

Charity Registration No. 1197950

BH TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2023



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BH TRUST

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BH TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Lingwood J Hamlyn J Goodman
Charity number	1197950
Registered office	Landseer Studios 10A Cunningham Place London NW8 8JT
Auditor	TC Group The Courtyard Shoreham Road Upper Bedding Steyping West Sussex BN44 3TN
Investment Advisors	Rathbones Investment Management Limited Port of Liverpool Building Pier Head Liverpool L3 1NW

BH TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 5 APRIL 2023

The trustees present their report together with the financial statements for The BH Trust for the period ended 5 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (effective 1 January 2019).

Structure, governance and management

The Trust is governed by a Trust deed and was registered as a charity by the Charity Commission for England and Wales on 17 February 2022, CIO number 119750. The Trust was established by an initial gift from Jane Hamlyn in 2022. Jane Hamlyn is the first member of the charity and serves as Chairperson of the Board of Trustees. There are two additional trustees, Jonathan Goodman and James Lingwood.

Risk management

The Trustees have assessed the risks to which the charity is exposed, in particular those relating to its finances and the operations of the organisations to which it makes grants. The Trustees believe that by ensuring controls exist over its investments and through operating a prudent level of grant-making, there are no significant risks.

Objectives and activities

The objective of the Trust are to further such charitable purposes and to benefit such charitable activities as the trustees think fit.

Grant-making Policy

At the annual trustees' meeting, the trustees agree on the amount the Trust will grant to organisations over the coming year, and the organisations who will receive these grants. The administration of grants is overseen by James Lingwood on behalf of the Trustees.

Grants are made to organisations nominated by the trustees. The Trust is not open to unsolicited applications.

In the year ended April 5 2023, the Trust made grants to the following organisations;

Bold Tendencies CIC, London; Bridewell Organic Gardens, Oxon; Camden Art Centre, London; The Fruitmarket Gallery, Edinburgh; Gerry's Pompeii, London; The Showroom Gallery, London; Southwark Day Centre for Asylum Seekers, London; and The Trussell Trust (UK wide).

In reviewing our activities for the year and our plans for the future, we have had regard to the Charity Commission's general guidance on public benefit.

Financial review

The Trust is reliant on the income from its investments managed by Rathbone's.

The total income in the year ending 5 April 2023 was £1,507,295.

The balance sheet shows total funds of £1,507,824.

Investment policy

The Trust's investment strategy is to continue with the investments gifted by Jane Hamlyn. The objective is to maximise total return by investing in a medium to low risk portfolio. There are no restrictions on the charity's power to invest.

BH TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 5 APRIL 2023

Reserve policy

All funds held by the charity are unrestricted, and not designed for specific purposes.

The charity makes donations to a range of charities on an annual basis and the trustees have indicated to some of these charities its intention to make donation at a similar level for the next two years.

The trustees' policy is to manage financial resources in such a way as to provide for the commitments made, and to maintain free reserves sufficient to enable further commitment to be made in line with their current level of giving.

Plans for the future

The plans for 2023/24 are:

- To continue to support arts charities in the UK
- To continue to support charities in the UK that alleviate poverty

Trustees

The trustees in office during the period were as follows:

J Lingwood

J Hamlyn

J Goodman

Statement of Trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

BH TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 5 APRIL 2023

Auditor

TC Group were appointed as auditor to the charitable trust and a resolution proposing that they be re-appointed will be put at a General Meeting.

The Trustees' report was approved by the Board of Trustees.



J Linwood
Trustee

Dated: 20 December 2024

BH TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BH TRUST

Opinion

We have audited the financial statements of BH Trust (the 'charity') for the period ended 5 April 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2023 and of its incoming resources and application of resources, for the period 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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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.

BH TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BH TRUST

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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements 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 statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

BH TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BH TRUST

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

BH TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BH TRUST

Use of our report

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

TC Group

TC Group

Statutory Auditor

Office: West Sussex

Date: *23 December 2024*

TC Group is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

BH TRUST**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE PERIOD ENDED 5 APRIL 2023**

	Notes	Unrestricted funds 2023 £
Income from:		
Donations	3	1,485,900
Investments	4	21,395
Total income		1,507,295
Expenditure on:		
Charitable activities	5	68,656
Total charitable expenditure		68,656
Net gains on investments	11	69,185
Net income for the year/ Net incoming resources		1,507,824
Fund balances at 17 February 2022		-
Fund balances at 5 April 2023		1,507,824

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

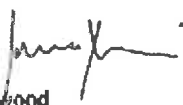
BH TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2023

	Notes	2023 £	£
Fixed assets			
Investments	12		1,515,824
Current assets		-	
Creditors: amounts falling due within one year	13	(8,000)	
Net current liabilities			(8,000)
Total assets less current liabilities			<u>1,507,824</u>
Income funds			
Unrestricted funds - general			<u>1,507,824</u>
			<u>1,507,824</u>

The financial statements were approved by the Trustees on 20 December 2024


J Lingwood
Trustee

BH TRUST**STATEMENT OF CASH FLOWS****FOR THE PERIOD ENDED 5 APRIL 2023**

	Notes	2023 £	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	15		1,425,244
Investing activities			
Purchase of investments		(2,629,702)	
Proceeds on disposal of investments		1,183,063	
Interest received		21,395	
Net cash used in investing activities			(1,425,244)
Net cash used in financing activities			-
Net increase in cash and cash equivalents			-
Cash and cash equivalents at beginning of period			-
Cash and cash equivalents at end of period			-

BH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 5 APRIL 2023

1 Accounting policies

Charity information

BH Trust is a Charitable Incorporated Organisation registered in England and Wales. The registered address is Landseer Studios, 10A Cunningham Place, London, NW8 8JT. The CIO was incorporated on 17th February 2022 and this is the first period of accounts to 5th April 2023.

Details of the principal activity are recorded in the Trustees Report.

1.1 Accounting convention

The financial statements have been prepared in accordance 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 UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is derived from donations and investment income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest and dividend income is included when receivable by the Charitable Incorporated Organisation.

1 Accounting policies

(Continued)

1.5 Resources expended

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

Resources expended are recognised in the period in which they are incurred and accounted for on an accruals basis.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements, including legal, audit fees and the costs of board meetings.

Where possible costs are allocated directly to the activities to which they relate. Support costs are allocated between charitable activities based on the apportionment of direct costs.

Grant expenditure is recognised when committed.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments'.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 5 APRIL 2023

1 Accounting policies**(Continued)*****Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the opinion of the trustees there are no significant judgements or areas of estimation uncertainty.

3 Donations

**Unrestricted
funds general
2023
£**

Donations and gifts

1,485,900

BH TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 5 APRIL 2023****4 Investments**

	Unrestricted funds general 2023 £
Dividend income from listed investments	13,704
Interest receivable from listed investments	7,691
	<u>21,395</u>

5 Charitable activities

	Charitable Expenditure 2023 £
Grant funding of activities (see note 6)	50,000
Share of support costs (see note 7)	18,656
	<u>68,656</u>

6 Grants payable

	Charitable Expenditure 2023 £
Grants to institutions (8 grants):	
The Trussell Trust	20,000
Bold Tendencies - CIC	5,000
Camden Art Centre	5,000
The Fruitmarket Gallery	5,000
Gerry's Pompeii CIO	5,000
The Showroom Gallery Limited	5,000
Southwark Day Centre for Asylum Seekers	2,500
Bridwell Organic Gardens	2,500
	<u>50,000</u>

BH TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 5 APRIL 2023****7 Support costs**

	Support costs	2023
	£	£
Accounts and audit fees	8,000	8,000
Legal and professional	2,718	2,718
Investment management fees	7,938	7,938
	<u>18,656</u>	<u>18,656</u>
Analysed between		
Charitable activities	<u>18,656</u>	<u>18,656</u>

8 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £5,000.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

During the period expenses were reimbursed to the Trustees amounting to £nil in respect of travelling, subsistence and other expenses.

10 Employees

There were no employees during the period.

11 Net gains/(losses) on investments

	Unrestricted funds general
	2023
	£
Revaluation of investments	61,378
Gain/(loss) on sale of investments	<u>7,807</u>
	<u>69,185</u>

BH TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 5 APRIL 2023****12 Fixed asset investments**

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 17 February 2022	-	-	-
Additions	2,629,702	-	2,629,702
Valuation changes	61,378	-	61,378
Cash in portfolio	-	216,987	216,987
Disposals	(1,392,243)	-	(1,392,243)
	<u>1,298,837</u>	<u>216,987</u>	<u>1,515,824</u>
At 5 April 2023	1,298,837	216,987	1,515,824
	<u>1,298,837</u>	<u>216,987</u>	<u>1,515,824</u>
Carrying amount			
At 05 April 2023	1,298,837	216,987	1,515,824
	<u>1,298,837</u>	<u>216,987</u>	<u>1,515,824</u>

13 Creditors: amounts falling due within one year

	2023 £
Accruals	8,000
	<u>8,000</u>

14 Related party transactions**Transactions with related parties**

During the period the Charitable Incorporated Organisation received income donations of £1,485,900 from J Hamlyn, a trustee of BH Trust.

BH TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 5 APRIL 2023**

15	Cash generated from operations	2023
		£
	Surplus for the period	1,507,824
	Adjustments for:	
	Investment income recognised in statement of financial activities	(21,395)
	Gain on disposal of investments	(7,807)
	Fair value gains and losses on investments	(61,378)
	Movements in working capital:	
	Increase in creditors	8,000
	Cash generated from/(absorbed by) operations	1,425,244
16	Analysis of changes in net (debt)/funds	
	The charity had no debt during the year.	