work that focuses on strengthening relationships, and organisations that work in deep and relational ways.

What we fund

Our main grants programme supports organisations working with the following groups of children, young people and families:

Children who are unable to live with their birth parents and are growing up in kinship care, foster care or residential care.

Care-experienced young people who are making the transition to adulthood.

Families who are at risk of being separated and parents who have experienced separation from their babies.

We make occasional grants (typically one or two per year) which sit outside our core focus on children and families with experience of social care involvement. These grants go to organisations and projects taking bold, fresh approaches to tackle the fundamental social challenges of poverty, exclusion and isolation, often considering how communities can provide stronger, more joined-up support to their members.

We fund a mixture of frontline support services and work that influences policy and practice at a local, regional and national level. For most of our charity partners, these objectives are mutually reinforcing with insights gained from frontline service delivery being used to direct the attention of local and national policy-makers, commissioners and service providers to what needs to change, and how support can be most effectively provided. Similarly, the policy-focused work we support tends to be strongly rooted in direct delivery and a commitment to lived experience, ensuring that the work has legitimacy and credibility.

The organisations we fund typically have annual operating costs of between £200,000 and £2 million.

How we select our partners

Segelman takes a proactive approach to identifying organisations and projects to support and does not consider unsolicited applications. This decision was taken by our trustees on the basis of our scale and approach: we make a small number of new grants each year (typically 10-15) where we feel we can make an impact.

We identify potential funding partners through desk research, attending learning events, and through consultation with our charity partners, professionals and other sector experts. We aim to learn about projects and organisations filling critical gaps and gain an understanding of the impact they are making.

Partners within our main grants programme have a clear fit with our aims and demonstrate impact (or a clearly defined plan in the case of early-stage projects) in terms of improving outcomes for the children and families we want to support. We also look for a set of key characteristics in the organisations we fund, including being rooted in the communities they serve and genuinely applying principles of co-production and collaboration. Our partners can articulate clear objectives and have a framework for understanding their impact and adapting their approach in response to learning.

We seek to make use of our independence to support the development of new ideas and approaches even when there are risks and outcomes are uncertain – both for early-stage organisations and more established enterprises at a point of transition. We recognise the importance of providing long-term funding for organisations sustaining complex work and aim to balance this with using our risk appetite to invest in new and untested projects and programmes.

Our approach to funding

As a relational funder, we aim to be an effective partner to those we fund by providing flexible, timely support that enables grant-holders to achieve their objectives in the way they determine - and also to share their fragilities and challenges openly. We aim to build a relationship of mutual trust by being open about our objectives and processes and showing respect for our partners' time and expertise.

The Segelman Trust

Report of the trustees for the year ended 31 December 2023

We are committed to making unrestricted, multi-year grants, where this is possible and meets the particular requirements of an organisation.

Grant-making in 2023

In 2023, Segelman committed £894,915 (2022: £1,046,250) in grant funding to 14 organisations.

Payments totalling £1,073,915 (2022: £995,116) were made during the year to 31 organisations and Segelman had outstanding commitments at the year-end for future payments of £1,057,134. It is anticipated that payments will be made in 2024 (£626,134), 2025 (£281,000), 2026 (£70,000), 2027 (£40,000), and 2028 (£40,000).

Three of the 14 newly committed grants went to organisations receiving funding for the first time and 11 to existing grant holders. Seven of the 14 grants were multi-year; the grants made over one year were grant extensions or a grant uplift, or were given to support an annual event or scheme. Grants ranged in size from £8,000 to £200,000 with a median total grant level of £77,000; the median annual payment committed via a multi-year grant was £36,000.

New grants agreed in 2023 were:

- £25,000 over one year to the National House Project, towards the development of the Aspirational Awards scheme for care leavers.
- £15,000 over one year towards the running costs of the Black Care Experience Conference 2024, paid via The Transformed You CIC.
- £15,000 over one year to support the Care Leaders Fellowship as it develops its approach to supporting lived experience leaders to develop ideas, projects or charities that will positively impact the lives of children in care and care leavers.
- £39,000 over one year to Coram Voice – a continuation grant to support *A National Voice* – the national council for children in care and care leavers in England.
- £25,000 over one year as an unrestricted grant extension to Just for Kids Law, a charity working with children who have experienced multiple disadvantages, including experience of care, to secure their rights within the criminal justice system.
- £30,000 over one year as a grant extension to the Community of Practice for Recurrent Care Service Teams, which works to improve and widen support for parents who have experienced recurrent care proceedings, enabling them to make changes to their lives, paid via Dartington Hall Trust.
- £77,000 over two years to The Reader, towards the development of the Reading Heroes programme for children in residential and foster care.
- £80,000 over two years to This is Juno CIC, to support the development of a network of high-quality, non-profit residential homes that allow children to grow up in nurturing homes close to their communities across the Liverpool region.
- £90,000 over three years as core funding for Avocados Advocacy CIC, creating communities of belonging for young people in care and care leavers across Devon.
- £90,000 over three years to Open Door Charity in Birkenhead, towards the core costs of the ooMoo project, which supports the emotional well-being and social connections of children in care in Wirral.

The Segelman Trust

Report of the trustees for the year ended 31 December 2023

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- £100,000 over three years as core funding for Love Barrow Families CIC, an organisation working with families facing multiple and severe disadvantage in Barrow-in-Furness, using co-production principles to design and deliver services that recognise and welcome the strengths and assets that all families have.
 - £8,000 over one year as a grant uplift to Zone West, to support a pilot social prescribing project for children experiencing poverty and disadvantage in Middlesbrough.
 - £200,000 over five years as an unrestricted grant to Thrive at Five, working in Stoke-on-Trent (and now Redcar and Cleveland) to strengthen all the environments in which young children learn (the home, childcare and pre-school settings and the wider community) so that everyone is working together to ensure that children reach the age of five with strong foundations.
 - £100,000 over two years to provide core support for Our Future, an organisation supporting citizens in Grimsby to build a vision for the town's future, focusing on community, homes and jobs, and to take steps to put their plans into action with local, regional and national partners.

Over the year, Segelman provided grant funding and wider support to 31 organisations in total. We publish our grants data with the 360 Giving Initiative: details of all grants made since 2014 can be found at <https://segelmantrust.org.uk/360-giving>

Segelman aims to disburse around £1 million per year in grant funding: we committed slightly less than this (£894,515) in 2023 as we began the process of developing a new five-year plan and paused the search for new partners towards the end of the year until this new strategy was agreed.

We are committed to making unrestricted grants where this is possible: sometimes it isn't; for example, when we are giving a grant to a non-charity, a small project being hosted by another charity, or a contained project focused on care-experienced young people which sits within an organisation undertaking wider work. In 2023, just two of the grants made were fully unrestricted; however, all of our grants provided core funding that could be used flexibly to support the development of a project or an organisation's work.

Impact

We are realistic in focusing on contribution rather than attribution, and recognise that Segelman's funding has supported the achievements of our partners, not directly caused them. We are pleased to have supported our partners to deliver a spectrum of good work and to have achieved positive outcomes for vulnerable young people and families encompassing:

- Influencing policy and practice: for example, by supporting the development of best practice guidelines for professionals working with women when the state intervenes at birth; tackling the lack of suitable housing for care leavers; and by careful, long-term work to raise the needs of kinship carers further up the government's agenda.
 - Ensuring the voices of young people in care and young care leavers are heard: including working with the corporate parent to improve the support they offer in the light of young people's experience of being in care; working with care-experienced young people to respond to the government's children's social care strategy Stable Homes, Built on Love; and ensuring that Black children in care remain connected to their heritage, culture and identity.
 - Innovative approaches: including training and supporting local 'Barefoot Professionals' with valuable lived experience to work with families in crisis; work to make residential care homes loving, stable and supportive places to grow up and to develop a sustainable not-for-profit model; and pioneering new approaches to Creative Life Story work for children.
 - Improved outcomes for individuals: for example, through a de-escalation of social services involvement and children remaining with/returning to their parents or wider family members; more young care leavers being supported into further education, training or employment; and young people in care feeling better supported and part of a caring community.
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While the amount of funding Segelman has placed into the sector is relatively small, it has had a positive impact, supporting both established organisations and new initiatives to work with children and families experiencing complex challenges in the ways they think most appropriate.

Learning

Over the year we provided grant funding to 31 organisations. Our partners report back to us at least annually, in whatever way works best for them, on their key achievements, challenges, fragilities and learning as well as their financial position, organisational 'health' and future priorities and plans. We schedule a discussion to follow up on any written reports we receive: this provides the opportunity for us to deepen our understanding of the impact of the work we are funding and the contexts in which people are operating. Spending time with our partners through annual reporting conversations, regular check-in calls, occasional visits and attendance at events helps to build a relationship which centres trust and openness both about what works and what is challenging – it is also an opportunity to share our learning from other projects we fund.

What we learn from our grant holders feeds into and gives context both to our decision making on grants, and our wider conversations around strategy development. Over the year we learnt more about organisations' experiences of working in a time of crisis and uncertainty within complex systems. We learned that all the 'known' challenges for care-experienced children and young people, care leavers and families facing multiple challenges are still there, but that they have been heightened due to system collapse, a decrease in resources as demand increases, and the cost-of-living crisis. We also heard about the importance of flexible, multi-year support and the value placed on the kind of trusting, responsive and respectful relationship we aim to establish with our grant holders.

Strategy development

In 2018, Segelman made the decision to prioritise funding for organisations working to support people with care experience and families and families involved with local authority children's services. Having made grants in these areas for five years, trustees felt it was time to review our outcomes and ways of working, check our assumptions about what was most helpful, and make a decision about what the next five years could look like. In Autumn 2023, Segelman's trustees and director began to think carefully about how we might advance and develop our grant making, building on many previous conversations about next steps. In November, we engaged the support of a freelance consultant, Nicky Lappin, to work with the team to develop a new five-year plan, including consultation with our current charity partners.

In December 2023, Segelman's Board discussed the route towards a new five-year plan. The Board agreed there was still an evident need for our support and a 'space' that a relational and focused funder could helpfully occupy in supporting children and families with care experience. It was decided that we should maintain our dual focus on support for people with care experience (both young people in care and care leavers) and preventative work with families in crisis. It was agreed that this plan should be established around two key pillars: giving more and giving well.

Giving more: trustees agreed to move towards distributing around £2 million a year - so up to £10 million over a five-year period. The need is there, we have developed the expertise to give well, and we know that there are many organisations which could use the resources we steward to do effective work. Trustees agreed that while it felt appropriate to give more, it was important to do this in a way which maintained both our focus and the relational approach valued by our partners.

Giving well: when we 'give well' we give in a way which is helpful and supportive to our partners and which respects their professionalism, expertise and experience, allowing them to focus on delivering their mission as impactfully as possible. Trustees discussed three key elements of giving well from a grant seeker's and grant holder's perspective - providing unrestricted funding, funding in the longer term and giving with more clarity - and agreed that these should form the cornerstones of our funding approach.

The Segelman Trust

Report of the trustees for the year ended 31 December 2023

Giving well from the grant-giver's perspective requires us to go on the journey with our grant holders, understanding the context outcomes and impact of their work in order to be an effective partner and to make well-informed decisions about the future allocation of our resources.

By the end of the meeting, it was agreed that Segelman should:

- Increase our giving, aiming to distribute up to £2 million a year
- Recommit to giving unrestricted, multi-year grants where both possible and helpful
- Strengthen our governance with the recruitment of an additional trustee and by establishing separate committees to oversee grant making and finance and audit
- Develop a clearer framework for our grant making
- Increase staff capacity, initially on a temporary basis, to support both the development of the five-year plan and our wider grant making

Looking ahead

In 2024, we will maintain a dual focus, ensuring we continue to provide strong support to our existing grant holders (including renewing grants where necessary) while also working to develop a new five-year plan, which establishes a firm foundation for our future grant making.

At the mid-year point, we have completed a strategy review, including extensive consultation with grant holders, through discussion groups and one-to-one conversations, and have talked to other funders and sector experts who could act as a critical friend or share a different perspective. We have established the framework for the next five-year plan, which will be communicated via our website and directly to our partners. Although our thinking has shifted on a few key areas, our approach to grant making over the next five years won't look radically different. We are, however, confident about moving ahead and doubling our giving having checked our assumptions and having listened to the views of people with wide and current experience of the sectors we support. We have a greater sense of clarity and direction, new ideas to try and some existing practices to refine.

To strengthen our governance and operations in support of the five-year plan, we have established a grants committee and an audit and finance committee and have taken the decision to recruit a fifth trustee who will also act as a member of the grants committee. Nicky Lappin, who provided consultancy support around the development of the five-year plan has taken on a permanent role, joining the director, Katy Golding, and doubling our staff team.

This is an exciting time for Segelman: after a period of thought and reflection we feel ready to seize the moment and make a start, always on the basis that we will be learning and adapting as we go. We look forward to recommitting support to some of our existing partners while also finding some excellent new organisations to support.

Financial review

The financial activities are summarised on page 15 of the accounts. During the year, the Trust received income (excluding net gains on re-measurement of foreign currency monetary assets) of £664,643 (2022: £580,892). Expenditure totalled £1,235,671 (2022: £1,419,459) of which £992,623 was expended on charitable activities (2022: £1,165,598). 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 £85,130 (2022: £62,799), was £485,898 (2022: £775,768). Net investment gains for the year totalled £1,779,153 (2022: net investment loss £1,746,882).

Investments

The Trust has a portfolio of listed investments (including cash awaiting investment), that had a market value of £24,145,618 at 31 December 2023 (2022 - £24,054,298). The investments were managed by Sarasin & Partners LLP.

The Segelman Trust

Report of the trustees for the year ended 31 December 2023

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 increased by 3%, standing at £22,814,906. 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 2023, the Trust had three investment properties. The retail premises at 3 Paddington Street is currently vacant following the voluntary departure of the tenants. It was left in a poor condition and dilapidation negotiations are in hand. Surveyors and valuers have been appointed to deal with refurbishment and subsequent marketing. 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 2023 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. 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.

The Segelman Trust

Report of the trustees for the year ended 31 December 2023

Reserves policy

The balance sheet shows total reserves of £51,358,997 (2022 - £50,065,742), 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:

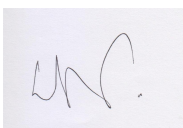
The Trust operates a grant-making policy and procedures aimed at ensuring that all grants made are both appropriate and effective. This is formally re-adopted annually. The Director of the Trust undertakes research and due diligence on potential grant recipients, which includes a review of the organisation's 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 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

3 October 2024

The Segelman Trust

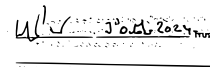
Statement of trustees' responsibilities

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.



Handwritten signature of a trustee, dated 30th May 2024.

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.

Opinion

We have audited the accounts of The Segelman Trust (the 'charity') for the year ended 31 December 2023 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 2023 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report

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

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records; 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

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

Our objectives are to obtain reasonable assurance about whether the 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:

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 trustees and the review of minutes of meetings of the directors of the trustees.

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 trustees as to where the board 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 trustees 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.

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 Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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: 11 October 2024

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 2023

		Unrestricted Funds	
		Total	Total
		Year to 31	Year to 31
		December	December
		2023	2022
	Notes	£	£
<u>Income from</u>			
Other trading activities	2	103	473
Investments	3	664,540	580,419
Net gain on remeasurement of foreign currency and short-term investment monetary assets		78,593	56,624
Net gain on remeasurement of foreign currency Segelman Trust GmbH debt		6,537	6,175
Total income		749,773	643,691
<u>Expenditure on</u>			
Raising funds	4	243,048	253,861
Charitable activities	5	992,623	1,165,598
Total expenditure		1,235,671	1,419,459
Net expenditure before net gains / (losses) on investments		(485,898)	(775,768)
Net gains / (losses) on investments		1,779,153	(1,746,882)
Net income / (expenditure) and net movement in funds		1,293,255	(2,522,650)
Fund balances brought forward at 1 January 2023		50,065,742	52,588,392
Fund balances carried forward 31 December 2023		51,358,997	50,065,742

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

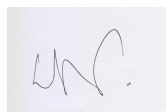
All of the CIO's activities derived from continuing operations during the above financial periods.

The Segelman Trust

Balance sheet as at 31 December 2023

	Notes	£	2023 £	£	2022 £
Fixed assets					
Investments	8	38,782,170		38,265,601	
Programme related investments	9	11,528,695		11,039,697	
			50,310,865		49,305,298
Current assets					
Debtors	11	254,950		183,124	
Cash at bank and in hand		1,946,559		1,956,367	
		2,201,509		2,139,491	
Current liabilities					
Creditors: amounts falling due within one year	12	(722,377)		(1,004,047)	
Net current assets			1,479,132		1,135,444
Total assets less current liabilities			51,789,997		50,440,742
Creditors: amounts falling due after more than one year	13		(431,000)		(375,000)
Net assets			51,358,997		50,065,742
Income funds					
Unrestricted funds			51,358,997		50,065,742

The accounts were approved by the trustees on



Wilson Cotton, Trustee

3 October 2024

Date

The Segelman Trust

Statement of cash flows for the year ended 31 December 2023

	Notes	Year to 31 December 2023	Year to 31 December 2022
		£	£
Cash flows used in operating activities	14	(1,533,064)	(1,444,695)
Cash flows provided by investing activities			
Investment income and interest received		664,540	580,419
Payments to acquire listed investments		(10,870,718)	(7,421,337)
Receipts from disposal of listed investments		10,844,742	10,191,013
Forward foreign exchange transactions		<u>210,467</u>	<u>(609,265)</u>
		<u>849,031</u>	<u>2,740,830</u>
(Decrease) / increase in cash and cash equivalents		(684,033)	1,296,135
Cash and cash equivalents at 1 January 2023		3,874,339	2,521,580
Change in cash and cash equivalents due to exchange rate and short-term investment gains		<u>86,965</u>	<u>56,624</u>
Cash and cash equivalents at 31 December 2023	16	<u>3,277,271</u>	<u>3,874,339</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

These accounts have been prepared for the year to 31 December 2023 with comparative information provided for the year to 31 December 2022.

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.

Notes to the accounts for the year ended 31 December 2023

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
2023

Year to 31
December
2022

£

£

Income received from book sales

103

473

3 Income from investments

Year to 31
December
2023

Year to 31
December
2022

£

£

Investment income

Income from listed investments

451,415

361,861

Rental income from investment properties

109,531

125,804

Rental income from musical instruments

79,443

82,959

Bank and other interest

Bank interest

216

109

Interest on cash held by investment managers for re-investment

23,935

9,686

664,540

580,419

The Segelman Trust

Notes to the accounts for the year ended 31 December 2023

4	Raising funds	Year to 31 December 2023		Year to 31 December 2022	
		£		£	
	Instrument insurance	28,265		26,709	
	Instrument maintenance	3,943		2,154	
	Investment management fees	130,087		139,201	
	Property rental expenses	76,578		65,604	
	Support and governance costs				
	Bank charges	478	510		
	Legal fees	3,697	19,683		
		4,175		20,193	
		243,048		253,861	
5	Charitable activities	Year to 31 December 2023		Year to 31 December 2022	
		£		£	
	Grants payable to institutions (see below)	894,915		1,046,250	
	Support and governance costs				
	Accountancy fees	4,320	4,859		
	Auditor's fees - for audit	15,574	15,348		
	Auditor's fees - for taxation	1,560	-		
	Legal fees	3,465	20,948		
	Segelman Trust GmbH	2,651	1,734		
	Grants administration costs	52,999	49,052		
	IT equipment & software	622	11,533		
	Loan repayments from beneficiaries	(600)	(1,150)		
	Sundry	17,117	17,024		
		97,708		119,348	
		992,623		1,165,598	

5 Charitable activities (continued)

	Year to 31 December 2023 £	Year to 31 December 2022 £
Grants to institutions comprise:		
Action for Happiness	-	100,000
Acumen Academy	-	120,000
Anna Freud	-	64,000
Avocados Advocacy CIC	90,000	5,000
Birth Companions	-	2,000
Black Care Experience Conference	15,000	15,000
Blue Cabin	-	107,000
Care Leaders	15,000	6,000
Carefree Cornwall	-	2,000
Coram Voice NCICC	39,000	-
Community of Practice (CoP)	30,000	2,000
Drive Forward Foundation	-	70,000
Family Gateway	-	2,000
Family Rights Group	-	2,000
Just for Kids Law	25,000	2,000
Leicestershire Cares	-	2,000
Love Barrow Families	100,915	2,000
National House Project “Aspirational Awards” Pilot	25,000	40,000
ooMoo Open Door Charity	90,000	-
Our Future	100,000	50,000
Pure Insight	-	2,000
Leaders Quest Foundation	-	1,750
Quaker Social Action	-	30,000
The Reader/Reading Heroes	77,000	-
Royal College of Music (Sparks)	-	50,000
Safe Families for Children	-	100,000
Street Talk	-	2,500
St Michael’s Fellowship	-	107,000
Thrive at Five	200,000	-
Trevi	-	2,000
Tushinde	-	2,000
Voices Foundation	-	2,000
This is Juno CIC	80,000	-
Wild Young Parents Project	-	92,000
Zone West	8,000	62,000
Total grants to institutions	894,915	1,046,250

5 Charitable activities (continued)

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Commitments made in the period	894,915	1,046,250
Grants paid during the period	(1,073,915)	(995,116)
Commitments at 1 January 2023	1,236,134	1,185,000
Commitments at 31 December 2023	1,057,134	1,236,134
Within one year (note 12)	626,134	861,134
After more than one year (note 13)	431,000	375,000
	1,057,134	1,236,134

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 £49,020. 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 £6,600. At the year-end there were £40,800 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 £13,134. Greenwood Place also received reimbursement for accommodation and travel expenses (£512) in connection with reimbursement for trustee and employee travel costs. At the year-end there were no fees outstanding.

In 2022, 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 2023 was £80,000, of which £40,000 was payable within one year, and £40,000 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 2023	Year to 31 December 2022
	£	£
Staff costs during the year were as follows:		
Wages and salaries	47,250	46,750
Social security costs	540	1,012
Pension costs	1,230	1,193
	<u>49,020</u>	<u>48,955</u>

The Director of the CIO is the only employee and is employed part-time (2022 - 1). No employee earned more than £60,000 during the year (2022 - none).

8 Fixed asset investments

	Year to 31 December 2023	Year to 31 December 2022
	£	£
At 31 December 2023 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	10,665,065	10,239,816
Listed investments and cash held for re-investment	24,145,618	24,054,298
Unquoted shares	8,987	8,987
	<u>38,782,170</u>	<u>38,265,601</u>

Movements on each category of investment are summarised below.

8.1 Freehold investment properties

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Market value at 1 January 2023	3,000,000	3,000,000
Unrealised gains	-	-
Market value at 31 December 2023	<u>3,000,000</u>	<u>3,000,000</u>
Cost at 31 December 2023	<u>668,137</u>	<u>668,137</u>

Notes to the accounts for the year ended 31 December 2023

8 Fixed asset investments (continued)

8.1 Freehold investment properties (continued)

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 2023	Year to 31 December 2022
	£	£
Market value at 1 January 2023	962,500	962,500
Unrealised gains	-	-
Market value at 31 December 2023	962,500	962,500
Cost at 31 December 2023	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 2023	Year to 31 December 2022
	£	£
Market value at 1 January 2023	10,239,816	9,374,559
Net investment gains	425,249	865,257
Market value at 31 December 2023	10,665,065	10,239,816
Cost at 31 December 2023	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 2023.

The musical instruments were revalued after the year end which resulted in a net increase in the market value of seven of the musical instruments of CHF3,080,000. The market value at 31 December 2023 has not been adjusted retrospectively, the adjusted valuation will be used in the 31 December 2024 accounts. The instruments are situated in Switzerland and the UK.

Notes to the accounts for the year ended 31 December 2023

8 Fixed asset investments (continued)

8.4 Listed assets and cash held for reinvestment

	Year to 31 December 2023	Year to 31 December 2023
	£	£
Market value at 1 January 2023	22,136,326	27,897,665
Disposal proceeds	(10,844,742)	(10,191,013)
Additions	10,870,718	7,421,337
Net investment gains / (losses)	652,604	(2,991,663)
Market value at 31 December 2023	22,814,906	22,136,326
Foreign exchange hedge	(5,597)	(114,583)
Cash held by investment managers for re-investment	1,336,309	2,032,555
	24,145,618	24,054,298
Cost of listed investments at 31 December 2023	21,660,382	23,182,926

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 2023 there were three open currency commitments. The unrealised forward foreign exchange transaction loss of £5,597 (2022: unrealised loss £114,583) 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 2023 were dealt on a recognised stock exchange and comprised the following:

	Year to 31 December 2023	Year to 31 December 2022
	£	£
UK interest bearing securities	3,225,793	2,884,176
UK equities	2,830,826	2,999,080
Overseas equities	16,758,287	16,253,070
	22,814,906	22,136,326

8. Fixed asset investments (continued)

8.4 Listed assets and cash held for reinvestment (continued)

At 31 December 2023, 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 2023	Year to 31 December 2023	Year to 31 December 2022	Year to 31 December 2022
	Market Value of Holding	Percentage of portfolio	Market Value of Holding	Percentage of portfolio
	£	%	£	%
Holding				
Sarasin				
Responsible	1,909,838	8.4%	1,700,921	7.5%
Corporate Bond -				
I Inc				

8.5 Unquoted shares

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Market value at 1 January 2023	8,987	8,987
Market value at 31 December 2023	8,987	8,987

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 2023 is detailed in note 17. At 31 December 2023 the called up share capital and reserves were £108,859.

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 2023 the company owed the CIO £226,973. 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 2023	Year to 31 December 2022
	£	£
Market value at 1 January 2023	11,039,697	10,044,733
Net gains arising on foreign currency translation	488,998	994,964
Market value at 31 December 2023	11,528,695	11,039,697
Cost at 31 December 2023	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 2023 were £18,187,642. These unrealised gains constitute movements on revaluation and were as follows:

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Unrealised gains included above:		
On listed investments	1,372,562	64,185
On investment properties	2,935,700	2,935,700
On musical instrument investments	4,987,685	4,562,435
On programme related investments	8,891,695	8,402,697
Total unrealised gains at 31 December 2023	18,187,642	15,965,017
	£	£
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2023	15,965,017	16,528,292
Unrealised gains / (losses) on listed investments arising in the year	1,308,377	(2,423,496)
Unrealised gains on musical instrument investments arising in the year	425,250	865,257
Unrealised gains on programme related investments arising in the year	488,998	994,964
Total unrealised gains at 31 December 2023	18,187,642	15,965,017

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

The Segelman Trust

Notes to the accounts for the year ended 31 December 2023

11 Debtors

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Loans receivable from beneficiaries	367,083	367,683
Provision for bad debts	(367,083)	(367,683)
	-	-
Rental income due	16,106	9,300
Amount due from Segelman Trust GmbH	226,973	147,586
Prepayments and accrued income	11,871	26,238
	254,950	183,124

12 Creditors: amounts falling due within one year

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Auditor's fees		
Buzzacott LLP	15,574	15,120
Investment management fees		
Sarasin	31,659	33,201
Legal fees		
White & Co	40,800	81,900
Grants payable (note 5)	626,134	861,134
Accrued property expenses	3,074	1,680
Deferred income	-	1,145
Freelance creditors	2,000	6,392
IT costs	101	288
Tax & Social Security	-	3,055
Staff costs	3,035	132
	722,377	1,004,047

13 Creditors: amounts falling due after more than one year

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Grants payable (note 5)	431,000	375,000
	431,000	375,000

14 Net cash flows used in operating activities

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Reconciliation to changes in resources		
Net movement in funds per statement of financial activities	1,293,255	(2,522,650)
Net investment (gains) / losses	(1,779,153)	1,746,882
Interest receivable	(24,151)	(9,795)
Investment income	(640,389)	(570,624)
Exchange rate and short-term investment gains on cash and cash equivalents	(78,593)	(56,624)
Exchange rate movements on Segelman Trust GmbH	(6,537)	(6,175)
Increase in debtors	(71,826)	(90,520)
(Decrease) / increase in creditors	(225,670)	64,811
	<u>(1,533,064)</u>	<u>(1,444,695)</u>

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

	Year to 31 December 2023	Year to 31 December 2022
	£	£
Interest received	24,151	9,795
Investment income received	<u>640,389</u>	<u>570,624</u>
	<u>664,540</u>	<u>580,419</u>

16 Analysis of net cash and cash equivalents

	At 1 January 2023	Cash flows	Non-cash movements	At 31 December 2023
	£	£	£	£
Cash at bank and in hand	1,956,367	(89,851)	80,043	1,946,559
Cash held by investment managers	2,032,555	(708,765)	12,519	1,336,309
Foreign exchange hedge held by investment managers	(114,583)	114,583	(5,597)	(5,597)
	<u>3,874,339</u>	<u>(684,033)</u>	<u>86,965</u>	<u>3,277,271</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.

The Segelman Trust

Notes to the accounts for the year ended 31 December 2023

17 Segelman Trust GmbH - financial statements for the year ended 31 December 2023

	2023	2022
	£	£
Income	131,556	128,904
Less: expenses	(120,505)	(114,444)
Net profit before taxes	11,051	14,460

The net equity of the company at 31 December 2023 totaled £108,859 (2022 - £104,422).

18 Capital Commitments

As at 31 December 2023 the charity had the following capital commitments contracted for but not provided for:

	2023	2022
	£	£
Property Improvements	316,720	-

19 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)
	51,412,414

The assets and liabilities were represented by the following fund:

	2020 £
Unrestricted funds	51,412,414

20 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.