

THE BAND TRUST
REPORT AND ACCOUNTS
YEAR ENDED 31ST MARCH 2023

THE BAND TRUST

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THE BAND TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

Registered charity No.	279802
Trustees	The Hon Mrs Nicholas Wallop R J S Mason (retired 17 July 2023) B Peerless The Hon Nicholas Wallop V Wallop H Wallop J Dickinson (appointed 17 July 2023)
Principal address	The Band Trust BM Box 2144 London WC1N 3XX
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment advisors	Rathbones Investment Management Limited 8 Finsbury Circus London EC2M 7AZ Investec Wealth & Investment Limited 30 Gresham Street London EC2V 7QP
Solicitors	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Accountants	Rathbones Trust Company Limited 8 Finsbury Circus London EC2M 7AZ
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

THE BAND TRUST

REPORT OF THE TRUSTEES

The Trustees present their annual report for the year ended 31st March 2023 under the Charities Act 2011, together with the audited accounts for the year, and confirm that they comply with the requirements of the Act, the Trust Deed 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 (FRS102) effective October 2019.

Structure, Governance and Management

Governance

The Trust was created by a deed dated 30th March 1976 as a Trust exclusively for charitable purposes, 'charitable' meaning charitable according to English Law. A new scheme for the Trust was approved by the Charity Commissioners on 13th March 1996. The Trustees, principal office and advisors are as detailed on page 1.

Organisational Structure and Administration

The Trust is administered by six unpaid Trustees, though one of the Trustees is a partner in a firm of solicitors and another is a practicing accountant both of which advise the Trust on a professional basis. The six Trustees are considered to be the Key Management Personnel of the Trust and are actively involved in the administration of the Trust and meet at least four times a year to consider grants and to review the investment performance and financial position of the Trust. All major decisions concerning the Trust are made at those meetings, and responsibility for enacting those decisions is delegated to specific individual Trustees who report accordingly at each meeting. When a new Trustee is to be inducted, they are given copies of the latest accounts and similar background material, together with the Charity Commission publications relating to becoming a Trustee (and also advised that there is additional material on the Charity Commission's website). Once they have had a chance to consider these, a meeting is held between the existing Trustees and the potential Trustee to discuss the underlying charitable objectives of the Trust, the practical workings of the Trust, and to deal with any other concerns the candidate might have, or information they might require. If the candidate then confirms that they are prepared to act, the necessary formalities are then completed.

The charity scheme dated 13th March 1996 details the following with regard to Trustees:

- New Trustees can be appointed at any time by resolution of the Trustees passed at a special meeting, with at least 21 days notice having been given.
- The charity must have a minimum of 3 but no more than 7 competent Trustees.
- New Trustees will not be permitted to act until they have signed the minute book to declare their acceptance and willingness to act as a Trustee.
- A Trustee will cease to be a Trustee in instances of non-attendance at Trustee meetings in excess of 12 months, bankruptcy, incapacity to act or by communication in writing expressing a wish to resign.

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). The 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 Trust and of the income and expenditure of the Trust 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 UK 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 material departures disclosed and explained in the accounts; and

THE BAND TRUST

REPORT OF THE TRUSTEES (CONTINUED)

Structure, Governance and Management - continued

Statement of Trustees' Responsibilities - continued

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

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

Relationships between the charity and related parties

The Trust Deed permits Trustees who are professionals to be remunerated their normal charges. In order to simplify the administration of the Trust and to ensure proper compliance with charity law and practice, it has been agreed to utilise a firm of solicitors Charles Russell Speechlys LLP of which one Trustee is a partner (Bart Peerless) and a practising accountant (the Trustee Richard Mason) for their relevant professional services, and details of these charges are given in Note 8.

Activities, specific objectives and relevant policies

Activities and specific objectives

The Trust has general charitable objects. However, the strategy of the Trustees has been to focus their grants in the areas of education, disability, medicine, care for the elderly and infirm, heritage and the environment. With one exception, grants are only made to other registered charities.

The Trustees have also continued to support certain scholarships established during the lifetimes of the settlors of the Trust.

The Trustees individually identify potential recipients for donations which fall within the Trust's objectives during the year. Each of the potential recipients is considered by the Trustees collectively and if a grant is approved an appropriate donation is determined. Because the Trustees identify sufficient recipients to whom to distribute the whole of the annual income of the Trust, unsolicited applications will continue not to be accepted.

The Trustees continue their policy of visiting or otherwise contacting recipients of grants to ensure that the anticipated benefit has been realised from the grant and the grant has been applied in the way intended by the Trustees.

Objectives and activities for the public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Trust carries out these objects by providing grants (with one exception) to institutions which are UK registered charities and whose objectives comply with the Trust's agreed criteria. Whilst the Trustees are mindful of their own obligation to ensure that the Trust benefits the public generally, they take some assurance from the fact that recipients (with one exception) of grants are themselves regulated as charities to ensure that they operate for the public benefit.

The Trustees therefore consider that the Trust's activities are for the benefit of the public generally.

THE BAND TRUST

REPORT OF THE TRUSTEES (CONTINUED)

Activities, specific objectives and relevant policies - continued

Achievements, Performance and Financial Review

A summary of the year's results is given on page 10 of the accounts.

During the year, in respect to the unrestricted funds, the Trust received income of £625,929 (2022: £706,099) and, having applied £3,328,737 (2022: £3,608,194) towards donations and scholarships, £100,823 (2022: £108,802) towards administering the Trust and £7,410 (2022: £6,540) towards governance costs, there was a net decrease in unrestricted funds during the year of £2,811,041 (2022: decrease of £3,015,643). In light of the change of policy regarding the utilisation of the expendable endowment, the trustees have made a transfer of £2,811,041 (2022: £3,015,643) from this to eliminate the total deficit on unrestricted funds.

Details of all scholarships, grants and donations made in the year are included in notes 4 and 5 of the accounts.

The Trustees feel that their objectives have been adequately met this year. However, the Trustees are aware that there are external factors which could affect the achievement of their objectives as a significant part of the charity's assets are made up of investments and cash, the value of which is dependent on the general performance of the UK and overseas stock markets. In order to minimise the risk of poor performance of such stock markets, the Trustees have set prudent investment policies and place reliance on the investment managers to monitor and advise on the necessary investment changes and suitable asset allocation.

Plans for Future Periods

From 2024 the Trust intends to revert to spending just its income, with the aim of supporting no more than 12 charities each year. Unsolicited applications will continue not to be accepted.

Investment Policy

The Trustees' investment powers are governed by the Trust Deed, which permits the Trust's funds to be invested in the purchase of, or interest in stocks, funds, shares, securities or any investment anywhere in the world, as the Trustees see fit in the furtherance of the charity's objectives.

Investment advisors to the Trustees during the year were Rathbones Investment Management Limited and Investec Wealth & Investment Limited. The Trustees' policy is to seek the highest rate of 'total return' from first class investments, principally securities listed on the UK Stock Exchange. The Trustees have agreements with Rathbones and Investec that the Trustees' investment objective is to obtain a reasonable long term overall return, whilst generating a target income. Appropriate benchmarks with the investment advisors have been agreed. The Trustees have specifically requested that, in so far as is compatible with security of capital and its maintenance in real terms, the Trust's income is to keep pace with inflation to ensure that its level of giving is not diminished.

During the year ended 31st March 2023 the Trust's investments have continued to be managed in conformity with the Trustees' policy and the Trust Deed.

Whilst investment performance is reviewed quarterly, with a formal strategic review with the investment managers each year, a detailed performance review is carried out at five yearly intervals.

The next review was scheduled to take place in February 2019, but in light of the disinvestment programme arising from the change of policy regarding the expendable endowment, the trustees agreed to postpone this until February 2024.

THE BAND TRUST

REPORT OF THE TRUSTEES (CONTINUED)

Activities, specific objectives and relevant policies - continued

Reserves Policy

Note 13 to the accounts shows the assets and liabilities attributable to the various funds by type.

As noted above, the Trustees have changed their policy and have commenced making grants out of the expendable endowment fund. The unrestricted fund deficit will be eliminated by a transfer from the expendable endowment fund.

Consequently, in the light of this, the Trustees' reserve policy is that it is not necessary to maintain free reserves.

Fundraising Statement

The Trust does not actively solicit donations and therefore is not registered with the Fund Raising Regulator or subscribe to any fundraising code of practice. When donations from individuals are from time to time received the Trust aims to protect personal data and never sell or swap such data with any other organisations, but no such donations have been received for many years. During the year ended 31 March 2023, the Trust received no complaints about its fundraising activities.

Risk Policy

The Trustees are responsible for the management of the risks faced by the Trust. Risks are identified and assessed and controls are established throughout the year. A formal review of the Trust's risk management process is undertaken on an annual basis and the key risks identified are as follows:

- Ineffective financial controls
 - Investments
These risks are mitigated by engaging two independent investment managers who are regulated and in high standing in the market place.
 - Cash
These risks are mitigated by having income mandated direct to the Trust bank account, expenses must be authorised and cheques issued must be signed by 3 out of the 6 Trustees. Also all grants are approved at Trustees' meetings and included in the minutes.
- Inadequate financial planning
 - These risks are mitigated by preparing projected income and expenditure statements regularly which are presented at Trustees' meetings. Committing to donations is only undertaken on review of projected income and even if there is an unexpected shortfall this can be compensated by either drawing from the expendable endowment or by reducing future expenditure.

The key controls used by the Trust include formal agendas and minutes for all Trustees' meetings, comprehensive planning, budgeting and accounting and clear authorisation and approval levels of all grants and other expenditure.

THE BAND TRUST

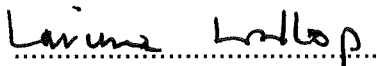
REPORT OF THE TRUSTEES (CONTINUED)

Activities, specific objectives and relevant policies - continued

Risk Policy - continued

Through the risk management processes established, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. The major risks to which the Trust is exposed as identified by the Trustees have been reviewed and systems have been established to mitigate those risks.

For and on behalf of the Trustees:


.....
Lavinia Wallop - Trustee

31 11/ 23
Date:

THE BAND TRUST

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF THE BAND TRUST

Opinion

We have audited the accounts of the Band Trust (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the 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 March 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

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

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

THE BAND TRUST

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF THE BAND TRUST - CONTINUED

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Charities Act 2011.
- ◆ We understood how The Band Trust is complying with those frameworks by making enquires of Trustees and those responsible for legal and compliance procedures. We corroborated our enquires through our review of board minutes to identify non-compliance with laws and regulations and review of any legal expenses.

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

- ◆ making enquiries of those charged with governance as to their knowledge of any breaches of laws or regulations;
- ◆ reviewing minutes of trustees' meetings; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon; and

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

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of trustee meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims

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

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

THE BAND TRUST

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF THE BAND TRUST - CONTINUED

Auditor's responsibilities for the audit of the accounts - continued

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



.....
Buzzacott LLP

Statutory Auditor

130 Wood Street

London

EC2V 6DL

Date: 13 November 2023
.....

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

THE BAND TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31ST MARCH 2023

	Note	Unrestricted funds £	Expendable endowment £	2023 Total funds £	Unrestricted funds £	Expendable endowment £	2022 Total funds £
Income from:							
Investments	1a	625,929	-	625,929	706,099	-	706,099
Other	1b		760	760	-	-	-
Total		625,929	760	626,689	706,099	-	706,099
Expenditure on:							
Raising funds							
Investment management fees	2	-	106,840	106,840	-	132,440	132,440
Charitable activities							
Provision of aid to UK residents in need of care	3	3,436,970	-	3,436,970	3,723,536	-	3,723,536
Total		3,436,970	106,840	3,543,810	3,723,536	132,440	3,855,976
Net (expenditure) before net (loss) / gains on investments		(2,811,041)	(106,080)	(2,917,121)	(3,017,437)	(132,440)	(3,149,877)
Net (loss) / gains on investments		-	(1,464,696)	(1,464,696)	-	1,346,627	1,346,627
Net (loss) / gains on foreign exchange		-	(16,812)	(16,812)	1,794	-	1,794
Net (expenditure) / income and net movement in funds		(2,811,041)	(1,587,588)	(4,398,629)	(3,015,643)	1,214,187	(1,801,456)
Transfer of funds		2,811,041	(2,811,041)	-	3,015,643	(3,015,643)	-
Reconciliation of Funds							
Total funds brought forward		-	21,285,545	21,285,545	-	23,087,001	23,087,001
Total funds carried forward		-	16,886,916	16,886,916	-	21,285,545	21,285,545

The notes on pages 17 to 24 form part of these accounts.

All of the charity's activities derived from continuing operations during the above two financial years.

There were no recognised gains or losses in the period other than those in the Statement of Financial Activities.

THE BAND TRUST

BALANCE SHEET

AS AT 31ST MARCH 2023

	Note	£	2023	£	£	2022	£
Fixed assets							
Investments	9		18,204,771			22,785,020	
Current assets							
Debtors	10	-			282		
Cash at bank		238,838			769,671		
		238,838			769,953		
Liabilities							
Creditors: Amounts falling due within one year	11	(1,556,693)			(2,269,428)		
Net current (liabilities)				(1,317,855)		(1,499,475)	
Net assets				16,886,916		21,285,545	
Funds of the Charity							
Unrestricted income funds				-		-	
Expendable endowment funds	12			16,886,916		21,285,545	
Total Charity Funds				16,886,916		21,285,545	

The financial statements on pages 10 to 24 were approved

by the trustees on31/11/23

and signed on their behalf by:

Lavinia Wallop
Lavinia Wallop - Trustee

THE BAND TRUST

STATEMENT OF CASH FLOWS

YEAR ENDED 31ST MARCH 2023

	Notes	£	2023	£	£	2022	£
Net cash used in operating activities	1		(4,273,075)			(5,054,671)	
Cash flows from investing activities:							
Interest received & rebates		18,514			649		
Investment & other income received		608,175			705,168		
Payments to acquire investments		(2,189,802)			(4,320,705)		
Receipts from the disposal of Investments		4,938,769			6,884,259		
Net cash provided by investing activities			3,375,656			3,269,371	
Change in cash and cash equivalents in the year	2		(897,419)			(1,785,300)	
Cash and cash equivalent brought forward			1,604,148			3,389,448	
Cash and cash equivalents carried forward	3		706,729			1,604,148	

THE BAND TRUST

NOTES TO THE STATEMENT OF CASH FLOWS

YEAR ENDED 31ST MARCH 2023

		2023	2022	
		£	£	
1	Reconciliation of net movement in funds to net cash flow from operating activities			
	Net movement in funds for the reporting period (as per the statement of financial activities)	(4,398,629)	(1,801,456)	
	Adjustments for:			
	Net losses / (gains) on investments	1,464,696	(1,346,627)	
	Interest receivable & rebates	(18,514)	(649)	
	Investment & other income receivable	(608,175)	(705,168)	
	Decrease in debtors	282	403,240	
	(Decrease) in creditors	(712,735)	(1,604,011)	
	Net cash used in operating activities	(4,273,075)	(5,054,671)	
		2023	2022	
		£	£	
2	Reconciliation of net cash flow to movement in net funds			
	Balance at 1 April 2022	1,604,148	3,389,448	
	Net cash (outflow)	(897,419)	(1,785,300)	
	Balance at 31 March 2023	706,729	1,604,148	
		2023	2022	
		£	£	
3	Analysis of cash and cash equivalents			
	Capital cash held by investment managers	467,891	834,477	
	Cash at bank and in hand	238,838	769,671	
		706,729	1,604,148	
4	Analysis of changes in net debt	At 1 April 2022	Cash flows	At 31 March 2023
		£	£	£
	Capital cash held by investment managers	834,477	(366,586)	467,891
	Cash at bank and in hand	769,671	(530,833)	238,838
		1,604,148	(897,419)	706,729

THE BAND TRUST

PRINCIPAL ACCOUNTING POLICIES

YEAR ENDED 31ST MARCH 2023

(a) Basis of accounting

These accounts have been prepared for the year ended 31 March 2023.

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 (FRS 102) (Charities SORP FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

Critical accounting estimates and areas of judgement

No significant accounting estimates were required or made by the Trustees in the preparation of the financial statements.

(b) Income recognition

All income is recognised in the period in which the charity is entitled to receipt, the amount can be measured with reasonable certainty and it is probable that the income will be received.

(i) Income from listed investments

Dividends and interest from listed investments, including associated tax credits, are credited to the statement of financial activities when they are receivable by the charity.

(ii) Interest

Bank interest is credited to the statement of financial activities when it is receivable by the charity.

(c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

THE BAND TRUST

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

YEAR ENDED 31ST MARCH 2023

(c) Expenditure recognition – continued

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

The costs of raising funds comprise those costs directly attributable to managing the charity's investment portfolio and raising investment income.

Charitable activities comprise grants payable in pursuance of the objectives of the Charity and in meeting the costs of administering the grants programme. Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching to them are fulfilled. Grants offered subject to conditions which have not been met at the year end, are noted as commitments but not accrued as expenditure in the accounts. Charitable activities also comprise governance costs which include costs which are directly attributable to legal procedures necessary for compliance with statutory requirements.

(d) Pension contributions

Contributions in respect of the Trust's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The Trust's contributions are restricted to the contributions disclosed in note 6. There were no outstanding contributions at the year end. The Trust has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

(e) Taxation

The Trust is a registered charity under the Charities Act 2011 and is not liable to UK income, corporation or capital gains tax on its income and chargeable gains as these fall within the various exemptions available to registered charities.

(f) Fund accounting

Unrestricted funds comprise those funds which the trustees are free to use in accordance with their charitable objects.

The expendable endowment fund represents those assets that must be held by the charity, principally investments and cash at bank. Income arising from the endowment fund must be used in accordance with the objects of the charity and is included in the statement of financial activities as unrestricted income. Any realised and unrealised gains and losses arising on the investments form part of the expendable endowment fund. Under the terms on which the endowment fund was given to the charity, expenditure incurred on investment management fees and any legal or other advice given specifically in connection with the fund, may be charged against it.

(g) Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Trust does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

THE BAND TRUST

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

YEAR ENDED 31ST MARCH 2023

(g) Fixed asset investments – continued

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

(h) Debtors

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

(i) 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.

(j) 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 Trust anticipates it will pay to settle the debt.

(k) 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.

At the year end the Trust had £Nil unrestricted reserves. The Trustees believe that the Trust's financial statements should be prepared on a going concern basis on the grounds that the Trust has sufficient liquid resources and that the Trustees have the power under the Trust Deed to utilise the expendable endowment fund for charitable purposes at their discretion.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due. With regard to the next accounting period, the year ending 31 March 2024, the most significant areas that affect the carrying value of the assets held by the Trust are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

THE BAND TRUST

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2023

1a	Income from Investments	2023 Unrestricted funds £	2022 Unrestricted Funds £
	Income from listed investments	608,175	705,168
	Income from tax repayments / rebates	-	282
	Interest receivable	17,754	649
		<u>625,92</u>	<u>706,099</u>
1b	Income from Other	2023 Endowment Funds £	2022 Endowment Funds £
	Residual cash from historic corporate actions, liquidations and class actions	760	-
2	Expenditure on raising funds	2023 Endowment Funds £	2022 Endowment Funds £
	Investment management fees	<u>106,840</u>	<u>132,440</u>
3	Provision of aid to UK residents in need of care	2023 Unrestricted Funds £	2022 Unrestricted funds £
	Grants payable		
	Donations (note 4)	3,278,737	3,558,194
	Scholarships (note 5)	50,000	50,000
	Grant administration costs	100,823	108,802
	Governance costs - Audit fees (including VAT)	7,410	6,540
		<u>3,436,970</u>	<u>3,723,536</u>

THE BAND TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31ST MARCH 2023

4	Donations by type – unrestricted funds	Note	2023 £	2022 £
	Children and Young People	a	430,000	655,000
	Disabled	b	325,000	465,000
	Disadvantaged	c	275,000	720,000
	Educational	d	300,000	775,000
	Elderly	e	12,000	287,000
	Individuals	f	17,737	17,594
	Hospice and Hospital	g	500,000	600,000
	Miscellaneous	h	15,000	20,000
	Museums and other Art Institutions	i	1,020,000	-
	Prisons	j	30,000	-
	Veterans	k	320,000	-
	Miscellaneous up to £2,000	l	34,000	18,600
			<u>3,278,737</u>	<u>3,558,194</u>

a)	<i>Children and Young People</i>	2023 £	2022 £
	Farms for City Children	-	120,000
	Home-Start UK	80,000	100,000
	Opera Holland Park	-	40,000
	Over the Wall Camp	50,000	35,000
	Schoolreaders	-	75,000
	Spread a Smile	-	30,000
	The Benjamin Foundation	-	75,000
	The Royal Academy of Culinary Arts' 'Adopt a School Trust'	125,000	-
	The Royal Ballet School	45,000	25,000
	The Second Chance Children's Charity	-	50,000
	The Sick Children's Trust	130,000	50,000
	Yorkshire Ballet Seminars	-	55,000
		<u>430,000</u>	<u>655,000</u>

b)	Disabled	2023 £	2022 £
	Bag Books	-	25,000
	Helen Arkell Dyslexia Charity	30,000	-
	KIDS	-	80,000
	Merlin MS Centre Ltd	25,000	120,000
	MK Snap	80,000	-
	Neuromuscular Centre	100,000	20,000
	St Elizabeth's Centre	(25,000)	-
	The British Library	-	20,000
	The Courtauld Institute of Art	-	50,000
	The Lake District Calvert Trust	-	150,000
	The Stroke Association	100,000	-
	The Willow Trust	15,000	-
		<u>325,000</u>	<u>465,000</u>

THE BAND TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31ST MARCH 2023

	2023 £	2022 £
c) Disadvantaged		
ADAPT Charity	25,000	-
Buttle UK	-	50,000
Cleanup United Kingdom	60,000	-
Community Heart Productions	15,000	-
Creative Sparkworks	-	(10,000)
Emmaus Hampshire	-	175,000
Nordoff-Robbins Music Therapy	75,000	-
One Small Thing	-	400,000
People and Drugs	-	30,000
St Mary Le Bow Homeless Charity	-	75,000
The Felix Project	100,000	-
	<u>275,000</u>	<u>720,000</u>
d) Educational		
Art History Link-Up	-	40,000
Friends of Ashton	25,000	-
Mary Rose Trust	25,000	-
National Holocaust Centre and Museum	-	150,000
Nucleo Project	-	75,000
Opera Holland Park	-	20,000
Royal Academy of Music	-	150,000
The Garden Museum	-	25,000
The Jewish Museum	-	65,000
The Royal Horticultural Society	-	250,000
The Stowe House Preservation Trust	250,000	-
	<u>300,000</u>	<u>775,000</u>
e) Elderly		
Barristers' Benevolent Fund	2,000	2,000
Friends of the Elderly	10,000	260,000
Re-engage Ltd	-	25,000
	<u>12,000</u>	<u>287,000</u>
f) Individuals		
Gagliardi, Leonardo	<u>17,737</u>	<u>17,594</u>

THE BAND TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31ST MARCH 2023

g) Hospice and Hospital	£	£
Horatio's Garden	250,000	-
King Edward VII's Hospital Sister Agnes	250,000	-
Royal Hospital for Neuro-Disability	-	500,000
Royal Trinity Hospice	-	100,000
	<u>500,000</u>	<u>600,000</u>
h) Miscellaneous	2023 £	2022 £
The Commonwealth Walkway Trust	15,000	-
The Queen's Green Canopy	-	20,000
	<u>15,000</u>	<u>20,000</u>
i) Museums and other Art Institutions	2023 £	2022 £
Quentin Blake Centre for Illustration	350,000	-
Royal Albert Hall Trust	220,000	-
Royal Opera House Covent Garden Foundation	350,000	-
The Handel House Trust Limited	100,000	-
	<u>1,020,000</u>	<u>-</u>
j) Prisons	2023 £	2022 £
Prison Reform Trust	30,000	-
k) Veterans	2023 £	2022 £
ABF The Soldier's Charity	100,000	-
Blind Veterans UK	120,000	-
The Not Forgotten Association	100,000	-
	<u>320,000</u>	<u>-</u>
l) Miscellaneous up to £2,000	2023 £	2022 £
Various	34,000	18,600

THE BAND TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31ST MARCH 2023

	2023 £	2022 £
5 Scholarships – unrestricted funds		
Honourable Society of Gray's Inn	<u>50,000</u>	<u>50,000</u>
	<u>50,000</u>	<u>50,000</u>
6 Staff costs		
Staff costs during the year were as follows:	2023 £	2022 £
Wages and salaries	26,400	24,600
Social security costs	152	262
Pension costs	<u>2,630</u>	<u>2,476</u>
	<u>29,182</u>	<u>27,338</u>

The average number of employees during the year was 1 (2022 - 1) and the full time equivalent number of persons employed was 0.6 (2022 – 0.6). Employee time involved either providing support to the governance of the charity or support services to charitable activities.

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2022 - none).

7 Future commitments

Scholarships totalling up to £50,000 are payable on an annual basis and it is envisaged these payments will continue in the future.

8 Remuneration of Trustees and key management personnel

The Trust considers its key management personnel to be all of the trustees.

No trustee received any remuneration in respect of their services during the year (2022 - £nil).

R J S Mason provides accountancy services and financial advice to the charity during the year. The total fees (including VAT and disbursements) paid to RJS Mason were £30,720 (2022: £30,860).

B Peerless is a partner of Charles Russell Speechlys LLP, firms of solicitors. The fees (including VAT and disbursements) paid to the firm during the year were £19,620 (2022: £28,721) to Charles Russell Speechlys LLP.

The Hon. Nicholas and The Hon. Mrs Wallop were reimbursed for expenditure incurred in the course of their duties during the year totalling £5,204 (2022 - £5,612).

THE BAND TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31ST MARCH 2023

9 Investments	2023 £	2022 £
Market value at 31st March 2022	21,950,543	23,167,470
Add: Acquisitions at cost	2,189,802	4,320,705
Less: Disposal proceeds	(4,938,769)	(6,884,259)
(Loss) / gain on investment assets	(1,464,696)	1,346,627
Market value at 31st March 2023	17,736,880	21,950,543
Add: Investment manager's capital cash	467,891	834,477
Total Investments and Capital cash	18,204,771	22,785,020
Book cost of Investments at 31 st March 2023	13,533,442	15,649,152
The investments included above, all of which were listed on a recognised stock exchange comprise:		
United Kingdom investments	10,677,189	14,271,102
Overseas investments	7,059,691	7,679,441
	17,736,880	21,950,543

As at 31st March 2023 the charity did not hold any shares that were considered material when compared to the total portfolio.

10 Debtors	2023 £	2022 £
HMRC Tax Repayment	-	282
	-	282
11 Creditors: Amounts falling due within one year	2023 £	2022 £
Donations payable	1,490,000	2,201,100
Accountancy fees	30,350	30,350
Audit fees	7,050	6,360
Professional fees	8,220	5,280
Investment management fees	18,390	23,196
Trustee expenses	2,227	3,142
Dividend returned	456	-
	1,556,693	2,269,428

THE BAND TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31ST MARCH 2023

12 Endowment funds	Balance at 1 st April 2022	Expenditure and investment (loss)	Transfer	Balance at 31 st March 2023
	£	£	£	£
Expendable endowments	<u>21,285,545</u>	<u>(1,587,588)</u>	<u>(2,811,041)</u>	<u>16,886,916</u>

	Balance at 1 st April 2021	Expenditure and investment Gains	Transfer	Balance at 31 st March 2022
	£	£	£	£
Expendable endowments	<u>23,087,001</u>	<u>1,214,187</u>	<u>(3,015,643)</u>	<u>21,285,545</u>

The expendable endowment comprises amounts given by the Settlers, of which approximately £500,000 was given by them on creation of the Trust in 1976, a further £500,000 on the death of the first Settlor in 1982 and £10,000,000 on the death of the second Settlor received in 1995 and a further £280,000 received in 1996, the balance representing the growth in value over the period, net of investment management fees.

13 Analysis of net assets between funds	Unrestricted funds	Expendable endowment	2023 Total funds
	£	£	£
Fund balances at 31st March 2023 are represented by:			
Investments	-	18,204,771	18,204,771
Current assets	1,538,303	(1,299,465)	238,838
Current liabilities	(1,538,303)	(18,390)	(1,556,693)
Total net assets	<u>-</u>	<u>16,886,916</u>	<u>16,886,916</u>
Unrealised gains included above:			
On investments	<u>-</u>	<u>4,203,441</u>	<u>4,203,441</u>
Reconciliation of movements in unrealised gains and losses on investment assets			
Unrealised gains at 1st April 2022	-	6,301,393	6,301,393
Less: Unrealised (losses) to 31st March 2023	-	(2,097,952)	(2,097,952)
Unrealised gains at 31st March 2023	<u>-</u>	<u>4,203,441</u>	<u>4,203,441</u>

THE BAND TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31ST MARCH 2023

13 Analysis of net assets between funds (continued)

	Unrestricted funds £	Expendable endowment £	2022 Total funds £
Fund balances at 31st March 2022 are represented by:			
Investments	-	22,785,020	22,785,020
Current assets	2,246,232	(1,476,279)	769,953
Current liabilities	(2,246,232)	(23,196)	(2,269,428)
Total net assets	-	21,285,545	21,285,545
Unrealised gains included above:			
On investments	-	6,301,393	6,301,393
Reconciliation of movements in unrealised gains and losses on investment assets			
Unrealised gains at 1st April 2021	-	7,166,356	7,166,356
Less: Unrealised (losses) to 31 March 2022	-	(864,963)	(864,963)
Unrealised gains at 31st March 2022	-	6,301,393	6,301,393

14 Related party transactions

Other than the transactions disclosed in note 8, there were no other related party transactions in the year ended 31 March 2023 (2022: none).